

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2023

OR

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

For the transition period from to

Commission file number 1-4879

Diebold Nixdorf, Incorporated

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

34-0183970
(I.R.S. Employer Identification No.)

350 Orchard Avenue NE North Canton Ohio
(Address of principal executive offices)

44720-2556
(Zip Code)

Registrants telephone number, including area code (330)490-4000

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock \$0.01 Par Value Per Share	DBD	New York Stock Exchange

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

Indicate by check mark if the registrant is a well-known 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 15(d) of the Exchange Act. Yes No

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

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

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

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>	Non-Accelerated Filer	<input checked="" type="checkbox"/>
Smaller Reporting Company	<input type="checkbox"/>	Emerging Growth Company	<input type="checkbox"/>		

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

Indicate by check mark whether the registrant has filed a report on and attestation to its managements 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 approximate aggregate market value of the voting and non-voting common equity held by non-affiliates as of June 30, 2023 was \$4,801,890.

The number of common shares outstanding as of March 3, 2024 was 37,566,678.

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Diebold Nixdorf, Incorporated's Proxy Statement for the 2024 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

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PART I

ITEM 1: BUSINESS

(dollars in millions)

GENERAL

Diebold Nixdorf, Incorporated (collectively with its subsidiaries, the Company) automates, digitizes and transforms the way people bank and shop. As a partner to the majority of the world's top 100 financial institutions and top 25 global retailers, the Company's integrated solutions connect digital and physical channels conveniently, securely and efficiently for millions of consumers each day. The Company has a presence in more than 100 countries with approximately 21,000 employees worldwide.

Voluntary Reorganization

On June 1, 2023, the Company and certain of its U.S. and Canadian subsidiaries (collectively, the Debtors) filed voluntary petitions in the U.S. Bankruptcy Court for the Southern District of Texas (the U.S. Bankruptcy Court) seeking relief under chapter 11 of title 11 of the U.S. Code (the U.S. Bankruptcy Code). The cases were jointly administered under the caption In re: Diebold Holding Company, LLC, et al. (Case No. 23-90602) (the Chapter 11 Cases). Additionally, on June 1, 2023, Diebold Nixdorf Dutch Holding B.V. (Diebold Dutch) filed a scheme of arrangement relating to certain of the Company's other subsidiaries (the Dutch Scheme Parties) and commenced voluntary proceedings (the Dutch Scheme Proceedings and, together with the Chapter 11 Cases, the Restructuring Proceedings) under the Dutch Act on Confirmation of Extrajudicial Plans (Wet homologatie onderhands akkoord) (the Dutch Act) in the District Court of Amsterdam (the Dutch Court). In addition, on June 12, 2023, Diebold Dutch filed a voluntary petition for relief under chapter 15 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court seeking recognition of the Dutch Scheme Proceedings as a foreign main proceedings and related relief (the Chapter 15 Proceedings).

On July 13, 2023, the U.S. Bankruptcy Court entered an order (the Confirmation Order) confirming the Debtors' Second Amended Joint Prepackaged Chapter 11 Plan of Reorganization (the U.S. Plan). On August 2, 2023, the Dutch Court entered an order (the WHOA Sanction Order) sanctioning the Netherlands WHOA Plan of Diebold Dutch and the Dutch Scheme Companies (the WHOA Plan) in the Dutch Scheme Proceedings. On August 7, 2023, the U.S. Bankruptcy Court entered an order in the Chapter 15 Proceedings recognizing the WHOA Plan and the WHOA Sanction Order.

On August 11, 2023 (the Effective Date or Fresh Start Reporting Date), the U.S. Plan and WHOA Plan (together, the Plans) became effective in accordance with their terms and the Debtors and the Dutch Scheme Parties emerged from the Chapter 11 Cases and the Dutch Scheme Proceedings. Following filing the notice of the Effective Date with the U.S. Bankruptcy Court, the Chapter 15 Proceedings were closed.

As discussed in Note 1 of the consolidated financial statements—Summary of Significant Accounting Policies, upon emergence from the Chapter 11 Cases and Dutch Scheme Proceedings, the Company qualified for and adopted fresh start accounting (Fresh Start Accounting), which resulted in the Company becoming a new entity for financial reporting purposes. References to "Predecessor" relate to the consolidated balance sheets as of December 31, 2022, and consolidated statements of operations for the twelve months ended December 31, 2022 and 2021, and for the period from January 1, 2023 through and including the adjustments from the application of Fresh Start Accounting on August 11, 2023 (Predecessor Period). References to "Successor" relate to the consolidated balance sheet of the reorganized Company as of December 31, 2023 and consolidated statements of operations for the period from August 12, 2023 through December 31, 2023 (Successor Period) and are not comparable to the consolidated financial statements of the Predecessor as indicated by the "black line" division in the financial statements and footnote tables, which emphasizes the lack of comparability between amounts presented. The Company's financial results for future periods following the application of Fresh Start Accounting will be different from historical trends and the differences may be material.

For a more detailed discussion of the Restructuring Proceedings, see Note 2 and Note 3 to our consolidated financial statements.

Strategy

The Company seeks to continually enhance the consumer experience at bank and retail locations while simultaneously streamlining cost structures and business processes through the smart integration of hardware, software and services. The Company partners with other leading technology companies and regularly refines its research and development (R&D) spend to support a better transaction experience for consumers.

Operational Priorities

The Company is establishing foundational priorities to support its business for the current environment and beyond. The Company is committed to a journey of continuous improvement, focusing on key processes to continuously deliver customer value, driven by four elements:

- People;
- Profitable Revenue Growth;
- Margin Expansion; and
- Free Cash Flow Conversion.

Through trust, transparency and a shared commitment to excellence, the Company strives to attract, develop and retain exceptional people. It is focused on creating leading-edge products, delivering world-class service and committing to employee engagement to deliver on key objectives.

A strong team drives profitable revenue growth -- winning new customers, increasing the Company's wallet share with existing customers, and accelerating growth through innovation with crisp commercial execution. The Company also seeks to grow its revenue by executing on a R&D technology pipeline to innovate for customers and maintain technology leadership.

To effectively expand margin while exceeding customer expectations with best-in-class quality, delivery and cost, the Company works to accelerate customer adoption of remote diagnostics and resolution to drive service efficiencies, simplify its product set to reduce component costs and complexity, and implement an industry-leading operating expense profile.

Finally, the Company endeavors to execute on levers to improve free cash flow conversion, effectively managing working capital to free up cash to invest in the business while continuing to reduce interest costs. The Company also aims to linearize and smooth quarterly seasonality in its cash generation.

Services and Product Solutions

The Company offers a broad portfolio of solutions designed to automate, digitize and transform the way people bank and shop. As a result, the Company's operating structure is focused on its two customer segments — Banking and Retail. Leveraging a broad portfolio of solutions, the Company offers customers the flexibility to purchase combinations of services, software and products that drive the most value to their business.

In 2020, the Company launched the AllConnectSM Data Engine (ACDE), which enables a more data-driven and predictive approach to services. As of December 31, 2023, more than 230,000 of the Company's banking and retail devices were connected to ACDE. As the number of connected devices increases, the Company expects to benefit from more efficient and cost-effective operations.

Banking

The Company provides integrated solutions for financial institutions of all sizes designed to help drive operational efficiencies, differentiate the consumer experience, grow revenue and manage risk.

Banking Services

Services represents the largest operational component of the Company and includes product-related services, implementation services and managed services. Product-related services incidents are managed through remote service capabilities or an on-site visit. The portfolio includes contracted maintenance, preventive maintenance, "on-demand" maintenance and total implementation services. Implementation services help our customers effectively respond to changing customer demands and includes scalable solutions based on globally standardized processes and tools, a single point of contact and reliable local expertise. Managed services and outsourcing consist of managing the end-to-end business processes and technology integration. Our integrated business solutions include self-service fleet management, branch life-cycle management and ATM as-a-service capabilities.

The Company's DN Vynamic software is the first end-to-end software portfolio in the banking marketplace designed to simplify and enhance the consumer experience. This platform is cloud-native, provides new capabilities and supports advanced transactions via open application program interface (API). In addition, the Company's software suite simplifies operations by eliminating the traditional focus on internal silos and enabling inter-connected partnerships between financial institutions and payment providers. Through its open approach, DN Vynamic brings together legacy systems, enabling new levels of connectivity, integration, and interoperability. The Company's software suite provides a shared analytic and transaction engine. The DN Vynamic platform can generate new insights to enhance operations; prioritizing consumer preferences rather than technology.

Banking Products

The banking portfolio of products consists of cash recyclers and dispensers, intelligent deposit terminals, teller automation and kiosk technologies. As financial institutions seek to expand their self-service transaction set and reduce operating costs by shrinking their physical branch footprint, the Company offers the DN Series® family of self-service solutions.

DN Series is the culmination of several years of investment in consumer research, design and engineering resources. Key benefits and features of DN Series include:

- superior availability and performance;
- next-generation cash recycling technology;
- full integration with the DN Vynamic® software suite;
- a modular and upgradeable design which enables customers to respond more quickly to changing customer demands;
- higher note capacity and processing power;
- improved security safeguards to protect customers against emerging physical, data and cyber threats;
- physical footprint as much as 40% less vs. competing ATMs in certain models;
- made of recycled and recyclable materials and is 25% lighter than most traditional ATMs, reducing CO₂ emissions both in the manufacturing and transportation of components and terminals;
- uses LED technology and highly efficient electrical systems, resulting in up to 50% power savings versus traditional ATMs; and
- increased branding options for financial institutions.

Retail

The Company's comprehensive portfolio of retail solutions, software and services improves the checkout process for retailers while enhancing shopping experiences for consumers.

Retail Services

Diebold Nixdorf AllConnect Services® for retailers include maintenance and availability services to continuously optimize the performance and total cost of ownership of retail touchpoints, such as checkout, self-service and mobile devices, as well as critical store infrastructure. The solutions portfolio includes: implementation services to expand, modernize or upgrade store concepts; maintenance services for on-site incident resolution and restoration of multivendor solutions; support services for on-demand service desk support; operations services for remote monitoring of stationary and mobile endpoint hardware; as well as application services for remote monitoring of multivendor software and planned software deployments and data moves. As a single point of contact, service personnel plan and supervise store openings, renewals and transformation projects, with attention to local details and customers' global IT infrastructure.

The DN Vynamic software suite for retailers provides a comprehensive, modular and open solution ranging from the in-store check-out to solutions across multiple channels that improve end-to-end store processes and facilitate continuous consumer engagements in support of a digital ecosystem. This includes click & collect, reserve & collect, in-store ordering and return-to-store processes across the retailers physical and digital sales channels. Operational data from a number of sources, such as enterprise resource planning (ERP), POS, store systems and customer relationship management systems (CRM), may be integrated across all customer connection points to create seamless and differentiated consumer experiences.

In 2021, the Company announced it entered the electric vehicle (EV) charging station services market, which has a customer profile potentially comparable to the existing retail business. Our global services capability, including our technicians, our skills in global spare parts logistics management, and multi-lingual help desks have initially resonated with market participants who own public charging stations.

Retail Products

The retail product portfolio includes self-checkout (SCO) products and ordering kiosks facilitate a seamless and efficient transaction experience. In 2023, the Company introduced the DN Series™ EASY ONE, the newest member of its DN Series EASY family of self-service solutions. The DN Series EASY ONE is a revolutionary checkout platform built to transform the assisted and self-service shopping experiences, improve store efficiency and reduce retailer total cost of ownership. Designed for retail environments where maximum flexibility is required, the DN Series EASY ONE can be configured for assisted, semi-assisted or full self-service checkout while offering tremendous options for peripherals and mounting. The DN Series EASY MAX Kiosk automates routine tasks and in-store transactions, offers order-taking abilities, particularly at quick service restaurants (QSRs) and fast casual restaurants and presents functionality that furthers store automation and digitalization. The retail product portfolio also includes modular and integrated, "all-in-one" point of sale (POS) and self-service terminals that meet changing consumer shopping journeys, as well as retailers' and store staff's automation requirements. Supplementing the POS system is a broad range of peripherals, including printers, scales and mobile scanners, as well as the cash management portfolio, which offers a wide range of banknote and coin processing systems. Additionally, our retail software solutions are inclusive of a cloud native software platform which is hardware agnostic and multi-vendor capable.

COMPETITION

The Company competes with global, regional and local competitors to provide technology solutions for financial institutions and retailers. The Company differentiates its offerings by providing a wide range of dynamic solutions that leverage innovations in advanced security, biometric authentication, artificial intelligence, mobile connectivity, contactless transactions, cloud computing and Internet of Things (IOT).

Competitors in the self-service banking market include NCR Atleos, Hyosung TNS, GRG Banking Equipment, Glory Global Solutions, Hitachi CS, Oki Data and Triton Systems, as well as a number of local manufacturing and service providers.

In the self-service software market, the Company, in addition to the key hardware players, competes with several companies like KAL, Fiserv, Auriga SPA, ESQ Data Solutions and with the internal software development teams of banks (proprietary software).

In certain countries, the Company sells to and/or competes with Independent ATM Deployers (IADs), such as Payment Alliance International and Euronet. Since its acquisition of Cardtronics' international business in June 2021, NCR Atleos is an Independent ATM deployer and a competitor in this segment.

In the retail market, the Company helps retailers transform their stores to a consumer-centric approach by providing POS, advanced self-service solutions, retail cloud software and services. The Company competes with key players like NCR Voyix plus other technology firms such as Toshiba and Fujitsu, and specialized software players such as GK Software, Oracle, Aptos, PDI and PCMS. Many retailers also work with proprietary software solutions.

For its services offerings, the Company perceives competition to be fragmented, especially in the product-related services segment. While other manufacturers provide basic levels of product support, the competition also includes local and regional third-party providers. With respect to higher-value managed services, the Company competes with large global hardware manufacturers and IT service providers in the Banking and Retail areas.

OPERATIONS

The Company's operating results and the amount and timing of revenue are affected by numerous factors, including supply chain, production schedules, customer priorities, sales volume and mix. During the past several years, the Company has honed its offerings to become a total solutions provider. As a result of the emphasis on services and software, the nature of the Company's workforce is changing and requires new skill sets in areas such as:

- advanced security and compliance measures;
- advanced sensors;
- IOT;
- modern field services operations;
- cloud computing;
- analytics;
- artificial intelligence; and
- as-a-service expertise.

The principal raw materials used by the Company in its manufacturing operations are steel, plastics, electronic parts and components and spare parts, which are purchased from various major suppliers.

The Company carries working capital mainly related to trade receivables and inventories. Inventories generally are manufactured or purchased as orders are received from customers. The Company's customary payment terms typically range from 30 to 90 days from date of invoice. The Company generally does not offer extended payment terms. The Company also provides financing arrangements to customers that are largely classified and accounted for as sales-type leases.

HUMAN CAPITAL MANAGEMENT

We are a world leader in automating, digitizing, and transforming the way people bank and shop. However, we would not be in that position without our employees, one of our most valuable assets. Diebold Nixdorf is improving the employee experience by leveraging best practices and investing in the tools necessary to develop and reward talent across the Company.

Employee Profile

As of December 31, 2023, we employed approximately 21,000 associates globally supporting more than 100 countries.

Culture

We govern our actions by our shared values: Accountability, Collaboration, Decisiveness, a Sense of Urgency and a Willingness to Change. Our values help employees feel appreciated, involved, connected and supported, and that they have equal opportunity to succeed. We continue to drive our cultural evolution through our diversity and inclusion programs, employee resource groups, employee volunteer initiatives, robust internal communications, employee development programs and performance management process.

Diversity and Inclusion

The Company is committed to establishing a culture of diversity and inclusion where everyone is accepted, valued, supported and encouraged to thrive. We value the different perspectives and solutions our communities bring to the Company, and we believe these perspectives have a positive impact on how we innovate and grow. Our expectation is that our diversity and inclusion program will guide improvements in our culture - specifically, recruiting, training, policies and reporting, leader expectations, and benefits. In 2023, we continued to promote employee resource groups, including Women in the Workplace, DN Pride and Multi-Cultural. We are continuing to enhance our diversity and inclusion initiatives to recruit, retain and promote a diverse workforce. We believe these efforts will not only promote innovation and growth but will also strengthen our relationships with customers spanning more than 100 countries with diverse cultural, gender, racial and other profiles.

Employee Engagement

We have invested in our internal communications resources to better engage our employees. We have an internal intranet, called The Exchange, to keep employees informed about key changes to our business, new product launches and progress on strategic initiatives. In 2023, we reinstated our global employee experience survey to monitor and improve our employee engagement.

Talent

To maintain a competitive workforce, the Company is evolving and enhancing how we train, identify and promote key talent. Additionally, the Company has continually improved and standardized our employee review process – encouraging regular performance reviews and feedback that will set clear expectations, motivate employees and reinforce the connection between pay and performance. We offer talent review, succession planning, and individual development plan capabilities across the globe.

Health, Safety and Wellness

Throughout our history, we have maintained our commitment to providing a safe workplace that protects against and limits personal injury. We follow international standards and regulations for product safety and security. Our Design-For-Quality approach covers R&D Quality, Manufacturing Quality and Supplier Quality. During the course of product development, these functions regularly participate in solution requirements and specification reviews. In the later phases of development, we define and perform various tests to ensure Product Safety and Security. We evaluate risks using both government-required procedures and best practices to ensure we understand residual risk and appropriately protect our employees. Frequent training ensures that employees are informed promptly about legal and internal requirements.

Compensation

Our compensation program is designed to attract and retain employees and to maintain a strong pay for performance culture. We regularly assess the current business environment and labor market to ensure our compensation programs reflect current best practices. We benchmark and set pay ranges based on market data for our jobs. We believe that these practices will help to motivate and engage our broader base of employees resulting in sustained increases in shareholder value and reflects our compensation philosophy in aligning long-term pay and performance.

PRODUCT BACKLOG

The Company's product backlog was approximately \$1,100 and \$1,400 as of December 31, 2023 and 2022, respectively. The backlog generally includes orders estimated or projected to be shipped or installed within 18 months. Although the Company believes the orders included in the backlog are firm and are sometimes paid in advance, some orders may be canceled by customers without penalty, and the Company may elect to permit cancellation of orders without penalty where management believes it is in the Company's best interests to do so. Historically, the Company has not experienced significant cancellations within its product backlog. Additionally, over 50 percent of the Company's revenues are derived from its service business, for which backlog information is not measured. Therefore, the Company does not believe that its product backlog, as of any particular date, is necessarily indicative of revenues for any future period.

PATENTS, TRADEMARKS, LICENSES

The Company owns patents, trademarks and licenses relating to certain products across the globe. While the Company regards these as items of importance, it does not deem its business as a whole, or any industry segment, to be materially dependent

upon any one item or group of items. The Company intends to protect and defend its intellectual property, including pursuit of infringing third parties for damages and other appropriate remedies.

GOVERNMENT REGULATION

As a company with global operations, we are subject to complex foreign and U.S. laws and regulations, including trade regulations, tariffs, import and export regulations, anti-bribery and corruption laws, antitrust or competition laws, data privacy laws, such as the EU General Data Protection Regulation (the GDPR), and environmental regulations, among others. We have policies and procedures in place to promote compliance with these laws and regulations. Notwithstanding their complexity, our compliance with these laws and regulations, including environmental regulations, generally, does not, and is not expected to, have a material effect on our capital expenditures, earnings or competitive position. Government regulations are subject to change, and accordingly we are unable to assess the possible effect of compliance with future requirements or whether our compliance with such regulations will materially impact our business in the future.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Refer to Item 10 of this annual report on Form 10-K for information on the Company's executive officers, which is incorporated herein by reference.

AVAILABLE INFORMATION

The Company uses its Investor Relations web site, <http://investors.dieboldnixdorf.com>, as a channel for routine distribution of important information, including stock information, news releases, investor presentations and financial information. The Company posts filings as soon as reasonably practicable after they are electronically filed with, or furnished to, the U.S. Securities and Exchange Commission (SEC), including its annual, quarterly, and current reports on Forms 10-K, 10-Q, and 8-K; its proxy statements; registration statements; and any amendments to those reports or statements. All such postings and filings are available on the Company's Investor Relations web site free of charge. In addition, this web site allows investors and other interested persons to sign up to automatically receive e-mail alerts when the Company posts news releases and financial information on its web site. Investors and other interested persons can also follow the Company on X (formerly known as Twitter) at <http://twitter.com/dieboldnixdorf>. The content on any web site referred to in this annual report on Form 10-K is not incorporated by reference into this annual report unless expressly noted.

ITEM 1A: RISK FACTORS

(dollars and euros in millions, except for per share values)

The following are certain risk factors that could affect the Company's business, financial condition, operating results and cash flows. These risk factors should be considered in connection with evaluating the forward-looking statements contained in this annual report on Form 10-K because they could cause actual results to differ materially from those expressed in any forward-looking statement. The risk factors highlighted below are not the only ones the Company faces. Although the risks are organized by headings, and each risk is discussed separately, many are interrelated. Readers should not interpret the disclosure of any risk factor to imply that the risk has not already materialized. If any of these events actually occur, the Company's business, financial condition, operating results or cash flows could be negatively affected.

The Company cautions the reader to keep these risk factors in mind and refrain from attributing undue certainty to any forward-looking statements, which speak only as of the date of this annual report on Form 10-K.

Strategic and Operational Risks.

Cost savings from our initiatives may not be sustainable. While the Company achieved significant savings from its DN Now initiatives that concluded in 2021, as well as from the incremental \$150.0 plus cost savings plan which commenced in 2022, these savings may not be sustainable, which may adversely affect its operating results and cash flow. The Company's initiatives consisted of a number of work streams designed to improve operational efficiency and sustainably increase profits and cash flows. Although the Company achieved a substantial amount of annual cost savings through 2022, it may be unable to sustain the annual cost savings from the work streams that it has previously implemented, and its results of operations and cash flows may be adversely affected.

New service and product developments may be unsuccessful. The Company is constantly looking to develop new services and products that complement or leverage its core competencies and expand its business potential. For example, the Company launched its DN Series banking solutions portfolio in 2019, its DN Series EASY family of retail checkout solutions in 2020, its EV charging stations services in 2021 and its DN Series™ EASY ONE checkout platform in 2023. The Company makes significant investments in service and product technologies and anticipates expending significant resources for new cloud software, digitally enabled services and product development over the next several years. There can be no assurance that the Company's service and product development efforts will be successful, that the roll out of any new services and products will be timely, that the customer certification process for any new products will be completed on the anticipated timeline, that it will be able to successfully market these services and products, or that margins generated from sales of these services and products will recover costs of development efforts.

The Company may not be successful executing on its digitally enabled hardware, services and software strategy. As part of its broader business strategy, the Company is delivering digitally enabled hardware, services and software to its customers to address their evolving demand for greater flexibility and optionality to meet the demands of the market, drive improvement to performance levels and provide a more scalable cost structure. The Company's digital strategy extends to its own internal capabilities, as well, to ensure the Company becomes more efficient and delivers better capabilities to its employees. Across its internal finance, information technology, human resources and sales departments, the Company is deploying digital tools to enhance its operating efficiency through the use of cloud-based applications, self-service portals and automation. Executing on a digitally enabled strategy presents risks and challenges to both the Company and its customers, and there can be no assurances that the Company will be successful in its endeavors.

The Company may not be able to generate sufficient cash flows to fund its operations and make adequate capital investments. The Company's cash flows from operations depend primarily on sales and service margins. To develop new service and product technologies, support future growth, achieve operating efficiencies and maintain service and product quality, the Company must make significant capital investments in manufacturing technology, facilities and capital equipment, R&D, and service and product technology. In addition to cash provided from operations, the Company has from time to time utilized external sources of financing. Depending upon general market conditions or other factors, the Company may not be able to generate sufficient cash flows to fund its operations and make adequate capital investments, either in whole or in part. In addition, any tightening of the credit markets may limit the Company's ability to obtain alternative sources of cash to fund its operations.

Risks Related to Our Multi-National Business Operations.

Because the Company's operations are conducted worldwide, they are affected by risks of doing business abroad. The Company generates a significant percentage of revenue from operations conducted outside the U.S. Revenue from international operations amounted to approximately 73.4 percent of total revenue in the Successor Period of August 12, 2023 through December 31, 2023 and 74.0 percent of total revenue in the Predecessor Period of January 1, 2023 through August 11, 2023. Predecessor revenue from international operations amounted to approximately 75.1 percent in 2022 and 77.1 percent in 2021 of total Predecessor revenue during these respective years.

Accordingly, international operations are subject to the risks of doing business abroad, including, among other things, the following:

- fluctuations in currency exchange rates, particularly in EMEA (primarily the euro), Great Britain (pound sterling), Mexico (peso), Thailand (baht) and Brazil (real);
- transportation and supply chain delays and interruptions;
- political and economic instability and disruptions, including the impact of trade agreements;
- the failure of foreign governments to abide by international agreements and treaties;
- restrictions on the transfer of funds and capital controls;
- the imposition of duties, tariffs and other taxes;
- import and export controls;
- changes in governmental policies and regulatory environments;
- ensuring the Company's compliance with U.S. laws and regulations and applicable laws and regulations in other jurisdictions, including the Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and applicable laws and regulations in other jurisdictions;
- ensuring compliance with anti-trust laws and regulations;
- increasingly complex laws and regulations concerning privacy and data security, including the GDPR;
- labor unrest and current and changing regulatory environments;
- the uncertainty of product acceptance by different cultures;
- the risks of divergent business expectations or cultural incompatibility inherent in establishing strategic partnerships with foreign partners;
- difficulties in staffing and managing multi-national operations;
- limitations on the ability to enforce legal rights and remedies;
- reduced protection for intellectual property rights in some countries;
- potentially adverse tax consequences, including repatriation of profits; and
- disruptions in our business, or the businesses of our suppliers or customers, due to cybersecurity incidents, terrorist activity, armed conflict, war, public health concerns, fires or other natural disasters.

Any of these events could have an adverse effect on the Company's international operations by reducing the demand for its services and products or decreasing the prices at which it can sell its services and products, thereby adversely affecting its financial condition or operating results. The Company may not be able to continue to operate in compliance with applicable customs, currency exchange control regulations, transfer pricing regulations or any other laws or regulations to which it may be subject. In addition, these laws or regulations may be modified in the future, and the Company may not be able to operate in compliance with those modifications.

Significant developments from recent and potential changes in U.S. trade policies, trade policies of other countries, or the issuance of sanctions forbidding or restricting trade where the Company has operations could have a material adverse effect on the Company and its financial condition and results of operations. Tariffs, and other governmental action relating to international trade agreements or policies, the adoption and expansion of trade restrictions, the requirement for licenses or the occurrence of a trade war, may adversely impact demand for the Company's products, costs, customers, suppliers and/or the U.S. economy or certain sectors thereof or may adversely impact the Company's ability to select a preferred supplier and, as a result, adversely impact its business.

The U.S. government may renegotiate, or potentially terminate, existing bilateral or multi-lateral trade agreements and treaties with foreign countries, including countries such as China. The Company manufactures a substantial amount of its products in China and has joint ventures with Chinese entities. On March 2, 2023, the U.S. Department of Commerce updated the Export Administration Regulation (EAR) list to include a Chinese entity that is part of one of the Company's joint ventures. In the future, if the EAR list is updated and any joint ventures to which the Company is a partner becomes subject to the export regulations, the Company's ability to ship U.S.-origin goods may adversely affect the Company's ability to manufacture products.

Additional tariffs may cause the Company to increase prices to its customers, which may reduce demand, or, if it is unable to increase prices, result in lowering its margin on products sold. Furthermore, the Company's global operations, including in China, subject it to sanctions laws in the countries where it trades and to U.S. sanctions.

The Company's operations in Russia have been affected by sanctions by a number of governments on the Russian financial sector, including the United States, the European Union, and the United Kingdom. These sanctions have the effect of disrupting the Company's collection of outstanding accounts receivable and ability to generate revenue in Russia. Based on the effect of these sanctions or the imposition of additional sanctions, the Company is no longer doing business in Russia.

It remains unclear what the U.S. or foreign governments will or will not do with respect to sanctions, tariffs, international trade agreements and policies on a short-term or long-term basis. The Company cannot predict future trade policy or the terms of any renegotiated trade agreements and their impacts on its business.

Economic Risks and Market Contingencies.

The proliferation of payment options other than cash, including credit cards, debit cards, store-valued cards and mobile payment options could result in a reduced need for cash in the marketplace and a resulting decline in the usage of ATMs. The U.S., Europe and other developed markets have seen a shift in consumer payment trends since the late 1990's, with more customers now opting for electronic forms of payment, such as credit cards and debit cards, for their in-store purchases over traditional paper-based forms of payment, such as cash and checks. The COVID-19 pandemic accelerated consumer transition towards non-cash payment alternatives driving an increase in digital, mobile and contactless payment methods. Additionally, some merchants offer free cash back at the POS for customers that utilize debit cards for their purchases, thus providing an additional incentive for consumers to use these cards. The continued growth in electronic payment methods could result in a reduced need for cash in the marketplace and ultimately, a decline in the usage of ATMs. New payment technology and adoption of mobile payment technology, digital currencies such as Bitcoin, or other new payment method preferences by consumers could further reduce the general population's need or demand for cash and negatively impact sales of ATMs and selected products, services and software.

The Company's business may be affected by general economic conditions, cyclical and uncertainty and could be adversely affected during economic downturns. Demand for the Company's services and products is affected by general economic conditions and the business conditions of the industries in which it sells its services and products. The business of most of the Company's customers, particularly its financial institution and retail customers, is, to varying degrees, cyclical and has historically experienced periodic downturns. Under difficult economic conditions, customers may seek to reduce discretionary spending by forgoing purchases of the Company's services and products. This risk is magnified for capital goods purchases such as ATMs, retail systems and physical security products. In addition, downturns in the Company's customers' industries, even during periods of strong general economic conditions, could adversely affect the demand for the Company's services and products, and its sales and operating results.

In particular, economic difficulties in certain global markets have led to an economic recession in certain markets in which the Company operates. As a result of these difficulties and other factors, including new or increased regulatory burdens, financial institutions and retail customers have failed and may continue to fail, resulting in a loss of current or potential customers, or deferred or canceled orders, including orders previously placed. Any customer deferrals or cancellations could materially affect the Company's sales and operating results.

Increased energy, raw material and labor costs could reduce the Company's operating results. Energy prices, particularly petroleum prices, and raw materials (e.g., steel) are cost drivers for the Company's business. In recent years, the price of petroleum has been highly volatile, particularly due to the unstable political conditions in the Middle East and increasing international demand from emerging markets. Price increases in fuel and electricity costs, such as those increases that may occur from climate change legislation or other environmental mandates, may continue to increase cost of operations and affect the Company's ability to operate in specific markets. Any increase in the costs of energy would also increase the Company's transportation costs.

The primary raw materials in the Company's services, software and systems solutions are steel, plastics, and electronic parts and components. The majority of raw materials are purchased from various local, regional and global suppliers pursuant to supply contracts. These suppliers, particularly those of electric components serve many large customers across several industries. The price of these materials can fluctuate under the supply contracts in tandem with the pricing of raw materials, which are increasing due to inflationary pressures. Current price increases in steel and resin are being mitigated by long-term contracts and joint work with suppliers on general productivity improvement and supply chain optimization. Most supplier agreements include long-term productivity improvements that serve as the basis for absorbing the potential raw materials increases.

The Company cannot assure that its labor costs going forward will remain competitive or will not increase, including as a result of the current high inflation environment and the competitive environment for labor. In the future, the Company's labor agreements may be amended, or become amendable, and new agreements could have terms with higher labor costs. In addition, labor costs may increase in connection with the Company's growth. The Company may also become subject to collective bargaining agreements in the future in the event that non-unionized workers may unionize.

Risks Related to Competition.

The Company faces competition in global markets that could adversely affect its sales and financial condition. All phases of the Company's business are highly competitive. Some of its services and products are in direct competition with similar or alternative services or products provided by its competitors. The Company encounters competition in price, delivery, service, performance, product innovation, product recognition and quality. In a number of international markets in each region where the Company operates, it faces substantial competition from local service providers that offer competing services and products.

Local providers of competing services and products may also have a substantial advantage in attracting customers in their countries due to more established branding in that country, greater knowledge with respect to the tastes and preferences of customers residing in that country and/or their focus on a single market. In addition, some of these companies may have a dominant market share in their territories and may be owned by local stakeholders. Because of the potential for consolidation in

any market, the Company's competitors may become larger, which could make them more efficient and permit them to be more price-competitive. Increased size could also permit them to operate in wider geographic areas and enhance their abilities in other areas such as R&D and customer service.

The Company expects that its competitors will continue to develop and introduce new and enhanced services and products. This could cause a decline in market acceptance of the Company's services and products or result in the loss of major customers. In addition, the Company's competitors could cause a reduction in the prices for some of its services and products as a result of intensified price competition. Also, the Company may be unable to effectively anticipate and react to new entrants in the marketplace competing with its services and products.

As a U.S.-based multi-national corporation, the Company must ensure its compliance with both U.S. and foreign regulatory requirements, while local competitors only need to observe applicable regional, national or local laws that may be less onerous. An inability to compete successfully could have an adverse effect on the Company's operating results, financial condition and cash flows in any given period.

Data Privacy, Cybersecurity and Artificial Intelligence Risks.

Cybersecurity incidents or vulnerabilities could disrupt the Company's internal operations or services provided to customers, which could adversely affect revenue, increase costs, and harm its reputation, customer relationships, and stock price. To reduce these risks, the Company has programs and measures in place designed to detect and help safeguard against cybersecurity attacks. Although we have implemented cybersecurity measures designed to detect and limit the risk of unauthorized access to our systems and acquisition of, loss, modification of, use, access to, or disclosure of our data, threat actors are using evolving, sophisticated, and ever-changing techniques to obtain unauthorized access to systems and data. The types and motivations of threat actors that may attempt to access our systems also are evolving and expanding, and include sophisticated nation-state sponsored and organized cyber-criminals, who are targeting the financial services and manufacturing industries. Our position as a product and solution provider to the financial services industry may cause an attacker to attempt to infiltrate our systems in order to carry out supply chain attacks against the industry. As a result, the risk of cyberattack is increasing. An attack, disruption, intrusion, denial of service, theft or other data or cybersecurity incident (such as phishing attack, virus, ransomware, or other malware installation), or an inadvertent act by an employee or contractor, could result in unauthorized access to, acquisition of, loss, disclosure, or modification of, our systems, products, and data (or our third-party service provider's systems, products, and data), which may result in operational disruption, loss of business, claims (including by customers, financial institutions, cardholders, and consumers), costs and reputational harm that could negatively affect our operating results. The Company could incur significant expenses in investigating and addressing cybersecurity incidents, including the expenses of deploying additional personnel, enhancing or implementing additional protection measures, training employees or hiring consultants, and such incidents could divert the attention of our management and key personnel from our business operations. Further, remedial measures may later prove inadequate to prevent or reduce the impact of new or emerging threats. The Company may face regulatory investigations or litigation relating to cybersecurity incidents, which may be costly to defend and which, if successful, may require the Company to pay damages and fines, incur expenses to comply with consent orders or injunctions, and/or change its business practices. The Company also is subject to risks associated with cyberattacks involving our own supply chain. We may also detect, or may receive notice from third parties (including governmental agencies and those in our supply chain) of potential vulnerabilities in our information technology systems, our products, or third-party products used in conjunction with our products. Even if these potential vulnerabilities do not affect our products, services, data, or systems, their existence or claimed existence could adversely affect customer confidence and our reputation in the marketplace, causing us to lose existing or potential customers. To the extent such vulnerabilities require remediation, such remedial measures could require significant resources, may not be implemented before such vulnerabilities are exploited, and may not prevent or reduce the risk. As the cybersecurity landscape evolves, we may also find it necessary to make significant further investments to protect data and infrastructure. We maintain cybersecurity insurance intended to cover some of these risks, but this insurance may not be sufficient to cover all of our losses from future cybersecurity incidents the Company may experience.

We have experienced cybersecurity incidents in the past, but none of these incidents, individually or in the aggregate, has had a material adverse effect on our business, reputation, operations or products. The Company routinely investigates security events that may or may not turn into a cybersecurity incident. We have in place various information technology protections designed to detect and reduce cybersecurity incidents, although there can be no assurance that our protections will be successful. The Company also regularly evaluates its protections against cybersecurity incidents, including through self-assessments and third-party assessments, and takes steps to enhance those protections in response to specific threats and as part of the Company's information security program. There can be no assurance, however, that the Company will be able to prevent, reduce the risk of, or remediate all future cybersecurity incidents or that the cost associated with responding to any such incident or impact of such incident will not be significant or material.

Portions of the Company's IT infrastructure also may experience interruptions, delays or cessations of service or produce errors in connection with systems integration or migration work that takes place from time to time. The Company may not be successful in implementing new systems, and transitioning data and other aspects of the process could be expensive, time consuming, disruptive and resource-intensive. Such disruptions could adversely impact the ability to fulfill orders, service customers and interrupt other processes and, in addition, could adversely impact the Company's ability to maintain effective

internal control over financial reporting. Delayed sales, lower margins, lost customers or diminished investor confidence resulting from these disruptions could adversely affect the Company's financial results, stock price and reputation.

The Company's actual or perceived failure to comply with increasing and increasingly stringent laws, regulations and contractual obligations relating to privacy, data protection and information security could harm the Company's reputation, subject the Company to significant fines and liability or loss of business, and decrease demand for the Company's services. The Company and its customers are subject to privacy, data protection, and information security laws and regulations (Data Protection Laws) in the United States and in jurisdictions around the globe that restrict the collection, use, disclosure, transfer and processing of personal data, including financial data. For example, the Company and its customers are subject, without limitation, to the European Union General Data Protection Regulation (GDPR), the U.K. General Data Protection Regulation, the California Consumer Privacy Act (CCPA) and its amendments, and the Brazilian Lei Geral de Proteção de Dados. Failure to comply with these laws could result in material legal exposure and business impact, including the loss of customers and decreased demand for our products and services. The GDPR, for example, imposes onerous accountability obligations on companies, with penalties for non-compliance of up to the greater of €20 and four percent of annual global revenue. The GDPR, and other Data Protection Laws, also grant corrective powers to supervisory authorities, including the ability to impose a limit on processing personal data or ability to order companies to cease operations.

The Data Protection Laws are part of an evolving global data protection landscape in which the number, complexity, requirements, and consequences of non-compliance with these laws are increasing. This landscape includes legislative proposals recently adopted or currently pending in the United States, at both the federal and state levels (including by banking agencies), as well as in other jurisdictions, implementing new or additional requirements for data protection that could increase compliance costs, the cost and complexity of delivering our services, and significantly affect our business. Additionally, the interpretation and application of new data protection laws and regulations in many cases is uncertain, and our legal and regulatory obligations in such jurisdictions are subject to frequent and unexpected changes, including the potential for various regulatory or other governmental bodies to enact new or additional laws or regulations, to issue rulings that invalidate prior laws or regulations, or to increase penalties significantly. Complying with these evolving and varying standards, and implementing the required operational changes as a result of such standards, could require significant expense and effort and may require us to change our business practices or the functionality of our products and services in a manner adverse to our customers and our business. In addition, violations of these laws can result in governmental investigations, significant fines, penalties, claims by regulators or other third parties, imposition of limits on the processing of data, and damage to our brand and business.

Like other global companies, to conduct its operations, the Company transfers data across international borders. Transferring personal data across international borders is complex and subject to legal and regulatory requirements. In many cases, the laws and regulations governing such transfers apply not only to transfers between unrelated third parties but also to transfers between the Company and its subsidiaries. Other companies have been subject to active litigation and enforcement with respect to data transfers in a number of jurisdictions around the world, the decisions resulting from these actions could have an adverse impact on our ability to process and transfer personal data as part of our business operations. Some countries have also enacted or are enacting data localization laws that prohibit or significantly restrict the transfer of data out of the country. If, as a result of changing laws or regulatory decisions, we cannot transfer data from some jurisdictions or implement valid mechanisms for cross-border data transfers, we may face increased exposure to regulatory actions, substantial fines, injunctions against processing or transferring personal data from Europe or elsewhere, and we may be required to increase our personal data or other data processing capabilities in the Europe Union and/or elsewhere at significant expense.

In addition to our legal obligations, our contractual obligations relating to privacy, data protection and information security have become increasingly prevalent and stringent due to changes in laws and regulations, requirements in the financial services industry. Certain Data Protection Laws, such as the GDPR and the CCPA, require our customers to impose specific contractual restrictions on their service providers. If we are unable to comply with our contractual obligations, this could impact our reputation and result in liabilities and loss of business.

We may use artificial intelligence in our business, and challenges with properly managing its use could result in reputational harm, competitive harm, legal liability, or adversely affect our results of operations. We may incorporate artificial intelligence ("AI") solutions into some of our platforms, offerings, services, and features, and these applications may become more important in our operations over time. Our competitors or other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, if our AI applications are based on data, algorithms or other inputs that are flawed, or if they assist in producing content, analyses or recommendations that are or are alleged to be deficient, inaccurate or biased, our business, financial condition and results of operations may be adversely affected. The use of AI applications may in the future result in cybersecurity incidents. Any such cybersecurity incidents related to our use of AI applications could adversely affect our reputation and results of operations. AI also presents emerging ethical issues, and if our use of AI becomes controversial we may experience brand, reputational or competitive harm, or legal liability. The rapid evolution of AI, including the potential regulation of AI by government or other regulatory agencies, may require the Company to incur significant resources to develop, test, and maintain our platforms, offerings, services, and features in order to implement AI ethically and minimize any unintended, harmful impacts.

Risks Related to Reliance on Performance of Third Parties.

The Company's ability to deliver products that satisfy customer requirements is dependent on the performance of its subcontractors and suppliers, as well as on the availability of raw materials and other components. The Company relies on other companies, including subcontractors and suppliers, to provide and produce raw materials, integrated components and sub-assemblies and production commodities included in, or used in the production of, its products. If one or more of the Company's subcontractors or suppliers experiences delivery delays or other performance problems, it may be unable to meet commitments to its customers or incur additional costs. In some instances, the Company depends upon a single source of supply. Any service disruption from one of these suppliers, either due to circumstances beyond the supplier's control, such as geo-political developments or public health concerns, or as a result of performance problems or financial difficulties, could have a material adverse effect on the Company's ability to meet commitments to its customers or increase its operating costs.

The Company manufactures a substantial amount of its products in Paderborn, Germany, and Manaus, Brazil. In addition, certain of our products are manufactured in China and India. Any damage suffered by these critical locations and manufacturing plants could negatively impact our business and results of operations. While the Company maintains insurance policies that provide coverage up to certain limits for some of the potential risks and liabilities associated with its business, it does not maintain insurance policies for all risks and liabilities.

The Company relies on third parties to provide security systems and systems integration. Sophisticated hardware and operating system software and applications that the Company procures from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the system. The costs to eliminate or alleviate security problems, viruses and bugs could be significant, and the efforts to address these problems could result in interruptions, delays or cessation of service that could impede sales, manufacturing, distribution or other critical functions.

The Company relies on third parties to provide outsourced business processes and other financial services. The Company engages other companies to provide certain business process outsourcing services and other financial services to the Company. Any service disruption from one of these suppliers, either due to circumstances beyond the supplier's control, as a result of performance or financial problems by those companies, or due to a failure of the Company to properly utilize or scope those services, could have a material adverse impact on the Company's business process operations, increase the Company's operating costs or cause other exposures.

Workforce Operations Risks.

An inability to attract, retain and motivate key employees could harm current and future operations. In order to be successful, the Company must attract, retain and motivate executives and other key employees, including those in managerial, professional, administrative, technical, sales, marketing and IT support positions. It also must keep employees focused on its strategies and goals. Hiring and retaining qualified executives, engineers and qualified sales representatives are critical to its future, and competition for experienced employees in these areas can be intense. In addition, we have seen a decline in the qualified labor applicant pool since the start of the COVID-19 pandemic and increased competition for qualified labor. The failure to hire or loss of key employees could have a significant impact on the Company's operations.

Tax Liability Risks.

Additional tax expense or additional tax exposures could affect the Company's future profitability. The Company is subject to income taxes in both the U.S. and various non-U.S. jurisdictions, and its domestic and international tax liabilities are dependent upon the distribution of income among these different jurisdictions. If the Company decides to repatriate cash, cash equivalents and short-term investments residing in international tax jurisdictions, there could be further negative impact on foreign and domestic taxes. The Company's tax expense includes estimates of additional tax that may be incurred for tax exposures and reflects various estimates and assumptions, including assessments of future earnings of the Company that could affect the valuation of its net deferred tax assets. The Company's future results could be adversely affected by changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in the overall profitability of the Company, changes in the valuation of deferred tax assets and liabilities, the results of audits and examinations of previously filed tax returns-continuing assessments of its income tax exposures and changes in tax legislation.

Additionally, the Company's future results could be adversely affected by the results of indirect tax audits and examinations, and continuing assessments of its indirect tax exposures. A loss contingency is reasonably possible if it has a more than remote but less than probable chance of occurring. Although management believes the Company has valid defenses with respect to its indirect tax positions, it is reasonably possible that a loss could occur in excess of the estimated accrual. The aggregate risk related to indirect taxes is adjusted as the applicable statutes of limitations expire. It is reasonably possible that the Company could be required to pay taxes, penalties and interest related to this matter or other open years, which could be material to its financial condition and results of operations.

In October 2021, the Organization for Economic Co-operation and Development (the "OECD") announced the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (the "Framework"), which agreed to a two-pillar solution to address tax challenges arising from digitalization of the economy. In December 2021, the OECD released Pillar Two Model Rules defining the global minimum tax rules, which contemplate a minimum tax rate of 15%. To date, various jurisdictions have enacted or are in the process of enacting legislation on these rules, and the OECD continues to release additional guidance. While it is

uncertain whether the U.S. will enact legislation to adopt the minimum tax directive, certain countries in which we operate have adopted legislation and other countries are in the process of introducing legislation to implement the minimum tax directive. Further, the OECD has issued administrative guidance providing transition and safe harbor rules. We will continue to monitor the implementation of the Framework by the countries in which we operate. We currently do not expect the Framework to have a material impact on our effective tax rate or our consolidated results of operation, financial position, and cash flows.

Risks Related to Our Pension Plan Obligations.

Low investment performance by the Company's pension plan assets may result in an increase to its net pension liability and expense, which may require it to fund a portion of its pension obligations and divert funds from other potential uses. The Company sponsors several defined benefit pension plans that cover certain eligible employees across the globe. The Company's pension expense and required contributions to its pension plans funded with assets are directly affected by the value of plan assets, the projected rate of return on plan assets, the actual rate of return on plan assets and the actuarial assumptions it uses to measure the defined benefit pension plan obligations.

A significant market downturn could occur in future periods resulting in a decline in the funded status of the Company's pension plans and causing actual asset returns to be below the assumed rate of return used to determine pension expense. If return on plan assets in future periods perform below expectations, future pension expense will increase.

Risks Related to Our Indebtedness.

We have substantial indebtedness following our emergence from the Restructuring Proceedings and may be unable to generate sufficient cash flows from operations to meet our debt service and other obligations. We have substantial consolidated indebtedness. On the Effective Date, we entered into a new credit agreement (the Exit Credit Agreement) governing a \$1,250.0 senior secured loan credit facility (the Exit Facility) with certain financial institutions party thereto, as lenders, GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent. On February 13, 2024, we entered into a new credit agreement (the Revolving Credit Agreement) with certain financial institutions party thereto, as lenders, and PNC Bank, National Association, as administrative agent and collateral agent, governing a superior-priority senior secured revolving credit facility (the Revolving Credit Facility) in an aggregate principal amount of \$200 million, which includes a \$50 million letter of credit sub-limit and a \$20 million swing loan sub-limit. Our obligations under the Exit Facility and Revolving Credit Facility are guaranteed by certain of our subsidiaries that are organized in the United States and secured by perfected security interests and liens on substantially all of our assets and the assets of the guarantors.

Our ability to generate sufficient cash flows from operations to make payments for scheduled debt service and other obligations depends on a range of economic, competitive and business factors, many of which are outside of our control. Weakness in economic conditions and our performance beyond our expectations would exacerbate these risks. Our business may generate insufficient cash flows from operations to meet our debt service and other obligations, and currently anticipated cost savings, working capital reductions and operating improvements may not be realized on schedule, or at all.

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. In the absence of sufficient operating results and resources, we could face substantial liquidity problems and might be required to sell material assets or operations to attempt to meet our debt service and other obligations. Our indebtedness restricts our ability to sell assets outside of the ordinary course of business and restricts the use of the proceeds from any such sales. We may not be able to complete those sales or obtain the proceeds which we could realize from them, and these proceeds may not be adequate to meet any debt service obligations then due. In addition, the terms of our indebtedness provide that if we cannot meet our debt service obligations, the lenders could foreclose against the assets securing their borrowings and we could be forced into bankruptcy or liquidation.

Despite our and our subsidiaries' indebtedness, we may still be able to incur substantially more debt, including secured debt. This could further increase or intensify the other risks associated with our substantial indebtedness. We and our subsidiaries may be able to incur substantial additional indebtedness in the future, including additional secured debt. Although covenants in the Exit Credit Agreement and Revolving Credit Agreement limit our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions can be substantial. In addition, the Exit Credit Agreement and Revolving Credit Agreement do not limit us from incurring obligations that do not constitute indebtedness as defined therein.

The terms of the Exit Credit Agreement and Revolving Credit Agreement impose restrictions that may limit our operating and financial flexibility. The Exit Credit Agreement and Revolving Credit Agreement contain certain restrictions and covenants which restrict our ability to incur liens and/or debt or provide guarantees in respect of obligations of any other person, which could adversely affect our ability to operate our business, as well as significantly affect our liquidity, and therefore could adversely affect our results of operations. The Exit Credit Agreement and Revolving Credit Agreement also contain mandatory prepayment provisions providing that certain amounts of Net Cash Proceeds (as defined in the respective credit agreements) must be utilized to make payments on the outstanding balance under the facilities.

The covenants restrict, among other things, our ability to:

- incur, assume or guarantee additional indebtedness;

- pay dividends on or make distributions in respect of stock or make certain other restricted payments or investments;
- enter into agreements that restrict distributions from certain subsidiaries;
- sell or otherwise dispose of assets;
- make investments beyond a specified amount;
- enter into transactions with affiliates;
- create or incur liens;
- merge, consolidate or sell all or substantially all of our assets; and
- place restrictions on the ability of subsidiaries to pay dividends or make other payments to us.

Our ability to comply with these covenants may be affected by events beyond our control and we may need to refinance our existing indebtedness in the future. A breach of any of these covenants together with the expiration of any cure period, if applicable, could result in a default under the facilities. If any such default occurs, subject to any applicable grace periods, the lenders may terminate or suspend their obligations under the facilities and may declare all unpaid principal and interest, together with any other amounts due under the facilities, immediately due and payable.

If the obligations under the facilities were to be accelerated, our financial resources may be insufficient to repay the amounts due in full and we may not be able to borrow sufficient funds to refinance it. Even if we are able to obtain new financing, it may not be on commercially reasonable terms or on terms that are acceptable to us. If our indebtedness is in default for any reason, our business, financial condition and results of operations could be materially and adversely affected. In addition, complying with these covenants may make it more difficult for us to successfully execute our business strategy and compete against companies who are not subject to such restrictions.

Risks Related to Our Common Stock.

Anti-takeover provisions in our charter and bylaws could make it more difficult for a third party to acquire us. Certain provisions of our charter and bylaws may make it more difficult for a third party to gain control of our Board of Directors and may have the effect of delaying or preventing changes in our management. These provisions provide for, among other things:

- the ability of our Board of Directors to issue, and determine the rights, powers and preferences of, one or more series of preferred stock in order to implement a shareholders' rights plan;
- advance notice for nominations of directors by shareholders and for shareholders to include matters to be considered at our annual meetings; and
- certain limitations on convening special shareholder meetings.

These anti-takeover provisions could discourage, delay or prevent a transaction involving a change in control, including actions that our shareholders may deem advantageous, or negatively affect the trading price of our common stock. These provisions could also discourage proxy contests and make it more difficult for our shareholders to elect directors of their choosing and to cause us to take other corporate actions.

The price of our common stock may be volatile. The price of our common stock may fluctuate due to a variety of market and industry factors that may materially reduce the market price of our common stock regardless of our operating performance, including, among others:

- actual or anticipated fluctuations in our quarterly and annual results and those of other public companies in our industry;
- industry cycles and trends;
- mergers and strategic alliances in our industry;
- changes in government regulation;
- potential or actual military conflicts or acts of terrorism;
- the failure of securities analysts to publish research about us following our emergence from the Restructuring Proceedings, or shortfalls in our operating results from levels forecast by securities analysts;
- the limited trading history of our common stock;
- changes in accounting principles;
- announcements concerning us or our competitors; and
- the general state of the securities market.

In addition, the price of our common stock may fluctuate due to the following factors, among others:

- our results of operation and financial condition;
- quarterly variations in the rate of growth of certain financial indicators;
- the public reaction to our press releases, our other public announcements and our filings with the SEC;
- strategic decisions by us, our clients or competitors, such as acquisitions, divestitures, spin-offs, joint ventures, investments or changes in business strategy;
- claims against us by third-parties;
- future sales of our common stock by us, significant shareholders or our directors or executive officers; and
- the realization of any risk described under this "Risk Factors" section or those incorporated by reference.

In addition, the stock market in general has experienced significant volatility that often has been unrelated to the operating performance of companies whose shares are traded. These market fluctuations could adversely affect the trading price of our common stock, regardless of our actual operating performance. As a result of all of these factors, investors in our Common Stock may not be able to resell their stock at or above the price they paid or at all. Further, we could be the subject of securities class action litigation due to any such stock price volatility, which could divert management's attention and have a material adverse effect on our results of operation.

There may be circumstances in which the interests of our significant shareholders could be in conflict with your interests as a shareholder. Funds associated with Capital World Investors, Millstreet Capital Management LLC, Hein Park Capital Management LP and Beach Point Capital Management LP beneficially own approximately 33.4%, 18.5%, 9.2% and 8.9% of our outstanding common stock, respectively. Circumstances may arise in which these shareholders may have an interest in exerting influence to pursue or prevent acquisitions, divestitures or other transactions, including the issuance of additional shares of common stock or incurrence of debt, that, in their judgment, could enhance their investment in us or another company in which they invest. Such transactions might adversely affect us or other holders of our common stock. Furthermore, our significant concentration of share ownership may adversely affect the trading price of our common stock because investors may perceive disadvantages in owning shares in companies with significant shareholders.

The potential payment of dividends on our common stock or repurchases of our common stock is dependent on a number of factors, and future payments and repurchases cannot be assured. Although we have paid dividends on our previously outstanding common stock in the past, it is uncertain whether or when we will pay cash dividends or other distributions with respect to our common stock in the foreseeable future. Restrictive covenants in our credit facilities limit our ability to pay cash dividends and repurchase shares. Other debt instruments to which we or our subsidiaries may be a party may also contain restrictive covenants that limit our ability to pay dividends or for us to receive dividends from our subsidiaries, any of which may negatively impact the trading price of our common stock. In addition, holders of common stock will only be entitled to receive such cash dividends as our Board of Directors may declare out of funds legally available for such payments, and our Board of Directors may only authorize us to repurchase shares of our common stock with funds legally available for such repurchases. The payment of future cash dividends and future repurchases will depend upon our earnings, economic conditions, liquidity and capital requirements, and other factors, including our debt leverage. Accordingly, we cannot make any assurance that future dividends will be paid or future repurchases will be made.

Reports published by analysts, including projections in those reports that exceed our actual results, could adversely affect the price and trading volume of our common stock. We currently expect that securities research analysts will establish and publish their own periodic projections for our business. These projections may vary widely and may not accurately predict the results we actually achieve. Our stock prices may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our common stock or publishes inaccurate or unfavorable research about our business, our stock prices could decline. If one or more of the analysts ceases coverage of us or fails to publish reports on us regularly, our stock prices or trading volumes could decline. While we expect research analyst coverage, if no analysts commence coverage of us, the trading prices and volumes for our common stock could be adversely affected.

Risks Related to Acquisitions, Divestitures and Partnerships.

The Company may not be successful executing potential acquisitions, investments or partnerships, or divestitures. As the Company's financial performance improves, it may evaluate and consider acquisitions, investments or partnerships in companies, products, services and technologies, which could support the Company's strategy and growth. Acquisitions, investments and partnerships inherently involve risks, which may include: the risk of integrating business operations, cultures, retaining key personnel and maintaining appropriate systems and controls; the potential for unknown liabilities; the possibility that acquisitions, investments or partnerships may not yield the targeted financial or strategic benefits to the Company. Furthermore, the Company has, from time-to-time, been divesting certain non-core and/or non-accretive businesses to, among other things, simplify its business and reduce its debt. However, there can be no assurance that it will be successful in selling all or further such any assets. It may incur substantial expenses associated with identifying and evaluating potential sales. The process of exploring any sales may be time consuming and disruptive to its business operations, and if it is unable to effectively manage the process, its business, financial condition and results of operations could be adversely affected. It also cannot assure that any potential sale, if consummated, will prove to be beneficial to its shareholders. Any potential sale would be dependent upon a number of factors that may be beyond the Company's control, including, among other factors, market conditions, industry trends, the interest of third parties in the assets and the availability of financing to potential buyers on reasonable terms.

In addition, while it evaluates asset sales, the Company is exposed to risks and uncertainties, including potential difficulties in retaining and attracting key employees, distraction of its management from other important business activities, and potential difficulties in establishing and maintaining relationships with customers, suppliers, lenders, sureties and other third parties, all of which could harm its business.

The Company may be unable to successfully and effectively manage acquisitions, divestitures, partnerships, and other significant transactions, which could harm its operating results, business and prospects. As the Company improves its financial performance and promotes its business strategy, it will continue to engage in discussions and potentially enter into agreements with third parties regarding possible investments, acquisitions, strategic partnerships, joint ventures, divestitures and

outsourcing arrangements. Such transactions present significant risks and challenges and there can be no assurances that the Company will manage such transactions successfully or that strategic opportunities will be available to the Company on acceptable terms or at all. Acquisitions and partnerships inherently involve risks.

The Company may specifically evaluate and consider investments or partnerships in companies, products, services and technologies. Related risks include the Company failing to achieve strategic objectives, anticipated benefits or timing of a transaction or contractual obligations. Such transactions may require the Company to manage post-closing transitions services or integration issues with business operations, support systems, workplace cultures and the retention of personnel. There is also the potential for unknown liabilities and the possibility that the acquisitions or partnerships may not yield financial strategic benefits to the Company. Risks of these transactions can be more pronounced in larger and more complicated transactions, or if multiple transactions are pursued simultaneously.

Risks Related to Shareholder Appraisal Proceedings.

The Company is exposed to additional litigation risk and uncertainty with respect to the former minority shareholders of Diebold Nixdorf AG. Diebold Nixdorf Holding Germany GmbH, formerly Diebold Nixdorf Holding Germany Inc. & Co. KGaA (Diebold KGaA), is a party to two separate appraisal proceedings (Spruchverfahren) in connection with the purchase of all shares in its former listed subsidiary, Diebold Nixdorf AG. The first appraisal proceeding, which relates to the Domination and Profit/Loss Transfer Agreement (DPLTA) entered into by Diebold KGaA and former Diebold Nixdorf AG, which became effective on February 17, 2017, is pending at the Higher Regional Court (Oberlandesgericht) of Düsseldorf (Germany) as the court of appeal. The DPLTA appraisal proceeding was filed by minority shareholders of Diebold Nixdorf AG challenging the adequacy of both the cash exit compensation of €55.02 per Diebold Nixdorf AG share (of which 6.9 million shares were then outstanding) and the annual recurring compensation of €2.82 per Diebold Nixdorf AG share offered in connection with the DPLTA.

The second appraisal proceeding relates to the cash merger squeeze-out of minority shareholders of Diebold Nixdorf AG in 2019 and is currently pending at the same Chamber for Commercial Matters (Kammer für Handelssachen) at the District Court (Landgericht) of Dortmund (Germany) that was originally competent for the DPLTA appraisal proceedings. The squeeze-out appraisal proceeding was filed by former minority shareholders of Diebold Nixdorf AG challenging the adequacy of the cash exit compensation of €54.80 per Diebold Nixdorf AG share (of which 1.4 million shares were then outstanding) in connection with the merger squeeze-out.

In both appraisal proceedings, a court ruling would apply to all Diebold Nixdorf AG shares outstanding at the time when the DPLTA or the merger squeeze-out, respectively, became effective. Any cash compensation received by former Diebold Nixdorf AG shareholders in connection with the merger squeeze-out would be netted with any higher cash compensation such shareholder may still claim in connection with the DPLTA appraisal proceeding.

The District Court of Dortmund dismissed in 2022 all claims to increase the cash compensation and the annual recurring compensation in the DPLTA appraisal proceeding and rejected in 2023 all claims to increase the cash compensation in the merger squeeze-out appraisal proceeding. These first instance decisions, however, are not final as some of the plaintiffs filed appeals in both the DPLTA appraisal proceeding and the squeeze-out appraisal proceeding. The Company believes that the compensation offered in connection with the DPLTA and the merger squeeze-out was in both cases fair and that the decisions of the District Court of Dortmund in the DPLTA and merger squeeze-out appraisal proceedings validate its position. German courts often adjudicate increases of the cash compensation to plaintiffs in varying amounts in connection with German appraisal proceedings. Therefore, the Company cannot rule out that a court may increase the cash compensation in these appraisal proceedings. The Company, however, is convinced that its defense in both appraisal proceedings is supported by strong sets of facts and the Company will continue to vigorously defend itself in these matters.

Risks Related to Our Restructuring Proceedings.

We recently emerged from Restructuring Proceedings, which could adversely affect our business and relationships. It is possible that our having filed for bankruptcy and our recent emergence from the Restructuring Proceedings could adversely affect our business and relationships with customers, employees and suppliers. Due to uncertainties, many risks exist, including the following:

- our suppliers could terminate their relationship or require financial assurances or enhanced performance;
- our ability to renew existing contracts and compete for new business may be adversely affected;
- our ability to attract, motivate and/or retain key executives and employees may be adversely affected;
- employees may be distracted from performance of their duties or more easily attracted to other employment opportunities;
- competitors may take business away from us, and our ability to attract and retain customers may be negatively impacted; and
- we have four new directors on our Board of Directors that have limited experience with the Company or our management team, and as a result go-forward operations plans and strategy may differ materially from past practice.

The occurrence of one or more of these events could have a material and adverse effect on our operations, financial condition and reputation. We cannot assure you that having been subject to the Restructuring Proceedings will not adversely affect our operations in the future.

Our actual financial results may vary significantly from the projections that were filed with the U.S. Bankruptcy Court. In connection with our Disclosure Statement relating to the Plans (the Disclosure Statement), we prepared projected financial information to demonstrate to the U.S. Bankruptcy Court and the Dutch Court the feasibility of the Plans and our ability to continue operations upon our emergence from the Restructuring Proceedings. This projected financial information was prepared by, and is the responsibility of, our management. Our independent registered public accounting firm, KPMG LLP, neither examined, compiled nor performed any procedures with respect to the projected financial information and, accordingly, KPMG LLP has expressed no opinion or any other form of assurance with respect thereto. Those projections were prepared solely for the purpose of the Restructuring Proceedings and have not been, and will not be, updated on an ongoing basis. Those projections should not be relied upon in connection with the purchase or sale of our common stock. At the time they were prepared, the projections reflected numerous assumptions concerning our anticipated future performance and with respect to prevailing and anticipated market and economic conditions that were and remain beyond our control and that may not materialize. Projections are inherently subject to substantial and numerous uncertainties and to a wide variety of significant business, economic and competitive risks and the assumptions underlying the projections and/or valuation estimates may prove to be wrong in material respects. Actual results may vary significantly from those contemplated by the projections that were prepared in connection with the Disclosure Statement and the hearing to consider confirmation or sanctioning of the Plans.

We are subject to claims that were not discharged in the Chapter 11 Cases and the Dutch Scheme Proceedings. The U.S. Bankruptcy Code provides that the effectiveness of a plan of reorganization discharges a debtor from substantially all debts arising prior to petition date, other than as provided in the plan of reorganization or the confirmation order. For example, the U.S. Plan provides that holders of allowed general unsecured claims were reinstated and paid in the ordinary course of business in accordance with the terms and conditions of the particular transaction or agreement giving rise to such allowed general unsecured claim. These claims, and any other claims not ultimately discharged through the Plans, could be asserted against us and may have an adverse effect on our financial condition and results of operations on a post-reorganization basis.

As a result of our emergence from the Restructuring Proceedings, our historical financial information will not be indicative of our future financial performance and realization of assets and liquidation of liabilities are subject to uncertainty. Our capital structure has been significantly altered through the implementation of the Restructuring Proceedings. As a result, we are subject to the Fresh Start Accounting reporting rules required under the Financial Accounting Standards Board Accounting Standards Codification Topic 852, Reorganizations. Under applicable Fresh Start Accounting reporting rules, our assets and liabilities have been adjusted to fair values and our accumulated deficit has been restated to zero. Accordingly, our consolidated financial condition and results of operations from and after the Fresh Start Reporting Date will not be comparable to the financial condition or results of operations reflected in our consolidated historical financial statements.

The allocation of fair value is dependent upon a number of estimates and assumptions. Whether actual future results and developments will be consistent with our estimates and assumptions depends on a number of factors, including but not limited to: (i) prices received for our products; (ii) our ability to maintain customers' confidence in our viability as a continuing entity and to attract and retain sufficient business from them; and (iii) the overall strength and stability of general economic conditions of our industry, both in the U.S. and in the global markets in which we operate. To the extent that our estimates, assumptions, valuations, appraisals and the financial projections used to develop the allocation of fair value are not realized, we may be required to record impairment charges in the future.

It is also possible that additional restructuring and related charges may be identified and recorded in future periods. Such sales, disposals, liquidations, settlements, or charges could be material to our consolidated financial position and the results of operations in any given period.

Upon our emergence from the Restructuring Proceedings, the composition of our Board of Directors changed significantly. Pursuant to the Plans, the composition of our Board of Directors changed significantly. Our current Board of Directors is made up of eight directors, four of which had not previously served on the Board of Directors. The new directors have different backgrounds, experiences and perspectives from those individuals who previously served on the Board of Directors and, thus, may have different views on the issues that will determine our future strategies and plans. As a result, our future strategy and plans may differ materially from those of the past.

Non-Cash Impairment Loss Risks.

The Company has a significant amount of long-term assets, including goodwill and other intangible assets, and any future impairment charges could adversely impact its results of operations. The Company reviews long-lived assets, including property, plant and equipment and identifiable amortizing intangible assets, for impairment whenever changes in circumstances or events may indicate that the carrying amounts are not recoverable. If the fair value is less than the carrying amount of the asset, a loss is recognized for the difference. Factors which may cause an impairment of long-lived assets include significant changes in the manner of use of these assets, negative industry or market trends, a significant under-performance relative to historical or projected future operating results, or a likely sale or disposal of the asset before the end of its estimated useful life.

As of December 31, 2023, the Company had \$616.7 of goodwill. The techniques used in its qualitative and quantitative assessment and goodwill impairment tests incorporate a number of estimates and assumptions that are subject to change. Although the Company believes these estimates and assumptions are reasonable and reflect market conditions forecast at the assessment date, any changes to these assumptions and estimates due to market conditions or otherwise may lead to an outcome where impairment charges would be required in future periods.

General Risks.

The Company's ability to maintain effective internal control over financial reporting may be insufficient to allow it to accurately report its financial results or prevent fraud, and this could cause its financial statements to become materially misleading and adversely affect the trading price of its common stock. The Company requires effective internal control over financial reporting in order to provide reasonable assurance with respect to its financial reports and to effectively prevent fraud. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Company cannot provide reasonable assurance with respect to its financial statements and effectively prevent fraud, its financial statements could become materially misleading, which could adversely affect the trading price of its common stock.

If the Company is not able to maintain the adequacy of its internal control over financial reporting, including any failure to implement required new or improved controls, its business, financial condition and operating results could be harmed. Any material weakness could affect investor confidence in the accuracy and completeness of its financial statements. As a result, the Company's ability to obtain any additional financing, or additional financing on favorable terms, could be materially and adversely affected. This, in turn, could materially and adversely affect its business, financial condition and the market value of its securities and require it to incur additional costs to improve its internal control systems and procedures. In addition, perceptions of the Company among customers, lenders, investors, securities analysts and others could also be adversely affected.

We may be exposed to certain regulatory and financial risks related to climate change. Growing concerns about climate change may result in the imposition of additional regulations or restrictions to which we may become subject. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to climate change, including regulating greenhouse gas emissions. The outcome of new legislation or regulation in the U.S. and other jurisdictions in which we operate may result in new or additional requirements, additional charges to fund energy efficiency activities, and fees or restrictions on certain activities. Compliance with these climate change initiatives may also result in additional costs to us, including, among other things, increased production costs, additional taxes, reduced emission allowances or additional restrictions on production or operations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Even without such regulation, increased public awareness and adverse publicity about potential impacts on climate change emanating from us or our industry could harm us. We may not be able to recover the cost of compliance with new or more stringent laws and regulations, which could adversely affect our results of operations, financial position or cash flows.

An adverse determination that the Company's services, products or manufacturing processes infringe the intellectual property rights of others, or its failure to enforce its intellectual property rights could have a materially adverse effect on its business, operating results or financial condition. As is common in any high technology industry, others have asserted from time to time, and may assert in the future, that the Company's services, products or manufacturing processes infringe their intellectual property rights. A court determination that its services, products or manufacturing processes infringe the intellectual property rights of others could result in significant liability and/or require it to make material changes to its services, products and/or manufacturing processes.

The Company also seeks to enforce its intellectual property rights against infringement. The Company cannot predict the outcome of actions to enforce its intellectual property rights, and, although it seeks to enforce its intellectual property rights, it cannot guarantee that it will be successful in doing so. Any of the foregoing could have a materially adverse effect on the Company's business, operating results or financial condition.

The Company may be exposed to liabilities under the FCPA or other worldwide anti-bribery laws, which could harm its reputation and have a material adverse effect on its business. The Company is subject to compliance with various laws and regulations, including worldwide anti-bribery laws. Anti-bribery laws generally prohibit companies, and third parties acting on their behalf, from engaging in bribery or making or receiving other improper payments to another person or entity, including government officials for the purpose of obtaining or retaining business or gaining an unfair business advantage or inducing a person to act improperly or rewarding them for doing so. The FCPA also requires proper record keeping and characterization of such payments in the Company's reports filed with the SEC.

The Company's employees and agents are required to comply with these laws. The Company operates in many parts of the world that have experienced governmental and commercial corruption to some degree, and strict compliance with anti-bribery laws may conflict with local customs and practices. Non-US companies, including some that may compete with the Company, may not be subject to the FCPA or other anti-bribery laws and may follow local customs and practices. Accordingly, such companies may be more likely to engage in activities prohibited by the anti-bribery laws which apply to the Company, which could have a significant adverse impact on the Company's ability to compete for business in such countries.

Despite the Company's commitment to legal compliance and corporate ethics, it cannot ensure that its policies and procedures will always protect it from intentional, reckless or negligent acts committed by its employees or agents. Violations of these laws, or allegations of such violations, could disrupt the Company's business and result in financial penalties, debarment from

government contracts and other consequences that may have a material adverse effect on its reputation, business, financial condition or results of operations. Future changes in anti-bribery or economic sanctions laws and enforcement could also result in increased compliance requirements and related expenses that may also have a material adverse effect on its business, financial condition or results of operations.

Changes in laws or regulations or the manner of their interpretation or enforcement could adversely impact the Company's financial performance and restrict its ability to operate its business or execute its strategies. New laws or regulations, or changes in existing laws or regulations or the manner of their interpretation or enforcement, could increase the Company's cost of doing business and restrict its ability to operate its business or execute its strategies. This includes, among other things, the possible increase in U.S. corporate income tax rates, legislation and regulatory initiatives relating to climate change and environmental policy and other changes relating to the Biden Administration transition, compliance costs and enforcement under applicable securities laws, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), the German Securities Trading Act (Wertpapierhandelsgesetz) and Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, as well as costs associated with complying with the Patient Protection and Affordable Care Act of 2010 and the regulations promulgated thereunder.

The Company's actual operating results may differ significantly from its guidance. From time to time, the Company releases guidance, including any guidance that it may include in the reports that it files with the SEC regarding its future performance. This guidance, which consists of forward-looking statements, is prepared by its management and is qualified by, and subject to, the assumptions and the other information included in this annual report on Form 10-K, as well as the factors described under "Management's Discussion and Analysis of Financial Condition and Results of Operation—Forward-Looking Statement Disclosure." The Company's guidance is not prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, and neither its independent registered public accounting firm nor any other independent or outside party compiles or examines the guidance and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto.

Guidance is based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control and are based upon specific assumptions with respect to future business decisions, some of which will change. The principal reason that the Company releases such data is to provide a basis for its management to discuss its business outlook with analysts and investors. The Company does not accept any responsibility for any projections or reports published by any such persons.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by the Company will not materialize or will vary significantly from actual results. Accordingly, the Company's guidance is only an estimate of what management believes is realizable as of the date of release. Actual results will vary from the guidance. Investors should also recognize that the reliability of any forecasted financial data diminishes the farther in the future that the data are forecast. In light of the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it.

ITEM 1B: UNRESOLVED STAFF COMMENTS

None.

ITEM 1C: CYBERSECURITY

Diebold Nixdorf has processes, programs and measures in place designed to detect and help safeguard against cybersecurity threats and incidents. Although the Company implemented cybersecurity measures designed to detect and limit the risk of unauthorized access to our systems and acquisition of, loss of, modification of, use of, access to, or disclosure of our data, threat actors are using evolving, sophisticated, and ever-changing techniques to obtain unauthorized access to systems and data. While the Company works to maintain our information security program and risk management efforts, there can be no assurance that such actions will be sufficient to prevent cybersecurity incidents or mitigate all potential risks to our systems, networks, and data or those of our third-party providers.

Diebold Nixdorf has established an information security program. This program and corresponding processes are designed to manage cybersecurity risks within our products, solutions, operations, and corporate infrastructure. The Company conducts regular security risk assessments, which include internal, external, and third-party risks, where appropriate, relying on internal and external resources. The results of these assessments help us to identify potential risks and to aid our cybersecurity risk management practices. The Company also maintains a third-party risk management process for service providers, suppliers, and vendors. The company maintains policies and practices governing our third-party risks. The Company generally requires third parties to, among other things, maintain security controls to protect confidential information and data, and notify us of data breaches that may impact our systems or data. Diebold Nixdorf also uses third party security scoring data to assess potential risks associated with third-party controls.

The Company also has an internal audit function, which provides assessments of controls related to security. In addition, employees receive annual training on security, privacy, and code of ethics.

The oversight of our cybersecurity risk is integrated into an enterprise-wide risk management process. The Board of Directors has oversight of our strategic and business risk management and has delegated cybersecurity risk management oversight to the Nomination and Governance Committee (“Governance Committee”) of the Board. Our Governance Committee provides risk oversight and guidance to the Chief Information Security Officer (“CISO”) and the Board for information security policies and procedures. The Governance Committee provides guidance regarding strategy and management of the Company’s information security program, including cybersecurity incidents, if any. The Governance Committee is also responsible for ensuring Board oversight of the Company’s enterprise-wide risk management process, which includes information security.

The Company’s management team is responsible for the daily identification, assessment, and management of significant cybersecurity risks. Our management team monitors potential cybersecurity threats and aims to ensure that appropriate risk mitigation processes, cybersecurity policies, and procedures are established, maintained, and implemented.

Our CISO is responsible for overseeing all information security programs that support key functions related to the operation and management of security controls designed to protect and defend against cybersecurity risks. Our CISO leads a team of dedicated cybersecurity professionals who build and implement specific technical and administrative security controls. Our CISO is part of the senior management team at the Company and regularly updates the Governance Committee on the state of Diebold Nixdorf’s cybersecurity program, including security risks, incidents and mitigation strategies. The CISO and Governance Committee advise the Board of Directors on cyber security matters.

In 2023, the Company did not identify any cybersecurity incidents that have materially affected or are reasonably likely to materially affect the Company, including our business strategy, results of operations, or financial condition. The Company cannot eliminate all security risks within our organization, and the Company cannot guarantee that any undetected cybersecurity incidents have occurred. However, the Company tries to maintain reasonable processes in place to respond and recover from cybersecurity incidents. For additional information about these risks, see Part I, Item 1A, “Risk Factors” in this Annual Report on Form 10-K.

ITEM 2: PROPERTIES

As of December 31, 2023, the Company operates a real estate footprint of approximately 1,300,000 square feet and has realized a sustainable reduction from approximately 1,500,000 square feet in 2022. Since 2018, the Company reduced its operating real estate footprint by more than 60 percent. The main driver of recent reductions were consolidations of existing locations by reducing the rented areas, e.g., in the US, India, and Singapore; relocating to smaller and more cost-efficient locations, e.g., Malaysia, Portugal, Norway; and exiting locations in Mexico and Hong Kong.

Further, the Company owns or leases and operates sales, service, and administrative properties across the Americas, EMEA, and APAC and is seeking to regionalize its manufacturing. The Company also owns or leases and operates manufacturing facilities in North Canton, Ohio; Manaus, Brazil; Bengaluru, India and Paderborn, Germany. The Company continues to have key software delivery hubs in Katowice, Poland and Mumbai, India.

The Company considers that its properties are generally in good condition, well maintained, and are suitable and adequate to carry on the Company’s business. The Company also continues its focus on sustainability with its properties – e.g., starting to upgrade the Paderborn location with LED lights and initiating several global projects to save energy, e.g., by less heating/cooling and more area-specific illumination schedules.

The Company is exploring further opportunities to increase the sustainability of its properties, such as reviewing the solar energy potential at Company locations for on-site renewable energy systems. The Company is also investing in energy conservation initiatives through technology improvements such as installing energy efficiency LED lighting, replacing inefficient heating and cooling systems, and installing new high-efficient HVAC systems and building management systems where feasible.

ITEM 3: LEGAL PROCEEDINGS

The information required for this Item is incorporated herein by reference to Note 2 and Note 22 of the consolidated financial statements.

ITEM 4: MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

The common stock of the Company is listed on the New York Stock Exchange under the symbol of "DBD."

HOLDERS

There was one shareholder of record of the Company at December 31, 2023. The number of holders of record of the Company's common stock does not reflect the number of beneficial holders whose shares are held by banks, brokers, or other nominees.

DIVIDEND POLICY

It is uncertain whether or when the Company will pay cash dividends or other distributions with respect to our common stock. Our credit facilities limit our ability to pay cash dividends and repurchase shares. In addition, restrictive covenants in certain other debt instruments to which the Company may be a party may limit our ability to pay dividends or for us to receive dividends from our operating companies, any of which may negatively impact the trading price of our common stock. The declaration and payment of future dividends, as well as the amount thereof, are subject to declaration by our board of directors. The amount and size of any future dividends will depend on our results of operations, financial condition, capital levels, cash requirements, future prospects and other factors.

UNREGISTERED SALES OF EQUITY SECURITIES

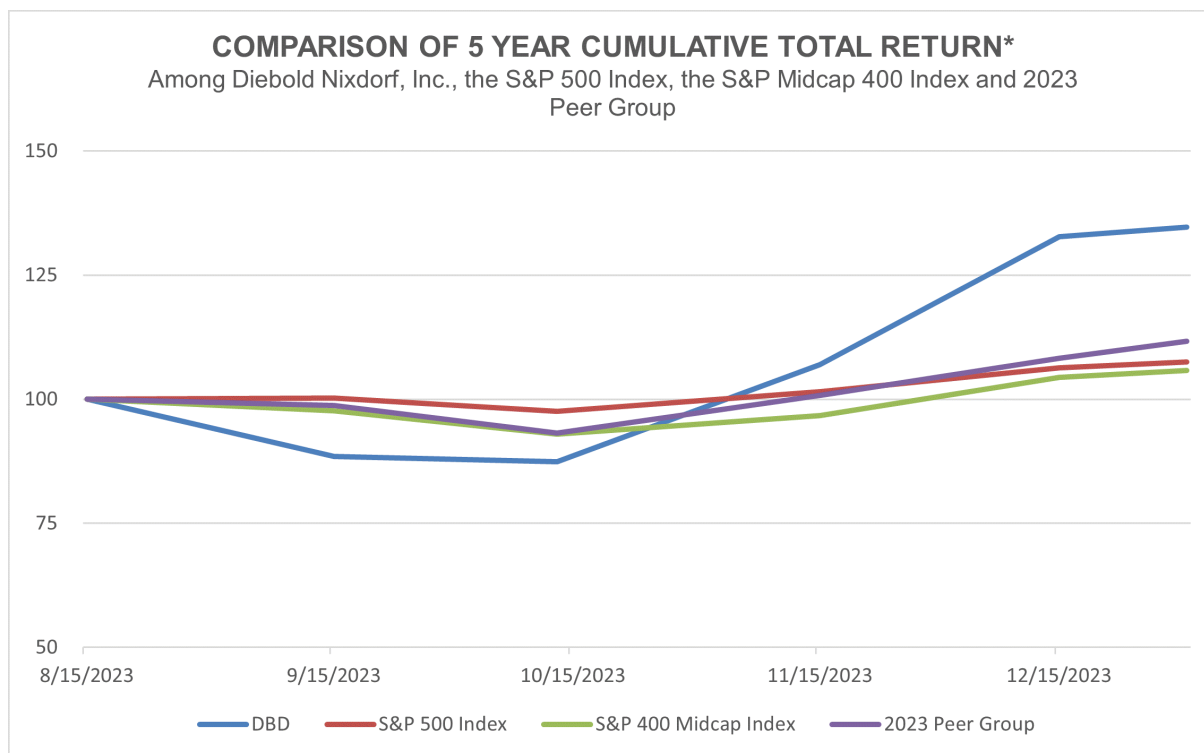
On the Effective Date, in connection with the Debtors' and the Dutch Scheme Companies' emergence from the Chapter 11 Cases and Dutch Scheme Proceedings and pursuant to the Plans, the Company issued 37,566,678 shares of common stock to the parties entitled thereto pursuant to the Plans and other orders in the Debtors' Chapter 11 Cases. Such shares were issued in reliance on the exemption from registration requirements of the Securities Act of 1933 provided by section 1145 of the U.S. Bankruptcy Code.

ISSUER PURCHASES OF EQUITY SECURITIES

The Company did not repurchase any shares of common stock during the fiscal year ended December 31, 2023.

PERFORMANCE GRAPH

The graph below compares the total return from August 11, 2023 to December 31, 2023 provided to shareholders on the Company's common stock relative to the total returns of the S&P 500 index, the S&P Midcap 400 index and two customized peer groups, whose individual companies are listed in footnote 1 below. An investment of \$100 (with reinvestment of all dividends) is assumed to have been made in the Company's common stock, in each index and in each of the peer groups on August 11, 2023 and its relative performance is tracked through December 31, 2023.



The Compensation Committee of the Company's Board of Directors annually reviews and approves the selection of peer group companies, adjusting the group from time to time based on changes in the Company's industry and the Company's operations, the current peer group and the comparability of our peer group companies.

1. There are seventeen companies included in the Company's 2023 peer group, which are: ACI Worldwide, Benchmark Electronics Inc., Bread Financial Holding, Ciena Corporation, Euronet Worldwide Inc., Infinera Corporation, Juniper Networks Inc., Logitech International SA, NCR Corp., Pitney Bowes Inc., Sabre Corp., Sanmina Corp., Scan Source, Shift4 Payments Inc., The Brink's Company, Unisys Corp. and Western Union Co.

ITEM 6: [RESERVED]

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS as of DECEMBER 31, 2023
DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
(unaudited)
(in millions, except per share amounts)

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

Overview

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with the consolidated financial statements and accompanying notes that appear within this annual report on Form 10-K.

Continuous Improvement

The Company is focused on consistently innovating its solutions to support a better transaction experience for consumers at bank and retail locations while simultaneously streamlining cost structures and business processes through the integration of hardware, software, and services.

Voluntary Reorganization

On June 1, 2023, the Debtors filed voluntary petitions in the U.S. Bankruptcy Court seeking relief under chapter 11 of the U.S. Bankruptcy Code. The cases were jointly administered under the caption In re: Diebold Holding Company, LLC, et al. (Case No. 23-90602). Additionally, on June 1, 2023, Diebold Dutch filed a scheme of arrangement relating to the Dutch Scheme Parties and commenced the Dutch Scheme Proceedings under the Dutch Act in the Dutch Court. In addition, on June 12, 2023, Diebold Dutch filed a voluntary petition for relief under chapter 15 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court seeking recognition of the Dutch Scheme Proceedings as a foreign main proceedings and related relief.

On July 13, 2023, the U.S. Bankruptcy Court entered the Confirmation Order confirming the U.S. Plan. On August 2, 2023, the Dutch Court entered the WHOA Sanction Order sanctioning the WHOA Plan in the Dutch Scheme Proceedings. On August 7, 2023, the U.S. Bankruptcy Court entered an order in the Chapter 15 Proceedings recognizing the WHOA Plan and the WHOA Sanction Order.

On the Effective Date of August 11, 2023, the U.S. Plan and WHOA Plan became effective in accordance with their terms and the Debtors and the Dutch Scheme Parties emerged from the Chapter 11 Cases and the Dutch Scheme Proceedings. Following filing the notice of the Effective Date with the U.S. Bankruptcy Court, the Chapter 15 Proceedings were closed.

For a more detailed discussion of the Restructuring Proceedings, see Note 2 to our consolidated financial statements.

Business Drivers

The Company's operating model is based upon product sales and service contract base. Business drivers of the Company's future net sales performance include, but are not limited to:

- demand for self-service and automation from Banking and Retail customers driven by the evolution of consumer behavior;
- demand for cost efficiencies and better usage of real estate for bank branches and retail stores as they transform their businesses to meet the needs of their customers while facing macro-economic challenges;
- demand for services on distributed IT assets such as ATMs, POS and SCO, including managed services and professional services;
- timing of product upgrades and/or replacement cycles for ATMs, POS and SCO;
- demand for software products and professional services;
- demand for security products and services for the financial, retail and commercial sectors; and
- demand for innovative technology in connection with the Company's strategy.

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RESULTS OF OPERATIONS

This Results of Operations focuses on discussion of 2023 Successor and Predecessor results and 2022 Predecessor results. For discussion of 2022 Predecessor results as compared to 2021 Predecessor results, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" within our Form 10-K for the year ended December 31, 2022 filed with the SEC on March 16, 2023.

* Combined results shown in the following schedules reflect financial performance combining outcomes of both the Predecessor and Successor companies as well as adjustments to remove the impacts of having implemented Fresh Start Accounting in the Successor Period which is Non-GAAP presentation that may be useful to readers.

Net Sales

The following table represents information regarding our net sales:

	Year ended December 31,							
	Successor	Predecessor			Predecessor	Predecessor	% Change	% Change in CC ⁽¹⁾
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	2022 in Constant Currency ⁽¹⁾		
Segments								
Banking								
Services	\$ 626.9	\$ 954.3	\$ —	\$ 1,581.2	\$ 1,548.1	\$ 1,561.5	2.1	1.3
Products	530.7	556.7	—	1,087.4	874.3	880.7	24.4	23.5
Total Banking	1,157.6	1,511.0	—	2,668.6	2,422.4	2,442.2	10.2	9.3
Retail								
Services	231.5	340.7	—	572.2	550.8	556.2	3.9	2.9
Products	239.5	280.2	—	519.7	487.5	496.6	6.6	4.7
Total Retail	471.0	620.9	—	1,091.9	1,038.3	1,052.8	5.2	3.7
Total Net Sales	\$ 1,628.6	\$ 2,131.9	\$ —	\$ 3,760.5	\$ 3,460.7	\$ 3,495.0	8.7	7.6

⁽¹⁾ The Company calculates constant currency (CC) by translating the prior-year period results at the current year exchange rate.

The increase in net sales of 8.7 percent was driven primarily due to increased unit volumes of ATMs and SCO units in the Banking and Retail segments, respectively. The increase in net sales was also partially attributable to increases in Services revenues in both segments.

Segments

- Banking net sales during the combined Successor and Predecessor Periods of 2023 were higher than the Predecessor Period in 2022 driven by unit volumes of ATMs which increased 23.5 percent year-over-year.
- Retail net sales during the combined Successor and Predecessor Periods of 2023 were higher than the Predecessor Period in 2022 driven by unit volumes of SCOs which increased 61.9 percent offset by a decrease in POS of 24.1 percent year-over-year.

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Gross Profit and Gross Margin

The following table represents information regarding our gross profit and gross margin:

	Year ended December 31,					
	Successor Period from 08/12/2023 through 12/31/2023	Predecessor Period from 01/01/2023 through 08/11/2023			Predecessor	
		Adjustments	Combined*	2022	% Change	
Gross profit - services	\$ 200.2	\$ 372.6	\$ 32.4	\$ 605.2	\$ 618.1	(2.1)
Gross profit - products	152.8	147.4	37.4	337.6	139.2	142.5
Total gross profit	\$ 353.0	\$ 520.0	\$ 69.8	\$ 942.8	\$ 757.3	24.5
Gross margin - services	23.3 %	28.8 %		28.1 %	29.4 %	
Gross margin - products	19.8 %	17.6 %		21.0 %	10.2 %	
Total gross margin	21.7 %	24.4 %		25.1 %	21.9 %	

Service margins were adversely impacted in the Predecessor and Successor Periods of 2023 by higher investments in resources and service infrastructure to ensure customer satisfaction.

Product gross profit in the Predecessor and Successor Periods of 2023 was driven by product sales unit volume at favorable pricing. This was further supplemented by favorable logistics costs and normalization of certain raw material costs, most notably semiconductor chips.

Operating Expenses

The following table represents information regarding our operating expenses:

	Year ended December 31,					
	Successor Period from 08/12/2023 through 12/31/2023	Predecessor Period from 01/01/2023 through 08/11/2023			Predecessor	
		Adjustments	Combined*	2022	% Change	
Selling and administrative expense	\$ 226.0	\$ 458.7	\$ (9.2)	\$ 675.5	\$ 741.6	(8.9)
Research, development and engineering expense	34.4	62.3	—	96.7	120.7	(19.9)
(Gain) loss on sale of assets, net	(1.0)	1.2	—	0.2	(5.1)	N/M
Impairment of assets	1.2	3.3	—	4.5	111.8	(96.0)
Total operating expenses	\$ 260.6	\$ 525.5	\$ (9.2)	\$ 776.9	\$ 969.0	(19.8)

Selling and administrative expenses in both periods were impacted by spending related to certain restructuring and transformational initiatives.

Research and development costs continue to decrease as a result of ongoing costs savings initiatives as well as project prioritization and rationalization.

(Gain) loss on sale of assets, net in the Predecessor and Successor Periods of 2023 was de minimis. Net gain on sale of assets for 2022 was \$5.1, primarily related to the sale of an IP address for \$3.5 as well as a European facility sale for a \$1.9 gain, both in the third quarter.

Impairments in the Predecessor and Successor Periods of 2023 primarily relate to the write-down of right-of-use assets and related leasehold improvements for facilities identified for closure and impairment of discontinued internally developed software. In the Predecessor Period of 2022, charges were taken in the first quarter related to the North American ERP and

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certain assets in Ukraine, Russia, and Belarus; in the second quarter related to facility closures; in the third quarter related to German capitalized software; and in the fourth quarter related to assets at the held for sale non-core European retail business.

Operating Profit (Loss)

The following table represents information regarding our operating profit (loss):

	Year ended December 31,					
	Successor	Predecessor			Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	% Change
Operating profit (loss)	\$ 92.4	\$ (5.5)	\$ 79.0	\$ 165.9	\$ (211.7)	N/M
Operating margin	5.7 %	(0.3)%		4.5 %	(6.1)%	

Other Income (Expense)

The following table represents information regarding our other income (expense):

	Year ended December 31,					
	Successor	Predecessor			Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	% Change
Interest income	\$ 6.3	\$ 6.7	\$ —	\$ 13.0	\$ 10.0	30.0
Interest expense	(68.7)	(178.0)	7.4	(239.3)	(199.2)	(20.1)
Foreign exchange loss, net	(12.2)	(1.2)	4.7	(8.7)	(7.8)	(11.5)
Reorganization items, net	(17.1)	1,614.1	(1,597.0)	—	—	N/M
Miscellaneous, net	(0.8)	12.3	—	11.5	2.2	N/M
Loss on refinancing	—	—	—	—	(32.1)	N/M
Total other income (expense), net	\$ (92.5)	\$ 1,453.9	\$ (1,584.9)	\$ (223.5)	\$ (226.9)	1.5

The increase in interest income during the Combined Predecessor and Successor Periods of 2023 compared to the Predecessor Period of 2022 was driven by higher variable rates.

Interest expense increased due to the terms of the agreement completed in December 2022 and increasing variable interest rates. Refer to Note 13 to our consolidated financial statements for further detail.

Foreign exchange loss, net includes realized gains and losses, primarily related to the euro and Brazilian real currency exposure, which was unfavorable, particularly during the Successor Period.

Refer to Note 2 and Note 3 to our consolidated financial statements for further description of Reorganization items, net for the combined results of the Predecessor and Successor Periods.

Miscellaneous, net is primarily attributable to recognition of non-service pension items, the most significant of which are in Germany.

In the fourth quarter of 2022, the Predecessor company incurred \$32.1 of costs primarily related to third-party costs directly related to certain refinancing transactions that were expensed as incurred due to these refinancing transactions being accounted for as a modification.

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Net Income (Loss)

The following table represents information regarding our income (loss), net of tax:

	Year ended December 31,					
	Successor	Predecessor			Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	% Change
Net income (loss)	\$ 19.1	\$ 1,357.5	\$ (1,411.6)	\$ (35.0)	\$ (585.6)	N/M
Percent of net sales	1.2 %	63.7 %		(0.9)%	(16.9)%	
Effective tax rate	N/M	N/M		32.3 %	(34.0)%	

Changes in net income (loss) are a result of the fluctuations outlined in the previous sections and impacted by income tax expense which includes \$94.3 tax benefit on impact of Fresh Start Adjustments in the Successor Period. Refer to Note 6 to our consolidated financial statements for additional information regarding tax expense.

Segment Operating Profit Summary

The following tables represent information regarding the segment operating profit metrics, which exclude the impact of restructuring and transformation, non-routine charges, and the held for sale non-core European retail business because these items are not assigned to a segment in any of the Company's reporting metrics, including those used by the Chief Operating Decision Maker for assessing performance and allocating resources. Refer to Note 25 of the consolidated financial statements for further details regarding the determination of reportable segments and the reconciliation between segment operating profit and consolidated operating profit.

	Year ended December 31,					
	Successor	Predecessor			Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	% Change
Banking:						
Net sales	\$ 1,157.6	\$ 1,511.0	\$ —	\$ 2,668.6	\$ 2,422.4	10.2
Segment operating profit	\$ 182.1	\$ 211.6	\$ 37.4	\$ 431.1	\$ 310.8	
Segment operating profit margin	15.7 %	14.0 %		16.2 %	12.8 %	

Banking operating profit and margin was favorable in the Predecessor and Successor Periods of 2023 due to improved ATM product volumes and the impact of price and cost actions as well as lower operating expenses as a result of spend management initiatives.

	Year ended December 31,					
	Successor	Predecessor			Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Adjustments	Combined*	2022	% Change
Retail:						
Net sales	\$ 469.3	\$ 610.0	\$ —	\$ 1,079.3	\$ 1,018.2	6.0
Segment operating profit	\$ 68.9	\$ 86.2	\$ 9.8	\$ 164.9	\$ 134.0	
Segment operating profit margin	14.7 %	14.1 %		15.3 %	13.2 %	

Retail segment operating profit was driven by sales volume of SCO units and normalization of supply chain logistics and input costs.

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LIQUIDITY AND CAPITAL RESOURCES

On June 5, 2023, the Predecessor company entered into the credit agreement with certain financial institutions party thereto, as lenders (the Lenders) and GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent; which provided the \$1,250.0 senior secured superpriority debtor-in-possession term loan credit facility (DIP Facility). The proceeds of the DIP Facility were used, among others, to: (i) repay in full the term loan obligations, including a make-whole premium, under the Predecessor company's superpriority secured term loan facility (Superpriority Facility) and (ii) repay in full the Predecessor company's asset-based revolving credit facility (ABL Facility) and cash collateralize letters of credit thereunder. The payment for the Superpriority Facility totaled \$492.3 and was comprised of \$401.3 of principal and interest, \$20.0 of premium, and a make whole amount of \$71.0. The payment for the ABL Facility, including an additional tranche of commitments consisting of a senior secured "last out" term loan facility, and the cash collateralization of letters of credit thereunder totaled \$241.0 and was comprised of \$211.2 of principal and interest and \$29.8 of cash collateralized letters of credit.

On the Effective Date of August 11, 2023, the Company's existing the DIP Facility was terminated and the loans outstanding under the DIP Facility were converted into loans outstanding under the Exit Facility (the Conversion), and the liens and guarantees, including all guarantees and liens granted by certain subsidiaries of the Company that are organized in the United States and in certain foreign jurisdictions, granted under the DIP Facility were automatically terminated and released.

In connection with the Conversion, the entire \$1,250.0 under the Exit Facility was deemed drawn on the Effective Date.

The Company may repay the loans under the Exit Facility at any time; provided that certain repayments of the loans made on or prior to February 11, 2025 with the proceeds of certain types of indebtedness must be accompanied by a premium of either 1.00% or 5.00% of the principal amount of the loans repaid. The amount of the premium is based on the type of indebtedness incurred to repay the loans. Amounts borrowed and repaid under the Exit Facility may not be reborrowed.

The Exit Facility will mature on August 11, 2028.

The obligations of the Company under the Exit Facility are guaranteed by certain subsidiaries of the Company that are organized in the United States (the Guarantors). The Exit Facility and related guarantees are secured by perfected senior security interests and liens on substantially all assets of the Company and each Guarantor.

Loans under the Exit Facility bear interest at an adjusted secured overnight financing rate with a one-month tenor rate plus 7.50% per annum or an adjusted base rate plus 6.50% per annum.

On February 13, 2024, the Company, as borrower, entered into a credit agreement (the Revolving Credit Agreement) with certain financial institutions party thereto, as lenders, and PNC Bank, National Association, as administrative agent and collateral agent. The Revolving Credit Agreement provides for a superior-priority senior secured revolving credit facility (the Credit Facility) in an aggregate principal amount of \$200.0, which includes a \$50.0 letter of credit sub-limit and a \$20.0 swing loan sub-limit. Borrowings under the Credit Facility may be used by the Company for (i) the Repayment (as defined in Note 26) and (ii) general corporate purposes and working capital. As of the effective date of the Revolving Credit Agreement, the Credit Facility is fully drawn.

Concurrently with the closing of the Credit Facility, the Company prepaid \$200.0 of outstanding principal of its senior secured term loans under the Exit Credit Agreement.

The Credit Facility will mature on February 13, 2027. Refer to Note 26 for further detail.

Liquidity provided thereunder is expected to sustain the Successor for at least the next twelve months.

The Company's total cash and cash availability as of December 31, 2023 and 2022 was as follows:

	Successor 2023	Predecessor 2022
Cash and cash equivalents	\$ 550.2	\$ 307.4
Additional cash availability from:		
Short-term investments	13.4	24.6
Total cash and cash availability	<u>\$ 563.6</u>	<u>\$ 332.0</u>

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The following table summarizes the results, excluding the impact of cash in businesses held for sale, of our consolidated statement of cash flows:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Net cash flow provided (used) by:				
Operating activities	\$ 162.4	\$ (419.4)	\$ (387.9)	\$ 123.3
Investing activities	(20.1)	(16.0)	(23.8)	(49.2)
Financing activities	(4.0)	563.5	349.8	(3.6)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1.1	2.9	(8.2)	(5.7)
Net increase/(decrease) in cash, cash equivalents and restricted cash	\$ 139.4	\$ 131.0	\$ (70.1)	\$ 64.8

Operating Activities. Cash flows from operating activities can fluctuate significantly from period to period as working capital needs and the timing of payments impact reported cash flows.

- Cash flows from operating activities during the Successor Period ended December 31, 2023 were driven by cash provided by Inventories and Accounts payable offset by uses for Deferred income taxes, Trade receivables, and Deferred revenue. The key drivers of these cash flows are timing of sales, collections, and vendor payments which can fluctuate significantly period to period.
- Cash flows from operating activities during the Predecessor Period ended August 11, 2023 were driven by uses for inventory and accounts payable primarily due to normalize supplier payments which is expected to revert to our historic level.

Investing Activities. Cash flows from investing activities during the Successor Period ended December 31, 2023 were driven by Capital expenditures of \$9.8 and Capitalized software development of \$9.8. Cash flows from investing activities during the Predecessor Period ended August 11, 2023 were driven by Capital expenditures of \$15.1, Capitalized software development of \$13.1, and net investment proceeds of \$12.2.

The Company anticipates total capital expenditures and capitalized software development costs of approximately \$50.0 in 2024 to be utilized for improvements to the Company's product line and investments in its infrastructure. The Company intends to finance these investments with borrowings under the Company's committed and uncommitted credit facilities and funds provided by income generated by the business.

Financing Activities. Cash flows from financing activities during the during the Predecessor Period ended August 11, 2023 primarily relate to the Restructuring Proceedings. Refer to Note 2, Note 3, and Note 13 for further details.

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Contractual and Other Obligations. We have certain contractual obligations and commitments for general operating purposes. Refer to Note 13 of the consolidated financial statements for scheduled maturities and interest rates of our long-term debt. The Company's leases support global staff via the use of office space, warehouses, vehicles and IT equipment and are discussed in additional detail within Note 18 of the consolidated financial statements. Changes in our business needs, fluctuating interest rates, and other factors may result in actual payments differing from our estimates. We cannot provide certainty regarding the timing and amounts of these payments or our ability to refinance outstanding debt on favorable terms or at all. The Company's material cash obligations include the following contractual and other obligations as of December 31, 2023:

	Total	Payment due by period			
		Less than 1 year	1-3 years	3-5 years	More than 5 years
Short-term uncommitted lines of credit ⁽¹⁾	\$ —	\$ —	\$ —	\$ —	\$ —
Debt ⁽²⁾	1,250.3	0.3	—	1,250.0	—
Interest on debt ⁽³⁾	803.5	160.7	321.4	321.4	—
Minimum operating lease obligations	125.3	46.6	47.6	15.4	15.7
Minimum finance lease obligations	7.9	4.1	3.0	0.8	—
Total	<u>\$ 2,187.0</u>	<u>\$ 211.7</u>	<u>\$ 372.0</u>	<u>\$ 1,587.6</u>	<u>\$ 15.7</u>

(1) The amount available under the short-term uncommitted lines at December 31, 2023 was \$8.2. Refer to Note 13 of the consolidated financial statements for additional information.

(2) Amounts related to non-current finance lease liabilities are included in Minimum finance lease obligations.

(3) Amounts represent estimated contractual interest payments on outstanding long-term debt. Rates in effect as of December 31, 2023 are used for variable rate debt. On February 13, 2024 we entered into the Revolving Credit Agreement and expect that the interest on debt payments above will be reduced by \$12.5, \$28.4, and \$28.4 in the Less than 1 year, 1-3 years, and 3-5 years periods above, respectively. Refer to Note 26 of the consolidated financial statements for additional information.

In addition to the general operating items above, the Company provides eligible employees with benefits pursuant to the pension and postretirement plans further described in Note 17 of the consolidated financial statements. Future contributions and disbursements related to the plans are dependent upon a number of factors, including the funded status of the plans.

Off-Balance Sheet Arrangements. The Company enters into various arrangements not recognized in the consolidated balance sheets that have or could have an effect on its financial condition, results of operations, liquidity, capital expenditures or capital resources. The principal off-balance sheet arrangements that the Company enters into are guarantees and sales of finance receivables. The Company provides its global operations guarantees and standby letters of credit through various financial institutions to suppliers, customers, regulatory agencies and insurance providers. If the Company is not able to comply with its contractual obligations, the suppliers, regulatory agencies and insurance providers may draw on the pertinent bank. The Company has sold finance receivables to financial institutions while continuing to service the receivables. The Company records these sales by removing finance receivables from the consolidated balance sheets and recording gains and losses in the consolidated statement of operations (refer to Note 19 of the consolidated financial statements).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's discussion and analysis of the Company's financial condition and results of operations are based upon the Company's consolidated financial statements. The consolidated financial statements of the Company are prepared in conformity with generally accepted accounting principles in the United States (U.S. GAAP). The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities and reported amounts of revenues and expenses. Such estimates include revenue recognition, the valuation of trade and financing receivables, inventories, goodwill, intangible assets, other long-lived assets, legal contingencies, guarantee obligations, and assumptions used in the calculation of income taxes, pension and post-retirement benefits, among others. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors. Management monitors the economic conditions and other factors and will adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

The Company's significant accounting policies are described in Note 1 of the consolidated financial statements, which is contained in Item 8 of this annual report on Form 10-K. Management believes that, of its significant accounting policies, its policies concerning revenue recognition, allowances for credit losses, inventory reserves, goodwill, long-lived assets, taxes on

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income, contingencies and pensions and post-retirement benefits are the most critical because they are affected significantly by judgments, assumptions and estimates. Additional information regarding these policies is included below.

Fresh Start Accounting. In accordance with ASC 852, we applied Fresh Start Accounting upon emergence from the Restructuring Proceedings, at which point we became a new entity for financial reporting. References to "Predecessor" relate to the consolidated balance sheets as of December 31, 2022, and consolidated statements of operations for the twelve months ended December 31, 2022 and 2021, and for the period from January 1, 2023 through and including the adjustments from the application of Fresh Start Accounting on August 11, 2023 (Predecessor Period). References to "Successor" relate to the consolidated balance sheet of the reorganized Company as of December 31, 2023 and consolidated statements of operations for the period from August 12, 2023 through December 31, 2023 (Successor Period) and are not comparable to the consolidated financial statements of the Predecessor as indicated by the "black line" division in the financial statements and footnote tables, which emphasizes the lack of comparability between amounts presented. The Company's financial results for future periods following the application of Fresh Start Accounting will be different from historical trends and the differences may be material.

Revenue Recognition. Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The amount of consideration can vary depending on discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties, or other similar items contained in the contract with the customer of which generally these variable consideration components represents minimal amount of net sales. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

The Company's payment terms vary depending on the individual contracts and are generally fixed fee. The Company recognizes advance payments and billings in excess of revenue recognized as deferred revenue. In certain contracts where services are provided prior to billing, the Company recognizes a contract asset within trade receivables.

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction and that are collected by the Company from a customer are excluded from revenue.

The Company recognizes shipping and handling fees billed when products are shipped or delivered to a customer and includes such amounts in net sales. Although infrequent, shipping and handling associated with outbound freight after control over a product has transferred to a customer is not a separate performance obligation, rather is accounted for as a fulfillment cost. Third-party freight payments are recorded in cost of sales.

The Company includes a warranty in connection with certain contracts with customers, which are not considered to be separate performance obligations. The Company provides its customers a manufacturer's warranty and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. For additional information on product warranty refer to Note 11 of the consolidated financial statements. The Company also has extended warranty and service contracts available for its customers, which are recognized as separate performance obligations. Revenue is recognized on these contracts ratably as the Company has a stand-ready obligation to provide services when or as needed by the customer. This input method is the most accurate assessment of progress toward completion the Company can apply.

Product revenue is recognized at the point in time that the customer obtains control of the product, which could be upon delivery or upon completion of installation services, depending on contract terms. The Company's software licenses are functional in nature (the IP has significant stand-alone functionality); as such, the revenue recognition of distinct software license sales is at the point in time that the customer obtains control of the rights granted by the license.

Professional services integrate the commercial solution with the customer's existing infrastructure and helps define the optimal user experience, improve business processes, refine existing staffing models and deploy technology to meet branch and store automation objectives. Revenue from professional services is recognized over time, because the customer simultaneously receives and consumes the benefits of the Company's performance as the services are performed or when the Company's performance creates an asset with no alternative use and the Company has an enforceable right to payment for performance completed to date. Generally, revenue will be recognized using an input measure, typically costs incurred. The typical contract length for service is generally one year and is billed and paid in advance except for installations, among others.

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Services may be sold separately or in bundled packages. For bundled packages, the Company accounts for individual services separately if they are distinct. A distinct service is separately identifiable from other items in the bundled package if a customer can benefit from it on its own or with other resources that are readily available to the customer. The consideration (including any discounts) is allocated between separate services or distinct obligations in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the prices at which the Company separately sells the products or services. For items that are not sold separately, the Company estimates stand-alone selling prices using the cost plus expected margin approach. Revenue on service contracts is recognized ratably over time, generally using an input measure, as the customer simultaneously receives and consumes the benefits of the Company's performance as the services are performed. In some circumstances, when global service supply chain services are not included in a term contract and rather billed as they occur, revenue on these billed work services are recognized at a point in time as transfer of control occurs.

The following is a description of principal solutions offered within the Company's two main customer segments that generate the Company's revenue.

Banking

Products. Products for banking customers consist of cash recyclers and dispensers, intelligent deposit terminals, teller automation tools and kiosk technologies, as well as physical security solutions. The Company provides its banking customers front-end software applications for consumer connection points and back-end platforms that manage channel transactions, operations and integration and facilitate omnichannel transactions, endpoint monitoring, remote asset management, customer marketing, merchandise management and analytics. These offerings include highly configurable, API-enabled software that automates legacy banking transactions across channels.

Services. The Company provides its banking customers product-related services which include proactive monitoring, rapid resolution of incidents through remote service capabilities or an on-site visit and professional services. First- and second-line maintenance, preventive maintenance and on-demand services keep the distributed assets of the Company's customers up and running through a standardized incident management process. Managed services and outsourcing consist of end-to-end business processes, solution management, upgrades and transaction processing. The Company also provides a full array of cash management services, which optimizes the availability and cost of physical currency across the enterprise through efficient forecasting, inventory and replenishment processes.

Retail

Products. The retail product portfolio includes modular, integrated and mobile POS and SCO terminals that meet evolving automation and omnichannel requirements of consumers. Supplementing the POS system is a broad range of peripherals, including printers, scales and mobile scanners, as well as the cash management portfolio which offers a wide range of banknote and coin processing systems. Also in the portfolio, the Company provides SCO terminals and ordering kiosks which facilitate an efficient and user-friendly purchasing experience. The Company's hybrid product line can alternate from an attended operator to self-checkout with the press of a button as traffic conditions warrant throughout the business day.

The Company's platform software is installed within retail data centers to facilitate omnichannel transactions, endpoint monitoring, remote asset management, customer marketing, merchandise management and analytics.

Services. The Company provides its retail customers product-related services which include on-demand services and professional services. Diebold Nixdorf AllConnect Services for retailers include maintenance and availability services to continuously improve retail self-service fleet availability and performance. These include: total implementation services to support both current and new store concepts; managed mobility services to centralize asset management and ensure effective, tailored mobile capability; monitoring and advanced analytics providing operational insights to support new growth opportunities; and store life-cycle management to proactively monitors store IT endpoints and enable improved management of internal and external suppliers and delivery organizations.

Inventory Valuation. At each reporting period, the Company identifies and writes down its excess and obsolete inventories to net realizable value based on usage forecasts, order volume and inventory aging. With the development of new products, the Company also rationalizes its product offerings and will write-down discontinued product to the lower of cost or net realizable value.

Goodwill. Goodwill in the Successor Period is the excess of the reorganization value of assets over the fair value of identifiable tangible and intangible assets (refer to Note 3). Goodwill in the Predecessor Period is the cost in excess of the net assets of acquired businesses (refer to Note 10).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS as of DECEMBER 31, 2023
DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
(unaudited)
(in millions, except per share amounts)

The Company tests all existing goodwill at least annually as of October 1 for impairment on a reporting unit basis using either a quantitative or qualitative approach.

A qualitative analysis is performed by assessing recent trends and factors, including projected market outlook and growth rates, forecasted and actual sales and operating profit margins, discount rates, industry data, and other relevant qualitative factors. These trends and factors are compared to, and based on, the assumptions used in the most recent quantitative analysis performed for each reporting unit. The results of the qualitative analyses did not indicate a need to perform a quantitative analysis.

In years in which quantitative analyses were performed, the fair value of the reporting units is determined based upon a combination of the income and market approaches, which are standard valuation methodologies. The income approach uses discounted estimated future cash flows, whereas the market approach or guideline public company method utilizes market data of similar publicly traded companies. The fair value of the reporting unit is defined as the price that would be received in a sale of the net assets in an orderly transaction between market participants at the assessment date. The Company compares the fair value of each reporting unit with its carrying value and would recognize an impairment charge if the amount carrying amount exceeds the reporting unit's fair value.

The techniques used in the Company's quantitative assessments incorporate a number of assumptions that the Company believes to be reasonable and to reflect market conditions at the assessment date. Assumptions in estimating future cash flows are subject to a high degree of judgment. The Company makes all efforts to forecast future cash flows as accurately as possible with the information available at the time the forecast is made. To this end, the Company evaluates the appropriateness of its assumptions as well as its overall forecasts by comparing projected results of upcoming years with actual results of preceding years and validating that differences therein are reasonable. Key assumptions, which typically are Level 3 inputs, include discount rates, terminal growth rates, market multiple data from selected guideline public companies, management's internal forecasts which include numerous assumptions such as projected net sales, gross profit, sales mix, operating and capital expenditures, among others. A number of benchmarks from independent industry and other economic publications were also used. Changes in assumptions and estimates after the assessment date may lead to an outcome where impairment charges would be required in future periods. Specifically, actual results may vary from the Company's forecasts and such variations may be material and unfavorable, thereby triggering the need for future impairment tests where the conclusions may differ in reflection of prevailing market conditions.

The Company tests for interim impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the carrying value of a reporting unit below its reported amount. In evaluating whether it is more likely than not the fair value of a reporting unit is less than its carrying amount, the Company considers the following events and circumstances, among others, if applicable: (a) macroeconomic conditions such as general economic conditions, limitations on accessing capital or other developments in equity and credit markets; (b) industry and market considerations such as competition, multiples or metrics and changes in the market for the Company's products and services or regulatory and political environments; (c) cost factors such as raw materials, labor or other costs; (d) overall financial performance such as cash flows, actual and planned revenue and earnings compared with actual and projected results of relevant prior periods; (e) other relevant events such as changes in key personnel, strategy or customers; (f) changes in the composition of a reporting unit's assets or expected sales of all or a portion of a reporting unit; and (g) any sustained decrease in share price. If the Company's qualitative assessment indicates that it is more likely than not that the fair value of a reporting unit is less than its carrying value, a quantitative impairment test is used to identify potential goodwill impairment and measure the amount of any impairment loss to be recognized.

In the Successor Period, the annual goodwill impairment test was performed using a qualitative analysis. During the Predecessor Periods, annual goodwill impairment tests were performed using a quantitative analysis in 2022 and qualitative analysis in 2021. As a result of a triggering event identified as of March 31, 2023, the Company performed an interim quantitative goodwill impairment test in the Predecessor Period. No impairment resulted from the quantitative interim goodwill impairment test. As a result of the reporting unit change in the second quarter of 2022, the Company performed an interim quantitative goodwill impairment test. No impairment resulted from the quantitative interim goodwill impairment test under either the legacy or new reporting unit structure.

Taxes on Income. Deferred taxes are provided on the asset and liability method, whereby deferred tax assets are recognized for deductible temporary differences, operating loss carry-forwards and tax credits. Deferred tax liabilities are recognized for taxable temporary differences and undistributed earnings in certain jurisdictions. Deferred tax assets are reduced by a valuation allowance when, based upon the available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Determination of a valuation allowance involves estimates regarding the timing and amount of the reversal of taxable temporary differences, expected future taxable income and the impact of tax planning strategies. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

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AND RESULTS OF OPERATIONS as of DECEMBER 31, 2023
DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
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(in millions, except per share amounts)

The Company operates in numerous taxing jurisdictions and is subject to examination by various federal, state and foreign jurisdictions for various tax periods. Additionally, the Company has retained tax liabilities and the rights to tax refunds in connection with various acquisitions and divestitures of businesses. The Company's income tax positions are based on research and interpretations of the income tax laws and rulings in each of the jurisdictions in which the Company does business. Due to the subjectivity of interpretations of laws and rulings in each jurisdiction, the differences and interplay in tax laws between those jurisdictions, as well as the inherent uncertainty in estimating the final resolution of complex tax audit matters, the Company's estimates of income tax liabilities may differ from actual payments or assessments.

The Company assesses its position with regard to tax exposures and records liabilities for these uncertain tax positions and any related interest and penalties, when the tax benefit is not more likely than not realizable. The Company has recorded an accrual that reflects the recognition and measurement process for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. Additional future income tax expense or benefit may be recognized once the positions are effectively settled.

Contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred. There is no liability recorded for matters in which the liability is not probable and reasonably estimable. Attorneys in the Company's legal department monitor and manage all claims filed against the Company and review all pending investigations. Generally, the estimate of probable loss related to these matters is developed in consultation with internal and outside legal counsel representing the Company. These estimates are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. The Company attempts to resolve these matters through settlements, mediation and arbitration proceedings when possible. If the actual settlement costs, final judgments, or fines, after appeals, differ from the estimates, the future results may be materially impacted. Adjustments to the initial estimates are recorded when a change in the estimate is identified.

Pensions and Other Post-retirement Benefits. Annual net periodic expense and benefit liabilities under the Company's defined benefit plans are determined on an actuarial basis. Assumptions used in the actuarial calculations have a significant impact on plan obligations and expense. The Company periodically reviews the actual experience compared with the more significant assumptions used and make adjustments to the assumptions, if warranted. The discount rate is determined by analyzing the average return of high-quality (i.e., AA-rated), fixed-income investments and the year-over-year comparison of certain widely used benchmark indices as of the measurement date. The expected long-term rate of return on plan assets is determined using the plans' current asset allocation and their expected long term rates of return. The rate of compensation increase assumptions reflects the Company's long-term actual experience and future and near-term outlook. Pension benefits are funded through deposits with trustees. Other post-retirement benefits are not funded and the Company's policy is to pay these benefits as they become due.

The following table represents assumed healthcare cost trend rates:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Healthcare cost trend rate assumed for next year	5.6 %	5.7 %	6.0 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.2 %	4.2 %	4.0 %
Year that rate reaches ultimate trend rate	2046	2046	2046

RECENTLY ISSUED ACCOUNTING GUIDANCE

Refer to Note 1 of the consolidated financial statements for information on recently issued accounting guidance.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS as of DECEMBER 31, 2023
DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
(unaudited)
(in millions, except per share amounts)

FORWARD-LOOKING STATEMENT DISCLOSURE

This annual report on Form 10-K may contain statements that are not historical information and are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. These forward-looking statements include, but are not limited to, projections, statements regarding the Company's expected future performance (including expected results of operations), future financial condition, anticipated operating results, strategy plans, future liquidity and financial position.

Statements can generally be identified as forward looking because they include words such as "believes," "anticipates," "expects," "intends," "plans," "will," "estimates," "potential," "target," "predict," "project," "seek," and variations thereof or "could," "should" or words of similar meaning. Statements that describe the Company's future plans, objectives or goals are also forward-looking statements, which reflect the current views of the Company with respect to future events and are subject to assumptions, risks and uncertainties that could cause actual results to differ materially. Although the Company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, the economy, its knowledge of its business, and key performance indicators that impact the Company, these forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The factors that may affect the company's results include, among others:

- the Company's recent emergence from the Chapter 11 Cases and the Dutch Scheme Proceedings, which could adversely affect our business and relationships;
- the significant variance of our actual financial results from the projections that were filed with the U.S. Bankruptcy Court and Dutch Court;
- the overall impact of the global supply chain complexities on the company and its business, including delays in sourcing key components as well as longer transport times, especially for container ships and U.S. trucking, given the company's reliance on suppliers, subcontractors and availability of raw materials and other components;
- the Company's ability to generate sufficient cash or have sufficient access to capital resources to service its debt, which, if unsuccessful or insufficient, could force the company to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness;
- the Company's ability to comply with the covenants contained in the agreements governing its debt;
- the Company's ability to successfully convert its backlog into sales, including our ability to overcome supply chain and liquidity challenges;
- the ultimate impact of infectious disease outbreaks and other public health emergencies, including further adverse effects to the company's supply chain and, maintenance of increased order backlog;
- the Company's ability to successfully meet its cost-reduction goals and continue to achieve benefits from its cost-reduction initiatives and other strategic initiatives;
- the success of the company's new products, including its DN Series line and EASY family of retail checkout solutions, and electronic vehicle charging service business;
- the impact of a cybersecurity incident or operational failure on the company's business;
- the Company's ability to attract, retain and motivate key employees;
- the Company's reliance on suppliers, subcontractors and availability of raw materials and other components;
- changes in the company's intention to further repatriate cash and cash equivalents and short-term investments residing in international tax jurisdictions, which could negatively impact foreign and domestic taxes;
- the Company's success in divesting, reorganizing or exiting non-core and/or non-accretive businesses and its ability to successfully manage acquisitions, divestitures, and alliances;
- the ultimate outcome of the appraisal proceedings initiated in connection with the implementation of the Domination and Profit Loss Transfer Agreement with the former Diebold Nixdorf AG (which was dismissed in the company's favor at the lower court level in May 2022) and the merger/squeeze-out;
- the impact of market and economic conditions, including the bankruptcies, restructuring or consolidations of financial institutions, which could reduce the Company's customer base and/or adversely affect its customers' ability to make capital expenditures, as well as adversely impact the availability and cost of credit;
- the impact of competitive pressures, including pricing pressures and technological developments;
- risks related to our international operations, including geopolitical instability and wars;
- changes in political, economic or other factors such as currency exchange rates, inflation rates (including the impact of possible currency devaluations in countries experiencing high inflation rates), recessionary or expansive trends, disruption in energy supply, taxes and regulations and laws affecting the worldwide business in each of the company's operations;
- the Company's ability to maintain effective internal controls;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
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(in millions, except per share amounts)

- unanticipated litigation, claims or assessments, as well as the outcome/impact of any current/pending litigation, claims or assessments;
- the effect of changes in law and regulations or the manner of enforcement in the U.S. and internationally and the company's ability to comply with applicable laws and regulations; and
- other factors included in the company's filings with the SEC.

Except to the extent required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements.

ITEM 7A: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

(dollars in millions, except per share amounts)

The Company is exposed to foreign currency exchange rate risk inherent in its international operations denominated in currencies other than the U.S. dollar. For the combined 2023 Successor and Predecessor Periods, a hypothetical 10 percent movement in the applicable foreign exchange rates would have resulted in an increase or decrease in the combined 2023 Successor and Predecessor Periods operating loss of \$25.4 and \$31.1, respectively. The sensitivity model assumes an instantaneous, parallel shift in the foreign currency exchange rates. Exchange rates rarely move in the same direction. The assumption that exchange rates change in an instantaneous or parallel fashion may overstate the impact of changing exchange rates on amounts denominated in a foreign currency.

The Company's risk-management strategy uses derivative financial instruments such as forwards to hedge certain foreign currency exposures. The intent is to offset gains and losses that occur on the underlying exposures with gains and losses on the derivative contracts hedging these exposures. The Company does not enter into derivatives for trading purposes. The Company's primary exposures to foreign exchange risk are movements in the euro, British pound, Canadian dollar, Brazilian real, Thai baht and Mexican peso.

The Company manages interest rate risk with the use of variable rate borrowings under its committed and uncommitted credit facilities and interest rate swaps. At December 31, 2023, variable rate borrowings totaled \$1,253.9. A one percentage point increase or decrease in interest rates would have resulted in an increase or decrease in interest expense of \$12.5 for 2023. The Company's exposure to interest rate risk is movements in the EURIBOR, SOFR and LIBOR, while historically the primary exposure was related to movement in the LIBOR. Refer to Item 1A of this annual report on Form 10-K for a discussion of risks relating to any discontinuance, modification or other reforms to LIBOR or any other reference rate, or the establishment of alternative reference rates.

ITEM 8: FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Diebold Nixdorf, Incorporated:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Diebold Nixdorf, Incorporated and subsidiaries (the Company) as of December 31, 2022 (Predecessor) and 2023 (Successor), the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the two-year period ended December 31, 2022 (Predecessor) and the periods from January 1, 2023 through August 11, 2023 (Predecessor) and August 12, 2023 through December 31, 2023 (Successor), and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 (Predecessor) and 2023 (Successor), and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2022 (Predecessor) and the periods from January 1, 2023 through August 11, 2023 (Predecessor) and from August 12, 2023 through December 31, 2023 (Successor), in conformity with U.S. generally accepted accounting principles.

Fresh Start Accounting

As discussed in Note 1, Note 2 and Note 3 to the financial statements, on August 11, 2023, the United States Bankruptcy Court for the Southern District of Texas and the District Court of Amsterdam entered an order confirming the amended plan of reorganization, which became effective after the close of business on that day. Accordingly, the accompanying consolidated financial statements have been prepared in conformity with FASB Accounting Standard Codification 852, Reorganizations, for the Successor Company as a new entity with assets, liabilities, and a capital structure having carrying values not comparable with prior periods as described in Note 3 of the consolidated financial statements.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (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 consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Critical Audit Matters

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

Sufficiency of audit evidence over net sales

As discussed in Note 1 to the Company's consolidated financial statements, the Company recognizes net sales when it satisfies a performance obligation by transferring control over a product or service to a customer. The Company recorded \$2,131.9 million and \$1,628.6 million of net sales for the Predecessor and Successor, respectively.

We identified the evaluation of the sufficiency of audit evidence over net sales as a critical audit matter. Evaluating the sufficiency of audit evidence obtained required especially subjective auditor judgment because of the geographical dispersion of the Company's net sales generating activities. This included determining the Company locations for which procedures were performed.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over net sales, including the determination of the Company locations for which those procedures were to be performed. At each Company location for which procedures

were performed, we evaluated the design and tested the operating effectiveness of certain internal controls over the Company's net sales process, including controls over the accurate recording of net sales. We assessed the recorded net sales for each of these locations by selecting transactions and comparing the amounts recognized for consistency with underlying documentation, including contracts with customers, customer acceptance, and shipping documentation. We evaluated the sufficiency of audit evidence obtained by assessing the results of procedures performed, including the appropriateness of the nature and extent of audit effort.

Valuation of certain intangible assets

As discussed in Notes 1, 2 and 3 to the consolidated financial statements, on August 11, 2023 the Company emerged from bankruptcy. Upon emergence from bankruptcy, the Company applied fresh-start accounting in accordance with ASC 852 – Reorganizations, which resulted in a new basis of accounting. Under fresh-start accounting, the Company recorded tradenames and trademarks, technology know-how, and customer relationships (collectively the Identified Intangible Assets) at the estimated fair value of \$118.6 million, \$160.8 million, and \$554.3 million, respectively. Management utilized the relief from royalty method to estimate the fair value of the tradenames and trademarks as well as technology know-how assets, and utilized the multi-period excess earnings method to estimate the fair value of customer relationships.

We identified the assessment of valuation of the Identified Intangible Assets as a critical audit matter. Auditing the Company's valuation of the Identified Intangible Assets was complex due to the significant estimation uncertainty and therefore required a high degree of auditor judgment given the sensitivity of the fair values to certain underlying assumptions. The key assumptions utilized in the Company's valuation of the trade names and trademarks as well as technology know-how assets were forecasted revenues, royalty rates, and discount rates. The key assumptions used in the Company's valuation of customer relationships were forecasted revenues, attrition rates, profit margins, and the discount rate. Changes in these key assumptions, could have a significant impact on the fair value of the Identified Intangible Assets. In addition, the involvement of professionals with specialized skills and knowledge was required to evaluate certain of these key assumptions.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of an internal control related to the development of the forecasted revenues utilized in the Company's process to estimate the fair value of the Identified Intangible Assets. We evaluated forecasted revenues and profit margins by comparing the amounts to the Company's historical financial results and historical projections. We evaluated the attrition rates by comparing them to the Company's historical customer attrition data. We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating: (1) the sensitivity of the estimated value of the Identified Intangible Assets to changes in the forecasted revenues and profit margins and relevant market data; (2) the Company's discount rates by comparing them against discount rates that were independently developed using publicly available market data for comparable entities; (3) the Company's royalty rates by comparing them to publicly available data for comparable licensing agreements; (4) the professional qualifications and the knowledge, skills, and abilities of the third-party valuation specialist engaged by the Company based on their credentials and experience.

Deferred income tax impacts related to emergence from bankruptcy

As discussed in Notes 2 and 5 to the consolidated financial statements, on August 11, 2023, the Company emerged from bankruptcy. The Company is subject to income tax regimes in the United States and multiple international tax jurisdictions, which are subject to interpretation of how the enacted tax laws apply to the Company's circumstances. As of December 31, 2023, the Company reported deferred income tax assets of \$71.4 million and deferred income tax liabilities of \$204.9 million.

We identified the evaluation of deferred income taxes related to the emergence from bankruptcy as a critical audit matter. Specifically, a high degree of subjective auditor judgement was required to evaluate the tax implications associated with the emergence from bankruptcy, particularly related to the interpretation and application of multi-jurisdictional tax laws and regulations. Furthermore, evaluating the Company's interpretation and application of the relevant tax laws and regulations required the involvement of professionals with specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of certain internal controls related to the Company's accounting for deferred income taxes related to the emergence from bankruptcy and the interpretation and application of the relevant tax laws and regulations. We involved professionals with specialized skills and knowledge who assisted in evaluating the deferred income taxes recorded in connection with the Company's emergence from bankruptcy by performing the following: (1) inspected documents related to the Company's reorganization transactions; (2) obtained and evaluated third-party tax specialist analysis of the application of relevant tax laws and regulations to the reorganization transactions; (3) evaluated the completeness and accuracy of certain underlying data, calculations, and allocations supporting the amount of deferred income taxes recorded by comparing such information to the Company's records.

/s/ KPMG LLP

We or our predecessor firms have served as the Company's auditor since 1965.

Cleveland, Ohio
March 7, 2024

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in millions)

	Successor	Predecessor
	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 550.2	\$ 307.4
Restricted cash	42.1	11.7
Short-term investments	13.4	24.6
Trade receivables, less allowances for doubtful accounts of \$3.6 and \$34.5, respectively	721.8	612.2
Inventories	589.8	588.1
Prepaid expenses	44.0	50.5
Current assets held for sale	—	7.9
Other current assets	192.6	168.5
Total current assets	2,153.9	1,770.9
Securities and other investments	6.5	7.6
Property, plant and equipment, net	159.0	120.7
Deferred income taxes	71.4	—
Goodwill	616.7	702.3
Customer relationships, net	543.0	213.6
Other intangible assets, net	348.3	44.0
Right-of-use operating lease assets	98.7	108.5
Other assets	164.5	97.4
Total assets	\$ 4,162.0	\$ 3,065.0

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - CONTINUED
(dollars in millions, except share and per share amounts)

	Successor	Predecessor
	December 31, 2023	December 31, 2022
LIABILITIES AND EQUITY		
Current liabilities		
Notes payable	\$ 0.3	\$ 24.0
Accounts payable	529.0	611.6
Deferred revenue	376.2	453.2
Payroll and other benefits liabilities	160.1	107.9
Current liabilities held for sale	—	6.8
Operating lease liabilities	39.6	39.0
Other current liabilities	315.8	362.4
Total current liabilities	1,421.0	1,604.9
Long-term debt	1,252.4	2,585.8
Pensions, post-retirement and other benefits	112.6	40.6
Long-term operating lease liabilities	65.1	76.7
Deferred income taxes	204.9	96.6
Other liabilities	26.8	31.5
Total liabilities	3,082.8	4,436.1
Equity		
Diebold Nixdorf, Incorporated shareholders' equity		
Predecessor preferred shares, no par value, 1,000,000 shares authorized, and none issued	—	—
Successor preferred stock, no par value, 2,000,000 shares authorized, and none issued	—	—
Predecessor common shares, \$1.25 par value, 125,000,000 shares authorized, 95,779,719 shares issued, and 79,103,450 shares outstanding	—	119.8
Successor common stock, \$0.01 par value, 45,000,000 shares authorized, 37,566,678 shares issued, and 37,566,678 shares outstanding	0.4	—
Additional paid-in-capital	1,038.7	831.5
Retained earnings (accumulated deficit)	17.1	(1,406.7)
Predecessor treasury shares, at cost (16,676,269 shares)	—	(585.6)
Accumulated other comprehensive loss	7.6	(360.0)
Equity warrants	—	20.1
Total Diebold Nixdorf, Incorporated shareholders' equity	1,063.8	(1,380.9)
Noncontrolling interests	15.4	9.8
Total equity	1,079.2	(1,371.1)
Total liabilities and equity	\$ 4,162.0	\$ 3,065.0

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)

	Successor		Predecessor					
		Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,				
				2022	2021			
Net sales								
Services	\$	858.4	\$	1,295.0	\$	2,098.9	\$	2,303.6
Products		770.2		836.9		1,361.8		1,601.6
		<u>1,628.6</u>		<u>2,131.9</u>		<u>3,460.7</u>		<u>3,905.2</u>
Cost of sales								
Services		658.2		922.4		1,480.8		1,577.3
Products		617.4		689.5		1,222.6		1,284.5
		<u>1,275.6</u>		<u>1,611.9</u>		<u>2,703.4</u>		<u>2,861.8</u>
Gross profit		353.0		520.0		757.3		1,043.4
Selling and administrative expense		226.0		458.7		741.6		775.6
Research, development and engineering expense		34.4		62.3		120.7		126.3
Impairment of assets		1.2		3.3		111.8		1.3
(Gain) loss on sale of assets, net		(1.0)		1.2		(5.1)		3.1
		<u>260.6</u>		<u>525.5</u>		<u>969.0</u>		<u>906.3</u>
Operating profit (loss)		92.4		(5.5)		(211.7)		137.1
Other income (expense)								
Interest income		6.3		6.7		10.0		6.1
Interest expense		(68.7)		(178.0)		(199.2)		(195.3)
Foreign exchange loss, net		(12.2)		(1.2)		(7.8)		(2.0)
Reorganization items, net		(17.1)		1,614.1		—		—
Miscellaneous, net		(0.8)		12.3		2.2		3.4
Loss on refinancing		—		—		(32.1)		—
(Loss) income before taxes		(0.1)		1,448.4		(438.6)		(50.7)
Income tax expense (benefit)		(14.7)		90.4		149.2		27.7
Equity in earnings (loss) of unconsolidated subsidiaries, net		4.5		(0.5)		2.2		0.3
Net income (loss)		19.1		1,357.5		(585.6)		(78.1)
Net income (loss) income attributable to noncontrolling interests		1.3		(0.8)		(4.2)		0.7
Net income (loss) attributable to Diebold Nixdorf, Incorporated	\$	<u>17.8</u>	\$	<u>1,358.3</u>	\$	<u>(581.4)</u>	\$	<u>(78.8)</u>
Basic weighted-average shares outstanding		37.6		79.7		79.0		78.3
Diluted weighted-average shares outstanding		37.6		81.4		79.0		78.3
Net income (loss) attributable to Diebold Nixdorf, Incorporated								
Basic earnings (loss) per share	\$	0.47	\$	17.04	\$	(7.36)	\$	(1.01)
Diluted earnings (loss) per share	\$	0.47	\$	16.69	\$	(7.36)	\$	(1.01)

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in millions)

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Net income (loss)	\$ 19.1	\$ 1,357.5	\$ (585.6)	\$ (78.1)
Other comprehensive income (loss), net of tax:				
Translation adjustment (net of tax of \$— in the Successor Period and \$—, \$(3.0) and \$(6.6) in the Predecessor Periods, respectively)	14.4	21.0	(35.3)	(53.6)
Foreign currency hedges (net of tax of \$— in the Successor Period and \$—, \$— and \$— in the Predecessor Periods, respectively)	(0.1)	4.7	—	0.7
Interest rate hedges:				
Net income (loss) recognized in other comprehensive income (net of tax of \$— in the Successor Period and \$—, \$0.7 and \$3.4 in the Predecessor Periods, respectively)	—	3.4	5.5	8.6
Less: reclassification adjustments for amounts recognized in net income (loss) (net of tax of \$— in the Successor Period and \$—, \$0.1 and \$0.8 in the Predecessor Periods, respectively)	—	—	0.6	2.1
	—	3.4	4.9	6.5
Pension and other post-retirement benefits:				
Prior service credit (cost) recognized during the period (net of tax of \$(0.2) in the Successor Period and \$0.2, \$— and \$— in the Predecessor Periods, respectively)	0.4	(0.2)	2.4	—
Net actuarial gains (losses) recognized during the period (net of tax of \$2.6 in the Successor Period and \$(4.9), \$— and \$23.2 in the Predecessor Periods, respectively)	(6.5)	4.2	38.5	76.0
Net actuarial gains (losses) occurring during the period (net of tax of \$— in the Successor Period and \$1.1, \$— and \$2.0 in the Predecessor Periods, respectively)	—	(1.0)	2.3	7.5
Net actuarial gains (losses) recognized due to settlement (net of tax of \$— in Successor Period and \$1.1, \$— and \$(0.4) in the Predecessor Periods, respectively)	0.1	(0.9)	10.2	(0.7)
Acquired benefit plans and other (net of tax of \$— in Successor Period and \$—, \$— and \$— in the Predecessor Periods, respectively)	—	—	—	0.1
Currency impact (net of tax of \$0.1 in the Successor Period and \$(1.3), \$— and \$(0.4) in the Predecessor Periods, respectively)	(0.1)	1.1	(1.4)	(0.6)
	(6.1)	3.2	52.0	82.3
Other	(0.4)	—	2.8	(0.9)
Other comprehensive income (loss), net of tax	7.8	32.3	24.4	35.0
Comprehensive income (loss)	26.9	1,389.8	(561.2)	(43.1)
Less: comprehensive income (loss) attributable to noncontrolling interests	1.5	(8.5)	1.7	1.3
Comprehensive income (loss) attributable to Diebold Nixdorf, Incorporated	<u>\$ 25.4</u>	<u>\$ 1,398.3</u>	<u>\$ (562.9)</u>	<u>\$ (44.4)</u>

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(in millions)

	Common Shares		Additional Capital	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Equity Warrants	Total Diebold Nixdorf, Incorporated Shareholders' Equity	Non-controlling Interests	Total Equity
	Number	Par Value ⁽¹⁾								
Balance at January 1, 2021 (Predecessor)	93.5	\$ 116.9	\$ 787.9	\$ (742.3)	\$ (576.7)	\$ (412.9)	\$ —	\$ (827.1)	\$ (4.6)	\$ (831.7)
Net income (loss)	—	—	—	(78.8)	—	—	—	(78.8)	0.7	(78.1)
Other comprehensive income	—	—	—	—	—	34.4	—	34.4	0.6	35.0
Share-based compensation issued	1.1	1.4	(1.3)	—	—	—	—	0.1	—	0.1
Share-based compensation expense	—	—	13.8	—	—	—	—	13.8	—	13.8
Treasury shares (0.4 shares)	—	—	—	—	(5.4)	—	—	(5.4)	—	(5.4)
Reclassification to redeemable noncontrolling interest	—	—	19.2	—	—	—	—	19.2	12.7	31.9
Distribution noncontrolling interest holders, net	—	—	—	(1.3)	—	—	—	(1.3)	(1.3)	(2.6)
Balance at December 31, 2021 (Predecessor)	94.6	\$ 118.3	\$ 819.6	\$ (822.4)	\$ (582.1)	\$ (378.5)	\$ —	\$ (845.1)	\$ 8.1	\$ (837.0)
Net income (loss)	—	—	—	(581.4)	—	—	—	(581.4)	(4.2)	(585.6)
Other comprehensive income	—	—	—	—	—	18.5	—	18.5	5.9	24.4
Share-based compensation issued	1.2	1.5	(1.5)	—	—	—	—	—	—	—
Share-based compensation expense	—	—	13.4	—	—	—	—	13.4	—	13.4
Treasury shares (0.4 shares)	—	—	—	—	(3.5)	—	—	(3.5)	—	(3.5)
Distribution to noncontrolling interest holders, net	—	—	—	(2.9)	—	—	—	(2.9)	—	(2.9)
Equity warrants	—	—	—	—	—	—	20.1	20.1	—	20.1
Balance at December 31, 2022 (Predecessor)	95.8	\$ 119.8	\$ 831.5	\$ (1,406.7)	\$ (585.6)	\$ (360.0)	\$ 20.1	\$ (1,380.9)	\$ 9.8	\$ (1,371.1)
Net income	—	—	—	1,358.3	—	—	—	1,358.3	(0.8)	1,357.5
Other comprehensive income	—	—	—	—	—	40.0	—	40.0	(7.7)	32.3
Share-based compensation issued	1.2	1.4	(1.5)	—	—	—	—	(0.1)	—	(0.1)
Share-based compensation expense	—	—	2.4	—	—	—	—	2.4	—	2.4
Treasury shares (0.3 shares)	—	—	—	—	(0.8)	—	—	(0.8)	—	(0.8)
Acceleration of Predecessor equity awards	—	—	2.8	—	—	—	—	2.8	—	2.8
Elimination of Predecessor common shares, additional capital, retained earnings, treasury shares and warrants	(97.0)	(121.2)	(835.2)	48.4	586.4	—	(20.1)	(341.7)	—	(341.7)
Elimination of accumulated other comprehensive income (loss)	—	—	—	—	—	320.0	—	320.0	—	320.0
Change in value of non-controlling interests	—	—	—	—	—	—	—	—	12.6	12.6

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(in millions)

Issuance of Successor common stock	37.6	0.4	1,038.6	—	—	—	—	1,039.0	—	1,039.0
Balance as of August 12, 2023 (Successor)	37.6	\$ 0.4	\$ 1,038.6	\$ —	\$ —	\$ —	\$ —	1,039.0	\$ 13.9	\$ 1,052.9
Net income	—	—	—	17.8	—	—	—	17.8	1.3	19.1
Other comprehensive income	—	—	—	—	—	7.6	—	7.6	0.2	7.8
Share-based compensation expense	—	—	0.1	—	—	—	—	0.1	—	0.1
Distributions to noncontrolling interest holders, net	—	—	—	(0.7)	—	—	—	(0.7)	—	(0.7)
Balance at December 31, 2023 (Successor)	37.6	\$ 0.4	\$ 1,038.7	\$ 17.1	\$ —	\$ 7.6	\$ —	1,063.8	\$ 15.4	\$ 1,079.2

⁽¹⁾ Successor Common Stock par value is \$0.01, and the Predecessor Common Stock par value is \$1.25.

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Cash flow from operating activities				
Net income (loss)	\$ 19.1	\$ 1,357.5	\$ (585.6)	\$ (78.1)
Adjustments to reconcile net loss to cash provided (used) by operating activities:				
Depreciation and amortization	59.0	35.5	56.4	70.9
Amortization of Wincor Nixdorf purchase accounting intangible assets	—	41.8	69.6	78.2
Amortization of deferred financing costs into interest expense	0.9	21.8	15.5	17.3
Reorganization items (non-cash)	—	(1,747.6)	—	—
Reorganization items (debt make whole premium)	—	91.0	—	—
Share-based compensation	0.1	5.1	13.4	13.8
Net pension settlements	—	—	10.1	—
Other	—	—	3.1	—
Loss (gain) on sale of assets, net	(1.0)	1.2	(5.1)	3.1
Impairment of assets	1.2	3.3	111.8	1.3
Deferred income taxes	(43.2)	79.8	92.9	(12.6)
Changes in certain assets and liabilities				
Trade receivables	(101.6)	9.9	(49.4)	16.4
Inventories	150.8	(98.1)	(74.5)	(84.8)
Sales tax and net value added tax	31.9	(38.1)	17.5	(15.2)
Income taxes	16.3	(26.0)	2.0	(5.3)
Accounts payable	75.0	(140.4)	(66.5)	241.4
Deferred revenue	(43.2)	(51.0)	140.6	(9.1)
Accrued salaries, wages and commissions	(1.0)	33.0	(72.5)	(19.4)
Restructuring accrual	(3.8)	(30.2)	9.4	(25.4)
Accrued interest	3.2	20.9	(52.5)	1.7
Warranty liability	0.8	(3.4)	(7.3)	0.3
Pension and other post-retirement benefits	1.9	2.0	(19.5)	(13.0)
Certain other assets and liabilities	(4.0)	12.6	2.7	(58.2)
Net cash provided (used) by operating activities	162.4	(419.4)	(387.9)	123.3
Cash flow from investing activities				
Proceeds from divestitures, net of cash divested	—	—	10.5	1.1
Proceeds from maturities of investments	129.0	153.2	414.1	287.7
Payments for purchases of investments	(129.5)	(141.0)	(401.3)	(288.4)
Proceeds from sale of assets	—	—	6.0	1.7
Capital expenditures	(9.8)	(15.1)	(24.4)	(20.2)
Capitalized software development	(9.8)	(13.1)	(28.7)	(31.1)
Net cash provided (used) by investing activities	(20.1)	(16.0)	(23.8)	(49.2)
Cash flow from financing activities				
Debt issuance costs	—	(5.1)	(15.7)	—
Debt prepayment costs	—	—	—	—
Revolving credit facility borrowings, net	—	—	121.0	0.9
Repayment of ABL credit agreement	—	(188.3)	—	—
Receipt of DIP financing	—	1,250.0	—	—
Borrowings - FILO	—	58.9	—	—

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

Repayments - FILO	—	(58.9)	—	—
Repayment of superpriority term loan	—	(400.6)	—	—
Other debt borrowings	5.0	4.4	386.1	11.2
Other debt repayments	(6.7)	(2.5)	(131.0)	(19.4)
Debt make whole premium	—	(91.0)	—	—
(Distributions to) / Contributions from noncontrolling interest holders	—	—	(2.8)	11.4
Other	(2.3)	(3.4)	(7.8)	(7.7)
Net cash provided (used) by financing activities	(4.0)	563.5	349.8	(3.6)
Effect of exchange rate changes on cash and cash equivalents	1.1	2.9	(8.2)	(5.7)
Change in cash, cash equivalents and restricted cash	139.4	131.0	(70.1)	64.8
Add: Cash included in assets held for sale at beginning of period	0.7	2.8	3.1	2.7
Less: Cash included in assets held for sale at end of period	—	0.7	2.8	3.1
Cash, cash equivalents and restricted cash at the beginning of the period	452.2	319.1	388.9	324.5
Cash, cash equivalents and restricted cash at the end of the period	\$ 592.3	\$ 452.2	\$ 319.1	\$ 388.9
Cash paid for				
Income taxes	21.4	25.2	33.1	42.3
Interest	52.7	74.7	231.6	175.1

See accompanying notes to consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
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(in millions, except per share amounts)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bankruptcy Accounting and Fresh Start Accounting. The consolidated financial statements of Diebold Nixdorf, Incorporated and its wholly- and majority-owned subsidiaries (collectively, the Company) included herein have been prepared using the going concern basis of accounting and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic No. 852 – Reorganizations (ASC 852). See Note 2 and Note 3 for further detail.

In accordance with ASC 852, we applied fresh start accounting (Fresh Start Accounting) upon emergence from the Restructuring Proceedings (as defined in Note 2), at which point we became a new entity for financial reporting because (i) the holders of the then existing common shares of the Predecessor received less than 50% of the new shares of common stock of the Successor outstanding upon emergence and (ii) the reorganization value of the Company's assets immediately prior to confirmation of the Plans (defined in Note 2) was less than the total of all post-petition liabilities and allowed claims.

Upon adoption of Fresh Start Accounting as reflected in Note 3 – Fresh Start Accounting, the reorganization value derived from the enterprise value associated with the Plans was allocated to the Company's identifiable tangible and intangible assets and liabilities based on their fair values (except for deferred income taxes), with the remaining excess value allocated to goodwill in accordance with ASC 805 – Business Combinations. Deferred income tax amounts were determined in accordance with ASC 740 – Income Taxes.

References to "Predecessor" relate to the consolidated balance sheets as of December 31, 2022, and consolidated statements of operations for the twelve months ended December 31, 2022 and 2021, and for the period from January 1, 2023 through and including the adjustments from the application of Fresh Start Accounting on August 11, 2023 (Predecessor Period). References to "Successor" relate to the consolidated balance sheet of the reorganized Company as of December 31, 2023 and consolidated statements of operations for the period from August 12, 2023 through December 31, 2023 (Successor Period) and are not comparable to the consolidated financial statements of the Predecessor as indicated by the "black line" division in the financial statements and footnote tables, which emphasizes the lack of comparability between amounts presented. In addition, Note 3 – Fresh Start Accounting provides a summary of the consolidated balance sheets as of August 11, 2023 in the first column, and then presents adjustments to reflect the Plans and fresh start impacts to derive the opening Successor consolidated balance sheets as of August 12, 2023. The Company's financial results for future periods following the application of Fresh Start Accounting will be different from historical trends and the differences may be material.

Principles of Consolidation. The consolidated financial statements include the accounts of the Company. All significant intercompany accounts and transactions have been eliminated, including common control transfers among subsidiaries of the Company.

Use of Estimates in Preparation of Consolidated Financial Statements. The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Such estimates include revenue recognition, inventories, goodwill, intangible assets, other long-lived assets, legal contingencies, guarantee obligations and assumptions used in the calculation of income taxes, pension and other post-retirement benefits and customer incentives, among others. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors. Management monitors the economic condition and other factors and will adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

Reclassifications. The Company has reclassified the presentation of certain prior-year information to conform to the current presentation.

International Operations. The financial statements of the Company's international operations are measured using local currencies as their functional currencies, with the exception of financial results from Argentina, Singapore, El Salvador, and Switzerland, which have a functional currency other than local currency. These operations used either United States dollar (USD) or euro as their functional currency depending on the concentration of USD or euro transactions and distinct financial information. The Company translates the assets and liabilities of its non-U.S. subsidiaries at the exchange rates in effect at year end and the results of operations at the average rate throughout the year. The translation adjustments are recorded directly as a separate component of shareholders' equity, while transaction gains (losses) are included in net income (loss).

Acquisitions and Divestitures. Acquisitions are accounted for using the purchase method of accounting. This method requires the Company to record assets and liabilities of the business acquired at their estimated fair market values as of the acquisition date. Any excess cost of the acquisition over the fair value of the net assets acquired is recorded as goodwill. The Company generally uses valuation specialists to perform appraisals and assist in the determination of the fair values of the assets acquired.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(in millions, except per share amounts)

and liabilities assumed. These valuations require management to make estimates and assumptions that are critical in determining the fair values of the assets and liabilities.

For all divestitures, the Company considers assets to be held for sale when management approves and commits to a formal plan to actively market the assets for sale at a price reasonable in relation to their estimated fair value, the assets are available for immediate sale in their present condition, an active program to locate a buyer and other actions required to complete the sale have been initiated, the sale of the assets is probable and expected to be completed within one year (or, if it is expected that others will impose conditions on the sale of the assets that will extend the period required to complete the sale, that a firm purchase commitment is probable within one year) and it is unlikely that significant changes will be made to the plan. Upon designation as held for sale, the Company records the assets at the lower of their carrying value or their estimated fair value, reduced for the cost to dispose of the assets, and ceases to record depreciation expense on the assets. Assets and liabilities are reclassified as held for sale in the period the held for sale criteria are met.

As of December 31, 2023, the Company had no current assets and liabilities held for sale. As of December 31, 2022, the Company had \$7.9 and \$6.8 of current assets and liabilities held for sale, respectively, primarily related to non-core businesses in Europe.

Revenue Recognition. Refer to Note 23 of the consolidated financial statements.

Cost of Sales. Cost of sales for services primarily consists of fuel, parts and labor and benefits costs related to installation of products and service maintenance contracts, including call center costs as well as costs for service parts repair centers. Cost of sales for products is primarily comprised of direct materials and supplies consumed in the manufacturing and distribution of products, as well as related labor, depreciation expense and direct overhead expense necessary to acquire and convert the purchased materials and supplies into finished products. Cost of sales for products also includes the cost to distribute products to customers, inbound freight costs, internal transfer costs, warehousing costs and other shipping and handling activity.

Property, plant and equipment and long-lived assets. Property, plant and equipment and long-lived assets are recorded at historical cost, including interest where applicable. As of August 11, 2023, as a result of Fresh Start Accounting, we have adjusted our property, plant and equipment, balances and remaining useful lives, to fair value. See Note 3 for additional information.

Impairment of property, plant and equipment and long-lived assets is recognized when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the expected future undiscounted cash flows are less than the carrying amount of the asset, an impairment loss is recognized at that time to reduce the asset to the lower of its fair value or its net book value.

Depreciation and Amortization. Depreciation of property, plant and equipment is computed using the straight-line method based on the estimated useful life for each asset class. Amortization of leasehold improvements is based upon the shorter of original terms of the lease or life of the improvement. Repairs and maintenance are expensed as incurred. Generally, amortization of the Company's other long-term assets, such as intangible assets and capitalized software development, is computed using the straight-line method over the life of the asset.

Fully depreciated assets are retained until disposal. Upon disposal, assets and related accumulated depreciation or amortization are removed from the accounts and the net amount, less proceeds from disposal, is charged or credited to operations.

Advertising Costs. Advertising costs are expensed as incurred and were \$3.5, \$4.6, \$8.5 and \$7.1 for the Successor Period from August 12, 2023 to December 31, 2023, the Predecessor Period from January 1, 2023 to August 11, 2023, and the years ended 2022 and 2021, respectively.

Research, Development and Engineering. Research, development and engineering costs are expensed as incurred and were \$34.4, \$62.3, \$120.7 and \$126.3 for the Successor Period from August 12, 2023 to December 31, 2023, the Predecessor Period from January 1, 2023 to August 11, 2023, and the years ended December 31, 2022 and 2021, respectively. This excludes certain software development costs of \$9.8, \$13.1, \$28.7, and \$31.1 in for the period from August 12, 2023 to December 31, 2023, the period from January 1, 2023 to August 11, 2023, and the years ended December 31, 2022 and 2021, respectively, which are capitalized after technological feasibility of the software is established.

Shipping and Handling Costs. The Company recognizes shipping and handling fees billed when products are shipped or delivered to a customer and includes such amounts in net sales. Third-party freight payments are recorded in cost of sales.

Taxes on Income. Deferred taxes are provided on an asset and liability method, whereby deferred tax assets are recognized for deductible temporary differences, operating loss carry-forwards and tax credits. Deferred tax liabilities are recognized for

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
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taxable temporary differences and undistributed earnings in certain tax jurisdictions. Deferred tax assets are reduced by a valuation allowance when, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Determination of a valuation allowance involves estimates regarding the timing and amount of the reversal of taxable temporary differences, expected future taxable income and the impact of tax planning strategies. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Company regularly assesses its position with regard to tax exposures and records liabilities for these uncertain tax positions and related interest and penalties, if any, when the tax benefit is not more likely than not realizable. The Company has recorded an accrual that reflects the recognition and measurement process for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. Additional future income tax expense or benefit may be recognized once the positions are effectively settled.

Sales Tax. The Company collects sales taxes from customers and accounts for sales taxes on a net basis.

Cash, Cash Equivalents and Restricted Cash. The Company considers highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. The Company had \$42.1 and \$11.7 of restricted cash at December 31, 2023 and 2022, respectively. Refer to Note 22 for further information on restricted cash.

Financial Instruments. The carrying amount of cash and cash equivalents, short-term investments, trade receivables and accounts payable approximated their fair value because of the relatively short maturity of these instruments. The Company's risk-management strategy allows for derivative financial instruments such as forwards to hedge certain foreign currency exposures and interest rate swaps to manage interest rate risk. The intent is to offset gains and losses that occur on the underlying exposures, with gains and losses on the derivative contracts hedging these exposures. The Company does not enter into derivatives for trading purposes. The Company recognizes all derivatives on the balance sheet at fair value. Changes in the fair values of derivatives that are not designated as hedges are recognized in earnings. If the derivative is designated and qualifies as a hedge, depending on the nature of the hedge, changes in the fair value of the derivatives are either offset against the change in the hedged assets or liabilities through earnings or recognized in other comprehensive income until the hedged item is recognized in earnings.

Fair Value. The Company measures its financial assets and liabilities using one or more of the following three valuation techniques:

Valuation technique	Description
Market approach	Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
Cost approach	Amount that would be required to replace the service capacity of an asset (replacement cost).
Income approach	Techniques to convert future amounts to a single present amount based upon market expectations.

The hierarchy that prioritizes the inputs to valuation techniques used to measure fair value is divided into three levels:

Fair value level	Description
Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities. Fair value of investments categorized as level 1 are determined based on period end closing prices in active markets. Mutual funds are valued at their net asset value (NAV) on the last day of the period.
Level 2	Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or inputs, other than quoted prices in active markets, that are observable either directly or indirectly. Fair value of investments categorized as level 2 are determined based on the latest available ask price or latest trade price if listed. The fair value of unlisted securities is established by fund managers using the latest reported information for comparable securities and financial analysis. If the manager believes the fund is not capable of immediately realizing the fair value otherwise determined, the manager has the discretion to determine an appropriate value. Common collective trusts are valued at NAV on the last day of the period.
Level 3	Unobservable inputs for which there is little or no market data.
Net asset value	Fair value of investments categorized as NAV represent the plan's interest in private equity, hedge and property funds. The fair value for these assets is determined based on the NAV as reported by the underlying investment managers.

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A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company uses the end of the period when determining the timing of transfers between levels.

Short-Term Investments The Company has investments in certificates of deposit that are recorded at cost, which approximates fair value.

Assets Held in Rabbi Trusts / Deferred Compensation The fair value of the assets held in rabbi trusts (refer to Note 9 of the consolidated financial statements) is derived from investments in a mix of money market, fixed income and equity funds. The related deferred compensation liability is also recorded at fair value.

Foreign Exchange Contracts The valuation of foreign exchange forward and option contracts is determined using valuation techniques, including option models tailored for currency derivatives. These contracts are valued using the market approach based on observable market inputs. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including spot rates, foreign currency forward rates, the interest rate curve of the domestic currency, and foreign currency volatility for the given currency pair.

Forward Contracts A substantial portion of the Company's operations and revenues are international. As a result, changes in foreign exchange rates can create substantial foreign exchange gains and losses from the revaluation of non-functional currency monetary assets and liabilities.

Interest Rate Swaps The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

Refer to Note 21 of the consolidated financial statements for further details of assets and liabilities subject to fair value measurement.

Trade Receivables. The Company records the lifetime expected loss on uncollectible trade receivables based on historical loss experience as a percentage of sales and makes adjustments as necessary based on current trends. The Company will also record periodic adjustments for specific customer circumstances and changes in the aging of accounts receivable balances. After all efforts at collection have been unsuccessful, the account is deemed uncollectible and is written off.

The following table summarizes the Company's allowances for doubtful accounts:

	Successor		Predecessor		
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
				2022	2021
Beginning balance	\$ —		\$ 34.5	\$ 35.3	\$ 37.5
Charged to costs and expenses	8.0		16.6	14.0	9.8
Charged to other accounts ⁽¹⁾	(0.2)		(0.3)	(0.1)	—
Deductions ⁽²⁾	(4.2)		(14.7)	(14.7)	(12.0)
Fresh Start adjustment	—		(36.1)	—	—
Ending balance	\$ 3.6		\$ —	\$ 34.5	\$ 35.3

⁽¹⁾ Includes net effects of foreign currency translation

⁽²⁾ Uncollectible accounts written-off, net of recoveries.

Financing Receivables. The Company records the lifetime expected loss on uncollectible notes and finance lease receivables (collectively, financing receivables) on a customer-by-customer basis and evaluates specific customer circumstances, aging of invoices, credit risk changes, payment patterns and historical loss experience with consideration given to current trends. After all efforts at collection have been unsuccessful, the account is deemed uncollectible and is written off.

Inventories. The Company primarily values inventories using average or standard costing utilizing lower of cost or net realizable value. The standard costs approximate costs determined on a first in, first out basis. The Company identifies and writes down its excess and obsolete inventories to net realizable value based on usage forecasts, order volume and inventory aging. With the development of new products, the Company also rationalizes its product offerings and will write-down discontinued products to the lower of cost or net realizable value.

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Deferred Revenue. Deferred revenue is recorded for any services billed to customers and not yet recognizable if the contract period has commenced or for the amount collected from customers in advance of the contract period commencing. In addition, deferred revenue is recorded for products and other deliverables that are billed to and collected from customers prior to revenue being recognizable.

Goodwill. Goodwill in the Successor Period is the excess of the reorganization value of assets over the fair value of identifiable tangible and intangible assets (refer to Note 3 of the consolidated financial statements). Goodwill in the Predecessor Period is the cost in excess of the net assets of acquired businesses (refer to Note 10 of the consolidated financial statements).

The Company tests all existing goodwill at least annually for impairment on a reporting unit basis. The annual goodwill impairment test was performed as of October 1 for all periods presented.

The Company tests for interim impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the carrying value of a reporting unit below its reported amount. Each year, the Company may elect to perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. In evaluating whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company considers the following events and circumstances, among others, if applicable: (a) macroeconomic conditions such as general economic conditions, limitations on accessing capital or other developments in equity and credit markets; (b) industry and market considerations such as competition, multiples or metrics and changes in the market for the Company's products and services or regulatory and political environments; (c) cost factors such as raw materials, labor or other costs; (d) overall financial performance such as cash flows, actual and planned revenue and earnings compared with actual and projected results of relevant prior periods; (e) other relevant events such as changes in key personnel, strategy or customers; (f) changes in the composition of a reporting unit's assets or expected sales of all or a portion of a reporting unit; and (g) any sustained decrease in share price.

If the Company's qualitative assessment indicates that it is more likely than not that the fair value of a reporting unit is less than its carrying value, or if management elects to perform a quantitative assessment of goodwill, an impairment test is used to identify potential goodwill impairment and measure the amount of any impairment loss to be recognized. The Company compares the fair value of each reporting unit with its carrying value and recognizes an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. The fair value of the reporting units is determined based upon a combination of the income and market approach in valuation methodology. The income approach uses discounted estimated future cash flows, whereas the market approach or guideline public company method utilizes market data of similar publicly traded companies. The fair value of the reporting unit is defined as the price that would be received to sell the net assets or transfer the net liabilities in an orderly transaction between market participants at the assessment date.

The techniques used in the Company's quantitative assessment incorporate a number of assumptions that the Company believes to be reasonable and to reflect market conditions forecast at the assessment date. Assumptions in estimating future cash flows are subject to a high degree of judgment. The Company makes all efforts to forecast future cash flows as accurately as possible with the information available at the time the forecast is made. To this end, the Company evaluates the appropriateness of its assumptions as well as its overall forecasts by comparing projected results of upcoming years with actual results of preceding years and validating that differences therein are reasonable. Assumptions, which include Level 3 inputs, relate to revenue growth, material and operating costs, and discount rate. Changes in assumptions and estimates after the assessment date may lead to an outcome where impairment charges would be required in future periods. Specifically, actual results may vary from the Company's forecasts and such variations may be material and unfavorable, thereby triggering the need for future impairment tests where the conclusions may differ in reflection of prevailing market conditions.

Contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Pensions and Other Post-retirement Benefits. Annual net periodic expense and benefit liabilities under the Company's defined benefit plans are determined on an actuarial basis. Assumptions used in the actuarial calculations have a significant impact on plan obligations and expense. The Company periodically reviews actual experience compared with the more significant assumptions used and make adjustments to the assumptions, if warranted. The healthcare trend rates are reviewed based upon the results of actual claims experience. The discount rate is determined by analyzing the average return of high-quality (i.e., AA-rated) fixed-income investments and the year-over-year comparison of certain widely used benchmark indices as of the measurement date. The expected long-term rate of return on plan assets is determined using the plans' current asset allocation and their expected rates of return based on a geometric averaging over 20 years. The rate of compensation increase assumptions reflects the Company's long-term actual experience and future and near-term outlook. Pension benefits are funded

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through deposits with trustees or directly by the plan administrator. Other post-retirement benefits are not funded and the Company's policy is to pay these benefits as they become due.

The Company recognizes the funded status of each of its plans in the consolidated balance sheets. Amortization of unrecognized net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of net periodic benefit cost for a year if, as of the beginning of the year, that unrecognized net gain or loss exceeds five percent of the greater of the projected benefit obligation or the market-related value of plan assets. If amortization is required, the amortization is that excess divided by the average remaining service period of participating employees expected to receive benefits under the plan.

The Company records a curtailment when an event occurs that significantly reduces the expected years of future service or eliminates the accrual of defined benefits for the future services of a significant number of employees. A curtailment gain is recorded when the employees who are entitled to the benefits terminate their employment; a curtailment loss is recorded when it becomes probable a loss will occur. Upon a settlement, the Company recognizes the proportionate amount of the unamortized gains and losses if the cost of all settlements during the year exceeds the interest component of net periodic cost for the affected plan.

Noncontrolling Interests. Noncontrolling interests represent the portion of profit or loss, net assets and comprehensive income that is not allocable to the Company.

Noncontrolling interests with redemption features, such as put rights, that are not solely within the Company's control are considered redeemable noncontrolling interests. Redeemable noncontrolling interests are presented outside of equity on the Company's consolidated balance sheets. The balance of redeemable noncontrolling interests is reported at the greater of its carrying value or its maximum redemption value at each reporting date.

Related Party Transactions. The Company has certain strategic alliances that are not consolidated. The Company's strategic alliances are not significant subsidiaries and are accounted for under the equity method of investments. The Company owns 48.1 percent of Inspur (Suzhou) Financial Information Technology Co., Ltd (Inspur JV) and 49.0 percent of Aisino-Wincor Retail & Banking Systems (Shanghai) Co., Ltd (Aisino JV) as of December 31, 2023. The Company engages in transactions with these entities in the ordinary course of business. As of December 31, 2023, the Company had accounts receivable and accounts payable balances with these affiliates of \$13.0 and \$24.2, respectively, which is included in trade receivables, less allowances for doubtful accounts and accounts payable, respectively, on the consolidated balance sheets.

Recently Adopted Accounting Guidance

In August 2018, the FASB issued guidance on a company's accounting for implementation fees paid in a cloud computing service contract arrangement that addresses which implementation costs to capitalize as an asset and which costs to expense. Capitalized implementation fees are to be expensed over the term of the cloud computing arrangement, and the expense is required to be recognized in the same line item in the income statement as the associated hosting service expenses. The entity is also required to present the capitalized implementation fees on the balance sheet in the same line item as it would present a prepayment for hosting service fees associated with the cloud computing arrangement. Cash payments for cloud computing arrangements (CCA) implementation costs are classified as cash outflows from operating activities.

The effects of the adoption of the ASUs listed below did not significantly impact the Company's financial statements:

Standards Adopted	Description	Effective Date
ASU 2022-04 Liabilities-Supplier Finance Programs	This Accounting Standard Update (ASU) improves the transparency of financial reporting by adding requirements for disclosures related supplier finance programs. The adoption of this ASU did not have a significant impact on the Company's consolidated financial statements.	January 1, 2023

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Recently Issued Accounting Guidance

The following ASUs were recently issued by the FASB, which could significantly impact the Company's financial statements:

Standards Pending Adoption	Description	Effective/Adoption Date	Anticipated Impact
ASU 2020-04 Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting	The standard provides optional expedients and exceptions for applying GAAP to contracts, hedges and other transaction that will be impacted by reference rate reform.	March 12, 2020 through December 31, 2024	The Company is currently assessing the impact this ASU will have on its consolidated financial statements. The ASU allows for early adoption in any year end after issuance of the update.
ASU 2022-06 Reference Rate Reform (Topic 848) - Deferral of the Sunset Date of Topic 848	The standard defers the sunset date of Topic 848 from December 31, 2022 to December 31, 2024.	December 31, 2024	The Company does not expect this ASU will have a significant impact on its consolidated financial statements.
ASU 2023-09 Income Taxes (Topic 740) - Improvements to Income Tax Disclosures	The standard improves the transparency of financial reporting by adding requirements for disclosures related to effective tax rate reconciliation, as well as information on income taxes paid.	December 31, 2025	The Company is currently assessing the impact this ASU will have on its consolidated financial statements. The ASU allows for early adoption in any year end after issuance of the update.

NOTE 2: CHAPTER 11 CASES AND DUTCH SCHEME PROCEEDINGS, ABILITY TO CONTINUE AS GOING CONCERN AND OTHER RELATED MATTERS

Voluntary Reorganization

On June 1, 2023, the Company and certain of its U.S. and Canadian subsidiaries (collectively, the Debtors) filed voluntary petitions in the U.S. Bankruptcy Court for the Southern District of Texas (the U.S. Bankruptcy Court) seeking relief under chapter 11 of title 11 of the U.S. Code (the U.S. Bankruptcy Code). The cases were jointly administered under the caption In re: Diebold Holding Company, LLC, et al. (Case No. 23-90602) (the Chapter 11 Cases). Additionally, on June 1, 2023, Diebold Nixdorf Dutch Holding B.V. (Diebold Dutch) filed a scheme of arrangement relating to certain of the Company's other subsidiaries (the Dutch Scheme Parties) and commenced voluntary proceedings (the Dutch Scheme Proceedings and, together with the Chapter 11 Cases, the Restructuring Proceedings) under the Dutch Act on Confirmation of Extrajudicial Plans (Wet homologatie onderhands akkoord) in the District Court of Amsterdam (the Dutch Court). In addition, on June 12, 2023, Diebold Dutch filed a voluntary petition for relief under chapter 15 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court seeking recognition of the Dutch Scheme Proceedings as a foreign main proceedings and related relief (the Chapter 15 Proceedings).

On July 13, 2023, the U.S. Bankruptcy Court entered an order (the Confirmation Order) confirming the Debtors' Second Amended Joint Prepackaged Chapter 11 Plan of Reorganization (the U.S. Plan). On August 2, 2023, the Dutch Court entered an order (the WHOA Sanction Order) sanctioning the Netherlands WHOA Plan of Diebold Dutch and the Dutch Scheme Companies (the WHOA Plan) in the Dutch Scheme Proceedings. On August 7, 2023, the U.S. Bankruptcy Court entered an order in the Chapter 15 Proceedings recognizing the WHOA Plan and the WHOA Sanction Order.

On August 11, 2023 (the Effective Date or Fresh Start Reporting Date), the U.S. Plan and WHOA Plan (together, the Plans) became effective in accordance with their terms and the Debtors and the Dutch Scheme Parties emerged from the Chapter 11 Cases and the Dutch Scheme Proceedings. Following filing the notice of the Effective Date with the U.S. Bankruptcy Court, the Chapter 15 Proceedings were closed.

The following is a summary of the material provisions of the U.S. Plan, as confirmed by the U.S. Bankruptcy Court pursuant to the Confirmation Order, and the WHOA Plan (as applicable), as sanctioned by the Dutch Court, and are qualified in its entirety by reference to the full text of the Plans (including the Plan Supplement). Capitalized terms used but not defined in the following "Treatment of Claims" section have the meanings set forth in the U.S. Plan.

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Treatment of Claims

The following is a high-level summary of the treatment of claims and interests under the Plans (as applicable), which is qualified in its entirety by the terms of the Plans (as applicable):

- *Holders of Other Secured Claims.* Each holder of allowed Other Secured Claims received, at the Company's option: (a) payment in full in cash; (b) the collateral securing its secured claim; (c) reinstatement of its secured claim; or (d) such other treatment rendering its secured claim unimpaired in accordance with section 1124 of the U.S. Bankruptcy Code.
- *Holders of Other Priority Claims.* Each holder of allowed Other Priority Claims received, at the Company's option: (a) payment in full in cash; or (b) such other treatment rendering its other priority claim unimpaired in accordance with section 1124 of the U.S. Bankruptcy Code.
- *Holders of ABL Facility Claims.* Prior to the Effective Date, allowed ABL Facility Claims were paid in full and any letters of credit were cash collateralized.
- *Holders of Superpriority Term Loan Claims.* Prior to the Effective Date, allowed Superpriority Term Loan Claims were paid in full.
- *Holders of First Lien Claims.* On the Effective Date, each holder of allowed First Lien Claims received its pro rata share of 98% of the reorganized Company's new common equity interests (the New Common Stock) available for distribution to certain creditors under the Plans, which is subject to dilution on account of (a) the issuance of the New Common Stock (the Additional New Common Stock) as premiums in consideration for commitments with respect to the Debtors' \$1,250.0 debtor-in-possession term loan credit facility (the DIP Facility) and (b) a new management incentive plan implemented in connection with the Chapter 11 Cases pursuant to which 6% of the number of shares of New Common Stock issued pursuant to the U.S. Plan on a fully diluted basis (the MIP Shares) were reserved for issuance to management as determined by the reorganized Company's new Board of Directors.
- *Holders of Second Lien Notes Claims.* On the Effective Date, each holder of allowed Second Lien Notes Claims received its pro rata share of 2% of the New Common Stock available for distribution to creditors under the Plans, which is subject to dilution on account of (a) the issuance of certain of the Additional New Common Stock and (b) the MIP Shares.
- *Holders of 2024 Stub Unsecured Notes Claims.* On the Effective Date, each holder of allowed 2024 Stub Unsecured Notes Claims received its pro rata share of an amount of a \$3.5 cash distribution, which provided such holder with the same percentage recovery on its allowed 2024 Stub Unsecured Notes Claim that a holder of an allowed Second Lien Notes Claim received in respect of its allowed Second Lien Notes Claim (as diluted on account of the Additional New Common Stock, as applicable) under the U.S. Plan based upon the midpoint of the equity value of the New Common Stock as set forth in the Disclosure Statement approved in the Chapter 11 Cases (the Disclosure Statement).
- *Holders of General Unsecured Claims.* On the Effective Date, each allowed General Unsecured Claim was reinstated and paid in the ordinary course of business in accordance with the terms and conditions of the particular transaction or agreement giving rise to such allowed general unsecured claim.
- *Holders of Section 510(b) Claims.* On the Effective Date, claims subject to section 510(b) of the U.S. Bankruptcy Code were either extinguished, cancelled and discharged, and holders thereof received no distributions from the Debtors in respect of their claims.
- *DNI Equity Holders.* Each holder of an equity interest in Diebold Nixdorf, Incorporated had such interest extinguished, cancelled and discharged without any distribution.

The Exit Credit Agreement

On the Effective Date, the Company, as borrower, entered into a new credit agreement (the Exit Credit Agreement) governing its \$1,250.0 senior secured loan credit facility (the Exit Facility) along with certain financial institutions party thereto, as lenders, GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent.

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Concurrently with the closing of the Exit Facility, the Company's existing \$1,250.0 senior secured superpriority debtor-in-possession term loan credit facility (the DIP Facility) was terminated and the loans outstanding under the DIP Facility were converted into loans outstanding under the Exit Facility (the Conversion), and the liens and guarantees, including all guarantees and liens granted by certain subsidiaries of the Company that are organized in the United States and in certain foreign jurisdictions, granted under the DIP Facility were automatically terminated and released.

In connection with the Conversion, the entire \$1,250.0 under the Exit Facility was deemed drawn on the Effective Date.

The Company may repay the loans under the Exit Facility at any time; provided that certain repayments of the loans made on or prior to February 11, 2025 with the proceeds of certain types of indebtedness must be accompanied by a premium of either 1.00% or 5.00% of the principal amount of the loans repaid. The amount of the premium is based on the type of indebtedness incurred to repay the loans. Amounts borrowed and repaid under the Exit Facility may not be reborrowed.

The Exit Facility will mature on August 11, 2028.

The obligations of the Company under the Exit Facility are guaranteed by certain subsidiaries of the Company that are organized in the United States (the Guarantors). The Exit Facility and related guarantees are secured by perfected senior security interests and liens on substantially all assets of the Company and each Guarantor.

Loans under the Exit Facility bear interest at an adjusted secured overnight financing rate with a one-month tenor rate plus 7.50% per annum or an adjusted base rate plus 6.50% per annum.

The Exit Facility includes conditions precedent, representations and warranties, affirmative and negative covenants and events of default that are customary for financings of this type and size.

Registration Rights Agreement

On the Effective Date, the Company entered into a registration rights agreement (the Registration Rights Agreement) with certain parties (together with any person or entity that becomes a party to the Registration Rights Agreement, the Holders) that received shares of the New Common Stock on the Effective Date as provided in the Plans. The Registration Rights Agreement provides Holders with registration rights for the Holders' Registrable Securities (as defined in the Registration Rights Agreement).

Pursuant to the Registration Rights Agreement, the Company was required to file a Resale Shelf Registration Statement (as defined in the Registration Rights Agreement) with respect to the Registrable Securities within 90 calendar days of the Effective Date. The Company filed the Resale Shelf Registration Statement on November 9, 2023 and it was declared effective by the Securities and Exchange Commission on November 20, 2023. Subject to certain exceptions, the Company is required to use commercially reasonable efforts maintain the effectiveness of any such registration statement until the date on which all Registrable Securities registered thereunder are no longer Registrable Securities.

In addition, specified Holders have the right to demand that the Company effect the registration of any or all of the Registrable Securities (a Demand Registration) and/or effectuate the distribution of any or all of their Registrable Securities by means of an underwritten shelf takedown offering. The Company is not obligated to effect more than five Demand Registrations or more than four underwritten shelf takedown offerings and it need not comply with such a request unless the aggregate gross proceeds from such a sale will exceed specified thresholds and other conditions are met. The Company will not be obligated to effect an underwritten shelf takedown within 180 days after the consummation of a previous underwritten shelf takedown or Demand Registration.

Holders also have customary piggyback registration rights, subject to the limitations set forth in the Registration Rights Agreement.

These registration rights are subject to certain conditions and limitations, including the right of the underwriters to limit the number of shares to be included in a registration statement and the Company's right to delay or withdraw a registration statement under certain circumstances. The Company will generally pay all registration expenses in connection with its obligations under the Registration Rights Agreement, regardless of whether a registration statement is filed or becomes effective. The registration rights granted in the Registration Rights Agreement are subject to customary indemnification and contribution provisions, as well as customary restrictions such as blackout periods.

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Share-Based Compensation

As discussed above, on the Effective Date, the then existing common shares of the Predecessor were canceled and the New Common Stock was issued. Accordingly, the existing share-based compensation awards issued pursuant to the 2017 Equity and Performance Incentive Plan were also canceled, which resulted in the recognition of any previously unamortized expense related to the canceled awards on the date of cancellation.

Management Incentive Plan

Pursuant to the U.S. Plan, the reorganized Company adopted a new management incentive plan (the MIP). The U.S. Plan contemplates that 6% of the New Common Stock, on a fully diluted basis, is reserved for issuance in connection with the MIP. See Note 5 for further detail regarding share-based compensation and equity.

Conversion to Delaware Corporation

Pursuant to the U.S. Plan as and part of the Restructuring Proceedings, the Company was reincorporated as a Delaware corporation.

Going Concern Assessment

The Company's consolidated financial statements included herein have been prepared using the going concern basis of accounting, which contemplates continuity of operations, realization of assets, and satisfaction of liabilities in the normal course of business. As discussed above, commencing June 1, 2023, the Debtors and the Dutch Scheme Parties were operating as debtors in possession under the supervision and jurisdiction of the U.S. Bankruptcy Court and the Dutch Court until the Effective Date, when the U.S. Plan and the WHOA Plan became effective in accordance with their terms and the Debtors and Dutch Scheme Parties emerged from the Chapter 11 Cases and Dutch Scheme Proceedings.

Prior to and during the pendency of the Chapter 11 Cases and Dutch Scheme Proceedings, the Company's ability to continue as a going concern was subject to a high degree of risk and uncertainty until the Plans were confirmed and became effective. As a result of the U.S. Plan and the WHOA Plan becoming effective on the Effective Date, the Company believes that it has the ability to meet its obligations for at least one year from the date of the issuance of this Form 10-K and that there is no longer substantial doubt about the Company's ability to continue as a going concern.

Liabilities Subject to Compromise

During the pendency of the Chapter 11 Cases and Dutch Scheme Proceedings, prepetition liabilities of the Debtors and Dutch Scheme Parties subject to compromise under the Restructuring Proceedings were distinguished from liabilities that were not expected to be compromised and post-petition liabilities in our condensed consolidated balance sheets. Liabilities subject to compromise were recorded at the amounts expected to be allowed by the U.S. Bankruptcy Court. See Note 3 for a listing of liabilities subject to compromise immediately prior to the effectiveness of the Plans.

The contractual interest expense on Debt that was classified as subject to compromise was in excess of recorded interest expense by \$67.5 for the period January 1, 2023 through August 11, 2023, respectively. This excess contractual interest was not recorded as interest expense on the Predecessor's Condensed Consolidated Statements of Operations, as we had discontinued accruing interest on this debt and discontinued making interest payments beginning on June 1, 2023 in connection with filing of the plans. See Note 13 for further detail regarding Debt subject to compromise.

Reorganization Items, Net

The income, expenses, gains and losses directly and incrementally resulting from the Chapter 11 Cases and Dutch Scheme Proceedings are separately reported as Reorganization items, net in our consolidated statement of operations.

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Reorganization items, net consisted of the following:

	Successor	Predecessor
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023
Gain on settlement of liabilities subject to compromise (non-cash)	\$ —	\$ 1,570.5
Fresh start valuation adjustments (non-cash)	—	686.7
Professional fees (cash)	(17.1)	(38.7)
Unamortized debt issuance costs (non-cash)	—	(124.6)
DIP premium (non-cash)	—	(384.4)
Debt make-whole premium (cash)	—	(91.0)
Lease rejection damage claim (cash)	—	(3.8)
Other (non-cash)	—	(0.6)
Total Reorganization items, net	\$ (17.1)	\$ 1,614.1

Cash paid for Reorganization items, net was \$36.9 and \$107.2 for the Successor Period from August 12, 2023 through December 31, 2023 and the Predecessor Period of January 1, 2023 through August 11, 2023, respectively.

NOTE 3: FRESH START ACCOUNTING

Fresh Start Accounting

As discussed in Note 1, upon emergence from the Chapter 11 Cases and Dutch Scheme Proceedings, the Company qualified for and adopted Fresh Start Accounting, which resulted in the Company becoming a new entity for financial reporting purposes (the Successor).

The reorganization value derived from the range of enterprise values associated with the Plans was allocated to the Company's identifiable tangible and intangible assets and liabilities based on their fair values (except for deferred income taxes) with the remaining excess value allocated to goodwill.

As a result of the adoption of Fresh Start Accounting and the effects of the implementation of the Plans, the Company's consolidated financial statements of the Successor are not comparable to its consolidated financial statements of the Predecessor.

Reorganization Value

The Successor determined a value to be assigned to the equity of the emerging entity as of the date of adoption of Fresh Start Accounting. The Disclosure Statement approved in the Chapter 11 Cases (the Disclosure Statement) included a range of enterprise values between \$2,150.0 and \$2,450.0. The Company engaged third-party valuation advisors to assist in determining a point estimate of enterprise value within the range and the allocation of enterprise value to the assets and liabilities for financial reporting purposes based on management's latest outlook as of the Effective Date. The Company deemed it appropriate to use an enterprise value of \$2,150.0 for financial reporting.

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The following table reconciles the enterprise value to the estimated fair value of the Successor common stock as of the Fresh Start Reporting Date:

Enterprise value	\$	2,150.0
Plus: Excess cash available for operations		206.1
Less: Fair value of Exit Facility		(1,250.0)
Less: Net pension, post-retirement and other benefits liability		(39.3)
Less: Other debt		(13.9)
Less: Noncontrolling interests		(13.9)
Fair Value of Successor Equity	\$	<u>1,039.0</u>

The following table reconciles the enterprise value to the reorganization value of the Successor's assets to be allocated to the Company's individual assets as of the Fresh Start Reporting Date:

Enterprise value	\$	2,150.0
Plus: Excess cash available for operations		206.1
Less: Net pension, post-retirement and other benefits liability		(39.3)
Plus: Fair value of non-debt current liabilities		1,398.3
Plus: Fair value of non-debt, non-current liabilities		225.0
Plus: Deferred income taxes, non-current		238.5
Reorganization Value of Successor's Assets to be Allocated	\$	<u>4,178.6</u>

The discounted cash flow (DCF) method, a form of the income approach, was relied upon to validate the selected enterprise value of the Company within the range established within the Disclosure Statement, as well as to allocate the resulting consolidated enterprise value between the Company's two reporting units. The DCF method is a multiple period discounting model in which the value of an entity is determined based on the present value of its expected future economic benefits. For purposes of our analysis, we used free cash flow, defined as the earnings available for distribution to an entity's investors after consideration of the cash reinvestment required to support the Company's continued operations and future growth. Conceptually, free cash flow as defined above is the amount that could be paid to investors without impairing an entity's current or future operations.

The expected cash flows for the period from August 12, 2023 through December 31, 2023 and for the years ending December 31, 2024 through 2028 were based on the financial projections and assumptions utilized as an input to determining the range of enterprise values in the Disclosure Statement. The expected cash flows beyond this period were based on long-term profitability and growth expectations. A terminal value was included, based on the cash flows of the final year of the discrete forecast period.

Discount rates of 19.0% and 19.0% were estimated for the Company's Banking and Retail reporting units, respectively, based on an after-tax weighted average cost of capital (WACC) reflecting the rate of return that would be expected by a market participant. The WACC also takes into consideration a company specific risk premium reflecting the risk associated with the financial projections used to estimate future cash flows. These discount rates were also compared to the consolidated internal rate of return (IRR) of 18.9% to assess reasonableness. The IRR is the rate of return that equates the present value of the expected consolidated cash flows to the enterprise value relied upon within the range established in the Disclosure Statement.

The enterprise value and corresponding equity value are dependent upon achieving the future financial results set forth in our projections. All estimates, assumptions, valuations and financial projections, including the fair value adjustments, the enterprise value and equity value projections, are inherently subject to uncertainties and the resolution of contingencies beyond our control.

Accordingly, there cannot be assurance that the estimates, assumptions, valuations or financial projections will be realized, and actual results could vary materially.

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Valuation Process

The Company estimated the fair values of the Company's principal assets, including inventory, property, plant, and equipment, and intangible assets as well as the Company's lease liabilities and the Exit Facility.

Inventory

The replacement value of the Company's raw materials inventory was considered as its fair value. The comparative sales method was employed to estimate the fair value of the Company's work-in-process and finished goods inventory. The comparative sales method utilizes the expected selling price of the inventory items as the base inventory value amount. This amount is then adjusted downward for costs and expenses associated with the time and effort that would be required to dispose of the inventory and a reasonable profit.

Property, plant, and equipment

Personal Property

Personal property consisted of machinery, tools, equipment, furniture and fixtures, leasehold improvements, computer and equipment, and construction in progress. The cost approach was primarily utilized for the Company's personal property. This approach considers the amount required to construct or purchase a new asset of equal utility at current prices, with adjustments in value for physical deterioration, and functional and economic obsolescence. Physical deterioration is an adjustment made in the cost approach to reflect the real operating age of an asset with regard to wear and tear, decay and deterioration that is not prevented by maintenance. Functional obsolescence is the loss in value or usefulness of an asset caused by inefficiencies or inadequacies of the asset, as compared to a more efficient or less costly replacement asset with newer technology. Economic obsolescence is the loss in value or usefulness of an asset due to factors external to the asset, such as the economics of the industry, reduced demand, increased competition or similar factors.

Land and Building Improvements

The valuation of land, land improvements, buildings and building improvements was performed using either the cost, income capitalization or sales comparison approach, depending on the nature of the asset. The cost approach was utilized for the Company's owned industrial facilities. The income capitalization approach was used to value the Company's interests in an industrial complex. The income capitalization approach measures the value of a property by calculating the present value of the future economic benefits associated with the property. The sales comparison approach was used for certain owned vacant land and relies upon recent sales or similar offerings to arrive at a probable selling price.

Intangible Assets

Tradenames and Trademarks and Technology / Know-How Assets

The relief from royalty method was relied upon to value the trade names and trademarks and technology / know-how assets. The relief from royalty analysis is comprised of two major steps: (i) a determination of an appropriate royalty rate, and (ii) the subsequent application of the royalty rate to projected revenue. In determining an appropriate royalty rate, the Company considered comparable license agreements, an excess earnings analysis to determine aggregate intangible asset earnings, and other qualitative factors.

The key assumptions used to estimate the fair value of the Company's trade names and trademarks and technology/ know-how assets included forecasted revenues, the royalty rate, the tax rate and the discount rate. The relief from royalty method was relied upon for these valuations. The relief from royalty method measures the benefit of owning an intangible asset as the "relief" from the royalty expense that would otherwise be incurred by licensing the asset from a third party. It assumes that if the Company did not own the intangible asset, then it would be willing to pay a royalty for its use. This method is most commonly used for readily transferable intangible assets that have licensing appeal, such as intellectual property.

Customer Relationship and Backlog Assets

The customer relationships and backlog assets were valued using the multi-period excess earnings method, a variation of the income approach. For the customer relationship assets, revenues attributable to customer assets were determined and an attrition rate based on historical customer trends was applied to estimate the expected decline anticipated from the existing customer population. The cash flows attributable to the customer relationships and backlog assets were also determined by applying appropriate costs and contributory asset charges then adjusted using a discount rate that is commensurate with the risk inherent in the customer-related intangible assets. The key

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assumptions used to estimate the fair value of the customer-related assets included forecasted revenues, attrition rates, profit margins, contributory asset charges, the tax rate and the discount rate.

Joint ventures

To estimate the value of the joint ventures, the DCF method was employed to determine the enterprise value of these entities. Adjustments for cash and cash equivalents and interest-bearing debt were made to enterprise value to calculate each entity's equity value. The application of a discount for lack of control was also considered. Lastly, the concluded equity value was adjusted for the Company's ownership interest.

Lease liabilities and right of use assets

Lease liabilities were estimated as the present value of the remaining lease payments. The Company estimated an incremental borrowing rate and used it as the discount rate in the analysis. Right of use asset values were estimated by adjusting the lease liability estimates with estimates of off-market value of leases. Off-market (or above/below market) value was estimated as the present value of the differential between contract rates and market rates over the remaining term of a lease.

Exit Facility

To estimate the value of the Exit Facility, a DCF method was employed. The fair value of the Exit Facility was estimated by analyzing the expected cash flows and discounting such cash flows at a rate of return that reflects the time value of money and credit risk of the Company. The credit risk of the Company was determined via a synthetic credit rating analysis, and the concluded discount rate was determined by analyzing comparable corporate debt instruments and their observed market yields.

Noncontrolling interests

To estimate the value of the non-controlling interests, the DCF method was employed to determine the enterprise value of these entities. Adjustments for cash and cash equivalents and interest-bearing debt were made to enterprise value to calculate each entities' equity value. The application of a discount for lack of control was also considered. Lastly, the concluded equity value was adjusted for the non-controlling interest's ownership position.

Consolidated Balance Sheet

The adjustments included in the following fresh start condensed consolidated balance sheet reflect the effects of the transactions contemplated by the Plans and executed by the Company on the Fresh Start Reporting Date (reflected in the column "Reorganization Adjustments"), and fair value and other required accounting adjustments resulting from the adoption of Fresh Start Accounting (reflected in the column "Fresh Start Accounting Adjustments"). The explanatory notes provide additional information and significant assumptions with regard to the adjustments recorded and the methods used to determine the fair values.

	Predecessor August 11, 2023	Reorganization Adjustments (1)	Fresh Start Accounting Adjustments	Successor August 12, 2023
ASSETS				
Current assets				
Cash and cash equivalents	\$ 404.9	\$ (13.5) ⁽²⁾	\$ —	\$ 391.4
Restricted cash	60.8	—	—	60.8
Short-term investments	13.9	—	—	13.9
Trade receivables, less allowances for doubtful accounts	623.9	—	—	623.9
Inventories	712.8	—	32.8 ⁽¹⁷⁾	745.6
Prepaid expenses	49.1	(3.5) ⁽³⁾	—	45.6
Current assets held for sale	9.9	—	—	9.9
Other current assets	247.8	—	—	247.8
Total current assets	2,123.1	(17.0)	32.8	2,138.9
Securities and other investments	7.0	—	—	7.0

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Property, plant, and equipment, net of accumulated depreciation and amortization	120.3	—	46.2 ⁽¹⁸⁾	166.5
Deferred income taxes	—	70.3 ⁽⁴⁾	(10.8) ⁽¹⁹⁾	59.5
Goodwill	714.3	—	(93.3) ⁽²⁰⁾	621.0
Customer relationships, net	176.1	—	378.2 ⁽²¹⁾	554.3
Other intangible assets, net	45.1	—	320.0 ⁽²²⁾	365.1
Other assets	256.8	—	9.5 ⁽²³⁾	266.3
Total assets	\$ 3,442.7	\$ 53.3	\$ 682.6	\$ 4,178.6
LIABILITIES AND EQUITY				
Current liabilities				
Notes payable	\$ 1,254.9	\$ (1,250.0) ⁽⁵⁾	\$ —	\$ 4.9
Accounts payable	461.0	—	—	461.0
Deferred revenue	421.0	—	—	421.0
Payroll and other benefits liabilities	159.2	(0.1) ⁽⁶⁾	—	159.1
Current liabilities held for sale	10.2	—	0.7 ⁽²⁴⁾	10.9
DIP facility premium	384.4	(384.4) ⁽⁷⁾	—	—
Other current liabilities	343.3	5.5 ⁽⁸⁾	1.5 ⁽²⁵⁾	350.3
Total current liabilities	3,034.0	(1,629.0)	2.2	1,407.2
Long-term debt	4.2	1,248.7 ⁽⁹⁾	0.8 ⁽²⁶⁾	1,253.7
Pensions, post-retirement and other benefits	102.3	—	(0.3) ⁽²⁷⁾	102.0
Deferred income taxes	85.8	(26.4) ⁽⁴⁾	179.1 ⁽¹⁹⁾	238.5
Other liabilities	120.3	—	4.0 ⁽²⁸⁾	124.3
Liabilities subject to compromise	2,232.4	(2,232.4) ⁽¹⁰⁾	—	—
Total liabilities	\$ 5,579.0	(2,639.1)	185.8	3,125.7
Equity				
Diebold Nixdorf, Incorporated shareholders' equity				
Predecessor common shares	121.2	(121.2) ⁽¹¹⁾	—	—
Successor common stock	—	0.4 ⁽¹²⁾	—	0.4
Paid-in capital; predecessor	832.3	(442.3) ⁽¹³⁾	(390.0) ⁽²⁹⁾	—
Paid-in capital; successor	—	1,038.6 ⁽¹⁴⁾	—	1,038.6
Retained earnings (accumulated deficit)	(2,204.8)	1,659.4 ⁽¹⁵⁾	545.4 ⁽²⁹⁾	—
Treasury shares, at cost	(586.4)	586.4 ⁽¹³⁾	—	—
Accumulated other comprehensive income (loss)	(320.0)	(8.8) ⁽¹⁶⁾	328.8 ⁽²⁹⁾	—
Equity warrants	20.1	(20.1) ⁽¹³⁾	—	—
Total Diebold Nixdorf, Incorporated shareholders' equity (deficit)	(2,137.6)	2,692.4	484.2	1,039.0
Noncontrolling interests	1.3	—	12.6 ⁽³⁰⁾	13.9
Total equity (deficit)	(2,136.3)	2,692.4	496.8	1,052.9
Total liabilities and equity (deficit)	\$ 3,442.7	\$ 53.3	\$ 682.6	\$ 4,178.6

Reorganization Adjustments

⁽¹⁾ Represent amounts recorded as of the Fresh Start Reporting Date for the implementation of the Plans, including, among other items, settlement of the Predecessor's liabilities subject to compromise, distributions of cash, conversion of the DIP Facility to the Exit Facility, and the issuance of the Successor common stock.

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(2) Changes in cash and cash equivalents include the following:

Payment of interest on the DIP Facility	\$	(1.8)
Payment to holders of the 2024 Stub Unsecured Notes Claims		(3.5)
Payment of lease rejection damages		(3.8)
Payment of professional fees		(4.4)
Net change in cash and cash equivalents	\$	<u>(13.5)</u>

(3) Reflects the elimination of prepaid directors and officers insurance policies related to the Predecessor.

(4) Change in deferred tax assets and liabilities as a result of release of valuation allowance, partially offset by reduction of estimated tax attributes due to cancellation of debt.

(5) Represents the conversion of the DIP Facility to the Exit Facility and the reclassification of debt from current liabilities to non-current liabilities, based on the maturity of the debt.

(6) Reflects the acceleration and cancellation of invested Predecessor stock compensation awards.

(7) Represents the issuance of Successor common stock to settle the DIP Facility premiums.

(8) Changes in other current liabilities includes the following:

Accrual of professional fees	\$	6.3
Accrual of German transfer tax		5.0
Accrual of deferred financing fees		1.3
Cancellation of invested Predecessor stock compensation awards		(0.9)
Payment of interest on the DIP Facility		(1.8)
Payment of professional fees		(4.4)
Net change in other current liabilities	\$	<u>5.5</u>

(9) Represents the conversion of the DIP Facility to the Exit Facility and the reclassification of debt from current liabilities to non-current liabilities (\$1,250.0) and recording of deferred financing fees (\$1.3), based on the maturity of the debt.

(10) Liabilities Subject to Compromise were settled in accordance with the Plans and the resulting gain was determined as follows:

Debt subject to compromise	\$	2,160.5
Accrued interest on debt subject to compromise		68.1
Lease liability		3.8
Total liabilities subject to compromise	\$	<u>2,232.4</u>
Less: Distribution of common stock to holders of First Lien Claims and Second Lien Notes Claims		(654.6)
Less: Payment to holders of the 2024 Stub Unsecured Notes Claims		(3.5)
Less: Payment of lease rejection damages		(3.8)
Gain on Settlement of Liabilities Subject to Compromise	\$	<u>1,570.5</u>

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⁽¹¹⁾ Represents the cancellation of Predecessor common shares at par value.

⁽¹²⁾ Reflects the par value of Successor common stock issued to holders of the First Lien Claims and Second Lien Notes Claims (\$0.3) and the DIP Facility premiums (\$0.1), pursuant to the Plans.

⁽¹³⁾ Change in Predecessor paid-in-capital reflect the following:

Cancellation of Predecessor common shares at par value	\$	121.2
Cancellation of Predecessor equity warrants		20.1
Acceleration of the vesting of Predecessor equity awards upon the Effective Date		2.8
Cancellation of Predecessor treasury stock, at cost		(586.4)
Change in Predecessor paid-in-capital	\$	<u>(442.3)</u>

⁽¹⁴⁾ Represents paid in capital associated with the issuance of Successor common stock to holders of First Lien Claims and Second Lien Notes Claims (\$654.3) and the DIP Facility premiums (\$384.3), pursuant to the Plans.

⁽¹⁵⁾ Net change in accumulated deficit includes the following:

Gain on Settlement of Liabilities Subject to Compromise	\$	1,570.5
Net deferred tax impacts on the effectiveness of the Plans		96.7
Elimination of unvested Predecessor stock compensation awards (liability classified)		0.8
Accrual of professional fees		(6.3)
Elimination of prepaid directors and officers insurance policies related to the Predecessor		(3.5)
Acceleration of the vesting of Predecessor equity awards upon the Effective Date		(2.6)
Elimination of accumulated other comprehensive income related to interest rate swaps		8.8
Accrual of German transfer tax		(5.0)
Net change in accumulated deficit	\$	<u>1,659.4</u>

⁽¹⁶⁾ Represents the elimination of accumulated other comprehensive income related to interest rate swaps.

Fresh Start Accounting Adjustments

Amounts presented for "Predecessor Historical Value" represents the carrying value of the asset/liability prior to the implementation of the Plans.

⁽¹⁷⁾ Reflects adjustments to inventory at its estimated fair value due to the adoptions of Fresh Start Accounting.

	Successor Fair Value		Predecessor Historical Value	
Raw materials and work in process, net	\$	226.4	\$	232.7
Finished goods, net		347.3		308.2
Total product inventories		<u>573.7</u>		<u>540.9</u>
Service parts		171.9		171.9
Total inventories	\$	<u>745.6</u>	\$	<u>712.8</u>

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(18) Changes in property, plant and equipment reflects the fair value adjustment due to the adoption of Fresh Start Accounting. The following table summarizes the components of property, plant, and equipment:

	Successor Fair Value	Predecessor Historical Value
Land and land improvements	\$ 21.5	\$ 10.4
Buildings and building improvements	42.3	70.5
Leasehold improvements	6.1	17.4
Computer equipment	16.1	105.1
Computer software	5.9	128.7
Furniture and fixtures	17.3	55.9
Tooling	11.1	137.5
Machinery, tools and equipment	32.4	83.4
Construction in progress	13.8	12.2
Total property, plant and equipment, at cost	166.5	621.1
Less accumulated depreciation and amortization	—	(500.8)
Total property, plant, and equipment, net	\$ 166.5	\$ 120.3

(19) Adjustments to deferred income taxes for changes in financial reporting basis of assets and liabilities as a result of the adoption of Fresh Start Accounting.

(20) Reflects adjustment to goodwill for the excess of the reorganization value of assets over the fair value of identifiable tangible and intangible assets.

(21) Changes in customer relationships reflects the fair value adjustment due to the adoption of Fresh Start Accounting.

(22) Changes in other intangible assets reflects the fair value adjustment due to the adoption of Fresh Start Accounting. The following table summarizes the components of other intangible assets:

	Successor Fair Value	Predecessor Historical Value
Capitalized software development	13.8	260.4
Development costs non-software	32.2	50.4
Tradenames and trademarks	118.6	—
Technology know-how	160.8	—
Other intangibles	39.7	51.8
Other intangible assets, at cost	365.1	362.6
Less accumulated amortization	—	(317.5)
Total intangibles, net	\$ 365.1	\$ 45.1

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⁽²³⁾ Changes in other assets reflects fair value adjustments from implementation of Fresh Start Accounting. The following table summarizes the components of other assets:

	Successor Fair Value	Predecessor Historical Value
Cloud projects, at cost	19.9	25.6
Less accumulated depreciation and amortization	—	(5.3)
Cloud projects, net	19.9	20.3
Right-of-use operating lease assets	102.2	89.6
Right-of-use finance lease assets	8.7	7.9
Joint ventures	30.3	33.7
Pensions, post-retirement and other benefits	71.3	71.4
Other assets	33.9	33.9
Total other assets	\$ 266.3	\$ 256.8

⁽²⁴⁾ Reflects changes in the fair value of current liabilities held for sale due to the adoption of Fresh Start Accounting.

⁽²⁵⁾ Reflects changes in the fair value of operating lease liabilities (\$0.8 increase) and finance lease liability (\$0.7 increase) due to the adoption of Fresh Start Accounting.

⁽²⁶⁾ Reflects changes in the finance lease liabilities (\$0.8 increase) due to the adoption of Fresh Start Accounting.

⁽²⁷⁾ Reflects the remeasurement adjustment to pensions, post-retirement benefits, and other benefits driven by changes in actuarial assumptions.

⁽²⁸⁾ Reflects changes in the fair value of operating lease liabilities (\$6.2 increase) and other liabilities (\$2.2 decrease) due to the adoption of Fresh Start Accounting.

⁽²⁹⁾ Reflects the cumulative impact of Fresh Start Accounting Adjustments discussed above and below and the elimination of Predecessor capital in excess of par value and Predecessor accumulated deficit.

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Customer relationships, net	378.2
Other intangible assets	320.0
Other assets fair value adjustments	9.5
Property, plant and equipment	46.2
Inventories	32.8
Current Liabilities	(2.2)
Long-term debt	(0.8)
Pensions, post-retirement and other benefits	0.3
Other long-term liabilities	(4.0)
Goodwill	(93.3)
Fresh start valuation gain	\$ 686.7
Deferred income taxes	(189.9)
Fresh start valuation adjustment for noncontrolling interest	(12.6)
Elimination of Predecessor paid-in-capital	390.0
Elimination of Predecessor other comprehensive loss	(328.8)
Net Change in Accumulated Deficit	\$ 545.4

⁽³⁰⁾ Reflects the fair value adjustment to noncontrolling interests in certain consolidated subsidiaries.

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NOTE 4: EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is based on the weighted-average number of common stock outstanding. Diluted earnings (loss) per share includes the dilutive effect of potential shares of common stock outstanding. Under the two-class method of computing earnings (loss) per share, non-vested share-based payment awards that contain rights to receive non-forfeitable dividends are considered participating securities. During the Predecessor Periods, the Company's participating securities include restricted stock units (RSUs), director deferred shares and shares that were vested but deferred by employees. There were no vested participating securities in the Successor Period. The Company calculated basic and diluted earnings (loss) per share under both the treasury stock method and the two-class method. For the Successor Period from August 12, 2023 through December 31, 2023 and the Predecessor Periods of January 1, 2023 through August 11, 2023 and the years ended December 31, 2022 and 2021, there were no differences in the earnings (loss) per share amounts calculated using the two methods. Accordingly, the treasury stock method is disclosed below; however, because the Company is in a net loss position in the years ended December 31, 2022 and 2021, dilutive shares are excluded from the shares used in the computation of diluted loss per share.

The following table represents amounts used in computing earnings (loss) per share and the effect on the weighted-average number of shares of dilutive potential common stock for the years ended December 31:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Numerator				
Income (loss) used in basic and diluted loss per share				
Net income (loss)	\$ 19.1	\$ 1,357.5	\$ (585.6)	\$ (78.1)
Net income (loss) income attributable to noncontrolling interests	1.3	(0.8)	(4.2)	0.7
Net income (loss) attributable to Diebold Nixdorf, Incorporated	\$ 17.8	\$ 1,358.3	\$ (581.4)	\$ (78.8)
Denominator				
Weighted-average number of shares of common stock used in basic earnings (loss) per share ⁽¹⁾	37.6	79.7	79.0	78.3
Effect of dilutive shares ⁽¹⁾	—	1.7	—	—
Weighted-average number of shares used in diluted earnings (loss) per share	37.6	81.4	79.0	78.3
Net income (loss) per share attributable to Diebold Nixdorf, Incorporated				
Basic and diluted income (loss) per share	\$ 0.47	\$ 17.04	\$ (7.36)	\$ (1.01)
Diluted earnings income (loss) per share	\$ 0.47	\$ 16.69	\$ (7.36)	\$ (1.01)
Anti-dilutive shares				
Anti-dilutive shares not used in calculating diluted weighted-average shares	—	2.1	4.2	3.9

(1) Shares of 1.5 and 1.2 for the years ended December 31, 2022 and 2021, respectively, are excluded from the computation of diluted earnings (loss) per share because the effects are anti-dilutive, irrespective of the net loss position.

NOTE 5: SHARE-BASED COMPENSATION AND EQUITY

Dividends. In May 2018, the Company announced the decision of its Board of Directors to reallocate future dividend funds towards debt reduction and other capital resource needs. Accordingly, the Company has not paid a dividend since 2018.

Share-Based Compensation Cost. The Company recognizes costs resulting from all share-based payment transactions based on the fair value of the award as of the grant date. Awards are valued at fair value and compensation cost is recognized on a straight-line basis over the requisite periods of each award. To cover the exercise and/or vesting of its share-based payments, the Company uses a combination of new shares from its authorized, unissued share pool and its treasury shares. As discussed above, on the Effective Date, the then existing common shares of the Predecessor were canceled and the New Common Stock was issued. Accordingly, the existing share-based compensation awards issued pursuant to the 2017 Equity and Performance Incentive Plan were also canceled, which resulted in the recognition of any previously unamortized expense related to the canceled awards on the date of cancellation. Pursuant to the U.S. Plan, the reorganized Company adopted a new management incentive plan. The number of shares of common stock that may be issued pursuant to the 2023 Equity and Incentive Plan (the

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2023 Plan) was 2.4, of which 1.5 shares were available for issuance at December 31, 2023.

The following table summarizes the components of the Company's employee and non-employee directors share-based compensation programs recognized as selling and administrative expense for the years ended December 31:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Stock options				
Pre-tax compensation expense	\$ 0.1	\$ —	\$ 0.3	\$ 1.5
Tax benefit	—	—	—	(0.4)
Stock option expense, net of tax	<u>\$ 0.1</u>	<u>\$ —</u>	<u>\$ 0.3</u>	<u>\$ 1.1</u>
RSU's				
Pre-tax compensation expense	\$ —	\$ 2.3	\$ 13.6	\$ 8.7
Acceleration of Predecessor awards	—	2.7	—	—
Tax benefit	—	(1.2)	(1.6)	(2.2)
RSU expense, net of tax	<u>\$ —</u>	<u>\$ 3.8</u>	<u>\$ 12.0</u>	<u>\$ 6.5</u>
Performance shares				
Pre-tax compensation expense	\$ —	\$ 0.1	\$ (0.5)	\$ 3.6
Tax benefit	—	—	—	(1.0)
Performance share expense, net of tax	<u>\$ —</u>	<u>\$ 0.1</u>	<u>\$ (0.5)</u>	<u>\$ 2.6</u>
Total share-based compensation				
Pre-tax compensation expense	\$ 0.1	\$ 2.4	\$ 13.4	\$ 13.8
Acceleration of Predecessor awards	—	2.7	—	—
Tax benefit	—	(1.2)	(1.6)	(3.6)
Total share-based compensation, net of tax	<u>\$ 0.1</u>	<u>\$ 3.9</u>	<u>\$ 11.8</u>	<u>\$ 10.2</u>

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The following table summarizes information related to unrecognized share-based compensation costs as of December 31, 2023 (Successor):

	Unrecognized Cost	Weighted-Average Period (years)
Stock options	\$ 8.4	2.2
RSUs	8.1	2.2
	<u>\$ 16.5</u>	

SHARE-BASED COMPENSATION AWARDS

Stock options, RSUs and performance shares were issued to officers and other management employees under the Company's Amended and Restated 1991 Equity and Performance Incentive Plan (as amended and restated as of February 12, 2014) (the 1991 Plan) and the 2017 Plan in the Predecessor Period, and under the Company's 2023 Plan in the Successor Period. Certain awards have accelerated vesting clauses upon retirement, which results in either immediate or accelerated expense.

Stock Options

During the Successor Period in 2023, stock options were granted to non-employee directors that vest after a period of one year to four years and have a term of five years from the issuance date, and have an exercise price of \$30.00. No stock options were granted in 2022 or 2021. The estimated fair value of the options granted was calculated using a Black-Scholes option pricing model using the following assumptions:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Expected life (in years)	3.75	0	0	0
Weighted-average volatility	65 %	— %	— %	— %
Risk-free interest rate	3.94 %	— %	— %	— %
Expected dividend yield	— %	— %	— %	— %

The Company uses historical data to estimate the expected life within the valuation model. Expected volatility is based on historical volatility of the price of guideline public companies shares over the expected life of the equity instrument. The risk-free rate of interest is based on U.S. Treasury Constant Maturity yields over the expected life of the equity instrument. The expected dividend yield is based on actual dividends paid per share and the price of the Company's common stock.

Options outstanding and exercisable as of December 31, 2023 and changes during the year ended were as follows:

	Number of Shares	Weighted-Average Exercise Price (per share)	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾
Outstanding at January 1, 2023 (Predecessor)	1.5	\$ 16.81		
Expired or forfeited	(0.2)	\$ 3.71		
Elimination of Predecessor awards	(1.3)	\$ 3.68		
Outstanding at August 12, 2023 (Successor)	—	\$ —		
Granted	0.6	\$ 30.00		
Outstanding at December 31, 2023 (Successor)	0.6	\$ 30.00	5	\$ —
Options exercisable at December 31, 2023	—	\$ —	0	\$ —

⁽¹⁾ The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company's closing share price on the last trading day of the year in 2023 and the exercise price, multiplied by the number of "in-the-money" options) that would have been received by the option holders had all option holders exercised their options on December 31, 2023. The amount of aggregate intrinsic value will change based on the fair market value of the Company's common stock.

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The aggregate intrinsic value of options exercised was minimal for the years ended December 31, 2023, 2022 and 2021. The weighted-average, grant-date fair value of stock options granted for the year ended December 31, 2023 was \$4.73.

Restricted Stock Units

Each RSU provides for the issuance of one share of common stock of the Company at no cost to the holder and are granted to both employees and non-employee directors. RSUs either cliff vest after one year or vest per annum over a three or four-year period. Non-vested employee RSUs are forfeited upon termination unless the Board of Directors determines otherwise.

Non-vested RSUs outstanding as of December 31, 2023 and changes during the year ended were as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value
Non-vested at January 1, 2023 (Predecessor)	2.2	\$ 7.53
Forfeited	(0.2)	\$ 7.96
Vested	(1.1)	\$ 7.30
Elimination of Predecessor awards	(0.9)	\$ 7.73
Non-vested at August 12, 2023 (Successor)	—	\$ —
Granted	0.3	\$ 29.00
Non-vested at December 31, 2023 (Successor)	0.3	\$ 29.00

The weighted-average grant-date fair value of RSUs granted for the years ended December 31, 2022 and 2021 was \$6.57 and \$13.71, respectively. The weighted-average grant-date fair value of RSUs granted during the Successor Period of August 12, 2023 to December 31, 2023 was \$29.00. The total fair value of RSUs vested during the period from January 1, 2023 to August 11, 2023, and the years ended December 31, 2022 and 2021 was \$8.2, \$11.0 and \$10.3, respectively.

Performance Shares

Performance shares are granted to employees and vest based on the achievement of certain performance objectives, as determined by the Board of Directors. Each performance share earned entitles the holder to one share of common stock of the Company. The Company's performance shares include performance objectives that are assessed after a period of four years as well as performance objectives that are assessed annually over a period of four years. No shares are vested unless certain performance threshold objectives are met.

Non-vested performance shares outstanding as of December 31, 2023 and changes during the year ended were as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value
Non-vested at January 1, 2023 (Predecessor) ⁽¹⁾	1.4	\$ 0.30
Forfeited	(0.3)	\$ 0.35
Vested	—	\$ —
Granted	—	\$ —
Elimination of Predecessor awards	(1.1)	\$ 0.32
Non-vested at August 12, 2023 (Successor)	—	\$ —
Granted	—	\$ —
Non-vested at December 31, 2023 (Successor)	—	\$ —

⁽¹⁾ Non-vested performance shares are based on a maximum potential payout. Actual shares vested at the end of the performance period may be less than the maximum potential payout level depending on achievement of the performance objectives, as determined by the Board of Directors.

The weighted-average grant-date fair value of performance shares granted for the years ended December 31, 2022 and 2021 was \$7.28 and \$13.73, respectively. No performance shares were granted in the period from January 1, 2023 to August 11, 2023 or the period from August 12, 2023 to December 31, 2023. The total fair value of performance shares vested during the year ended December 31, 2022 was \$2.0.

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Liability Awards

In addition to the equity awards described above, the Company has certain performance and service based awards that will be settled in cash and are accounted for as liabilities. The total compensation expense for these awards was \$1.8, \$3.8, \$(4.7) and \$7.1 for the period from August 12, 2023 to December 31, 2023, the period from January 1, 2023 to August 11, 2023 and the years ended December 31, 2022 and 2021, respectively. These awards vest ratably over a three-year period.

NOTE 6: INCOME TAXES

The following table presents components of (loss) income from operations before taxes:

	Successor		Predecessor		
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
				2022	2021
Domestic	\$ (62.7)		\$ 792.7	\$ (413.2)	\$ (168.3)
Foreign	62.6		655.7	(25.4)	117.6
Total	\$ (0.1)		\$ 1,448.4	\$ (438.6)	\$ (50.7)

The following table presents the components of income tax expense (benefit):

	Successor		Predecessor		
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
				2022	2021
Current					
U.S. federal	\$ (1.5)		\$ (3.7)	\$ 8.5	\$ 3.5
Foreign	33.0		14.4	43.3	38.2
State and local	(0.4)		—	4.0	(1.2)
Total current	31.1		10.7	55.8	40.5
Deferred					
U.S. federal	(27.1)		29.5	62.5	(1.7)
Foreign	(11.7)		42.0	22.4	(11.4)
State and local	(7.0)		8.2	8.5	0.3
Total deferred	(45.8)		79.7	93.4	(12.8)
Income tax expense (benefit)	\$ (14.7)		\$ 90.4	\$ 149.2	\$ 27.7

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Income tax expense (benefit) attributable to loss from operations before taxes differed from the amounts computed by applying the U.S. federal income tax rate of 21 percent to pre-tax loss from operations. The following table presents these differences:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Statutory tax benefit	\$ —	\$ 304.2	\$ (92.1)	\$ (10.6)
State and local taxes (net of federal tax benefit)	(5.1)	8.4	(17.6)	(0.6)
Brazil non-taxable incentive	(3.3)	(0.6)	(4.6)	(4.3)
Valuation allowances	0.2	(193.1)	209.8	33.8
Goodwill impairment	—	—	9.3	—
Foreign tax rate differential	1.5	47.3	(4.6)	2.2
Tax on unremitted foreign earnings	1.5	6.8	4.2	0.7
Change to uncertain tax positions	—	(1.8)	1.8	(9.2)
U.S. taxed foreign income	(9.2)	23.6	17.1	6.9
Non-deductible (non-taxable) items	16.2	65.8	15.5	0.7
Reorganization/Fresh Start reporting	(21.5)	(170.9)	—	—
Prior year deferred true up	1.0	(6.1)	—	—
Return to provision	(1.2)	8.4	3.3	(0.8)
Withholding tax and other taxes	5.1	0.6	5.4	8.7
Other	0.1	(2.2)	1.7	0.2
Income tax expense (benefit)	<u>\$ (14.7)</u>	<u>\$ 90.4</u>	<u>\$ 149.2</u>	<u>\$ 27.7</u>

The effective tax rate for the period from August 12, 2023 through December 31, 2023 was 14700.0 percent. Significant differences from the U.S. federal statutory rate included non-deductible expenses, U.S. tax on foreign income, withholding taxes, and impact of the reorganization, all of which have a significant impact on the effective tax rate due to the minimal pre-tax income.

The effective tax rate from January 1 to August 11, 2023 was 6.2 percent. The effective tax rate differed compared to the U.S. federal statutory rate for the tax impacts of reorganization and fresh-start adjustments, including adjustments to the Company's valuation allowance and permanent differences.

The effective tax rate for 2022 was (34.0) percent. Tax expense items contributing to the difference from the U.S. federal income tax rate included valuation allowances, U.S. tax on foreign income, non-deductible expenses, goodwill impairments, withholding taxes, changes to uncertain tax position accruals and other items. These items were partially offset by benefits of utilization of U.S. foreign tax credits, nontaxable incentives, and foreign rate differential.

The effective tax rate for 2021 was (54.6) percent. Tax expense items contributing to the differences from the U.S. federal income tax rate included valuation allowances related to certain foreign and U.S. tax attributes for which realization does not meet the more likely than not criteria, U.S. tax on foreign income, withholding taxes, non-deductible expenses and other items. These items were partially offset by benefits related to settling certain open tax years in Germany and the U.S. and other changes to uncertain tax position accruals, non-taxable incentives, and other items.

The Company recognizes the benefit of tax positions taken or expected to be taken in its tax returns in the consolidated financial statements when it is *more likely than not* that the position will be sustained upon examination by authorities. Recognized tax positions are measured at the largest amount of benefit that is more likely than not of being realized upon settlement.

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Details of the unrecognized tax benefits are as follows:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Balance at beginning of the period	\$ 52.7	\$ 52.1	\$ 55.1	\$ 36.8
Increases (decreases) related to prior year tax positions, net	—	0.6	(1.7)	42.1
Increases related to current year tax positions	—	—	—	—
Settlements	—	—	(0.7)	(23.3)
Reductions due to lapse of applicable statute of limitations	(0.1)	—	(0.6)	(0.5)
Balance the end of the period	<u>\$ 52.6</u>	<u>\$ 52.7</u>	<u>\$ 52.1</u>	<u>\$ 55.1</u>

Of the Company's \$52.6 unrecognized tax benefits, if recognized, \$12.6 would affect the Company's effective tax rate. The remaining \$40.0 relates to a prior year tax return position, which if recognized, would be offset by changes in valuation allowances and have no effect on the Company's effective tax rate.

The Company classifies interest expense and penalties related to the underpayment of income taxes in the consolidated financial statements as income tax expense. As of December 31, 2023 and 2022, accrued interest and penalties related to unrecognized tax benefits totaled \$1.4 and \$1.3, respectively.

Within the next 12 months, no material changes to our unrecognized tax benefits are expected for currently reserved positions. Tax years prior to 2018 are closed by statute for U.S. federal tax purposes. The Company is subject to tax examination in various U.S. state jurisdictions for tax years 2012 to the present. In addition, the Company is subject to a German tax audit for tax years 2018-2020, and other various foreign jurisdictions for tax years 2013 to the present.

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Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities at December 31 are as follows:

	Successor 2023	Predecessor 2022
Deferred tax assets		
Accrued expenses	\$ 96.8	\$ 51.9
Warranty accrual	7.5	12.3
Deferred compensation	—	3.0
Allowances for doubtful accounts	2.0	5.0
Inventories	22.6	18.5
Deferred revenue	31.3	28.1
Pensions, post-retirement and other benefits	50.7	48.6
Deferred finance charges	—	108.3
Tax credits	7.3	—
Net operating loss carryforwards	127.9	179.4
Capital loss carryforwards	1.2	1.3
State deferred taxes	6.3	28.0
Lease liability	21.8	28.9
Other	28.5	22.8
	403.9	536.1
Valuation allowances	(233.6)	(468.3)
Net deferred tax assets	\$ 170.3	\$ 67.8
Deferred tax liabilities		
Property, plant and equipment, net	\$ 33.5	\$ 10.3
Goodwill and intangible assets	203.9	88.2
Undistributed earnings	43.4	34.4
Right-of-use assets	22.7	31.5
Other	0.3	—
Net deferred tax liabilities	303.8	164.4
Net deferred tax (liability) asset	\$ (133.5)	\$ (96.6)

Deferred income taxes reported in the consolidated balance sheets as of December 31 are as follows:

	Successor 2023	Predecessor 2022
Deferred income taxes - assets	\$ 71.4	\$ —
Deferred income taxes - liabilities	(204.9)	(96.6)
Net deferred tax (liabilities) assets	\$ (133.5)	\$ (96.6)

As of December 31, 2023, the Company had domestic and international net operating loss (NOL) carryforwards of \$483.3, resulting in an NOL deferred tax asset of \$129.1. Of these NOL carryforwards, \$133.9 expire at various times between 2023 and 2043 and \$349.4 does not expire. The Company recorded a valuation allowance to reflect the estimated amount of certain U.S., foreign and state deferred tax assets that, more likely than not, will not be realized. The net change in total valuation allowance for the years ended December 31, 2023 and 2022 was a decrease of \$234.7 and an increase \$206.5, respectively. The 2023 valuation allowance decrease was driven primarily by the Company's emergence from Restructuring Proceedings and Fresh Start Accounting. Of the

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total 2023 net decrease of \$234.7, the Company recorded \$245.3 to tax expense, approximately (\$10.6) was recorded to shareholder's equity.

For the years ended December 31, 2023 and 2022, provisions were made for foreign withholding taxes and estimated foreign income taxes which may be incurred upon the remittance of certain undistributed earnings in foreign subsidiaries and foreign unconsolidated affiliates. Provisions have not been made for income taxes on \$532.3 of undistributed earnings at December 31, 2023 in foreign subsidiaries and corporate joint ventures that were deemed permanently reinvested. Determination of the amount of unrecognized deferred income tax liabilities on these earnings is not practicable because such liability, if any, depends on certain circumstances existing if and when remittance occurs. A deferred tax liability will be recognized if and when the Company no longer plans to permanently reinvest these undistributed earnings.

The Company's undistributed earnings in foreign subsidiaries that are deemed permanently reinvested decreased compared to the prior-year amount and was primarily impacted by current year income.

NOTE 7: INVENTORIES

Major classes of inventories at December 31 are summarized as follows:

	Successor	Predecessor
	2023	2022
Raw materials and work in process	\$ 174.0	\$ 200.6
Finished goods	242.0	229.4
Total product inventories	416.0	430.0
Service parts	173.8	158.1
Total inventories	\$ 589.8	\$ 588.1

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

The following is a summary of property, plant and equipment, at cost less accumulated depreciation and amortization as of December 31:

	Estimated Useful Life (years)	Successor	Predecessor
		2023	2022
Land and land improvements	(1)	\$ 21.6	\$ 10.0
Buildings and building improvements	15-30	48.0	68.3
Machinery, tools and equipment	3-12	34.8	81.8
Leasehold improvements (2)	10	6.6	17.2
Computer equipment	3-5	17.1	101.1
Computer software	5-10	6.1	127.8
Furniture and fixtures	5-8	18.0	54.6
Tooling	5	11.7	134.7
Construction in progress		9.4	4.6
Total property plant and equipment, at cost		\$ 173.3	\$ 600.1
Less accumulated depreciation and amortization		14.3	479.4
Total property plant and equipment, net		\$ 159.0	\$ 120.7

(1) Estimated useful life for land and land improvements is perpetual and 15 years, respectively.

(2) The estimated useful life for leasehold improvements is the lesser of 10 years or the term of the lease.

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Depreciation expense is computed on a straight-line basis over the estimated useful lives of the related assets. Depreciation expense was as follows:

	Successor		Predecessor	
	Period from		Period from	Year ended
	08/12/2023 - 12/31/2023		01/01/2023 - 08/11/2023	2022
Depreciation expense	\$	16.2	\$	18.3 \$ 29.8

NOTE 9: INVESTMENTS

The Company's investments, primarily in Brazil, consist of certificates of deposit that are recorded at fair value based upon quoted market prices. Changes in fair value are recognized in interest income, determined using the specific identification method, and were minimal. There were no gains from the sale of securities or proceeds from the sale of securities prior to the maturity date for the year ended December 31, 2023.

The Company has deferred compensation plans that enable certain employees to defer receipt of a portion of their cash, 401(k) or share-based compensation and enable non-employee directors to defer receipt of director fees at the participants' discretion. For deferred cash-based compensation, the Company established rabbi trusts (refer to Note 21 of the consolidated financial statements), which are recorded at fair value of the underlying securities within securities and other investments. The related deferred compensation liability is recorded at fair value within other long-term liabilities. Realized and unrealized gains and losses on marketable securities in the rabbi trusts are recognized in interest income.

The Company's investments subject to fair value measurement consist of the following:

	Cost Basis	Unrealized Gain	Fair Value
As of December 31, 2023 (Successor)			
Short-term investments			
Certificates of deposit	\$ 13.4	\$ —	\$ 13.4
Long-term investments			
Assets held in a rabbi trust	\$ 2.3	\$ 0.6	\$ 2.9
As of December 31, 2022 (Predecessor)			
Short-term investments			
Certificates of deposit	\$ 24.6	\$ —	\$ 24.6
Long-term investments:			
Assets held in a rabbi trust	\$ 4.3	\$ 0.1	\$ 4.4

Securities and other investments also includes cash surrender value of insurance contracts of \$3.6 and \$3.2 as of December 31, 2023 and 2022, respectively.

The Company has certain non-consolidated joint ventures that are not significant subsidiaries and are accounted for under the equity method of accounting. The Company owns 48.1 percent of Inspur Financial Information System Co., Ltd. (Inspur JV) and 49.0 percent of Aisino-Wincor Retail & Banking Systems (Shanghai) Co., Ltd. (Aisino JV). The Company engages in transactions in the ordinary course of business with the respective joint ventures. As of December 31, 2023, the Company had accounts receivable and accounts payable balances with these joint ventures of \$13.0 and \$24.2, respectively, which are included in trade receivables, less allowances for doubtful accounts and accounts payable on the consolidated balance sheets.

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NOTE 10: GOODWILL AND INTANGIBLE ASSETS

Predecessor

In the second quarter of 2022, the Company reorganized its reportable segments in connection with the new and simplified operating model implemented by the recently appointed Chief Executive Officer. This organizational change is consistent with how the Chief Executive Officer, the chief operating decision maker (CODM), makes key operating decisions, allocates resources, and assesses the performance of the business.

Prior to reorganization, the Company had four reporting units: Eurasia Banking, Americas Banking, EMEA Retail, and Rest of World Retail. The Company's new reporting units, determined in accordance with ASC 350, "Intangibles - goodwill and other", are the same as the operating and reportable segments, which are global Banking and global Retail. The Banking reporting unit is the summation of the legacy Eurasia Banking and Americas Banking reporting units and Retail is the summation of the legacy EMEA Retail and Rest of World Retail reporting units.

The sustained decline in the Company's stock price during the Predecessor Period and its market capitalization, in addition to substantial doubt about the Company's ability to continue as a going concern (refer to Note 2) were in combination considered a triggering event indicating that it was possible that the fair value of the reporting units could be less than their carrying amounts, including goodwill. This trigger was identified as of March 31, 2023 and the facts and circumstances continued to be present through the date the Company emerged from the Restructuring Proceedings. The Predecessor performed an interim quantitative goodwill impairment test as of March 31, 2023 using a combination of the income valuation and market approach methodologies. The determination of the fair value of the reporting units requires significant estimates and assumptions, including significant unobservable inputs. The key inputs included, but were not limited to, discount rates, terminal growth rates, market multiple data from selected guideline public companies, management's internal forecasts which include numerous assumptions such as projected net sales, gross profit, sales mix, operating and capital expenditures and earnings before interest and taxes margins, among others.

No impairment resulted from the interim quantitative goodwill impairment test. As of the interim impairment testing date of March 31, 2023, the indicated fair value was in excess of carrying value for both the Banking and Retail segments by approximately 43 percent and 34 percent, respectively.

The filing of the Chapter 11 Cases and Chapter 15 Proceedings were considered a continuation of the triggering event identified at March 31, 2023 in which it was indicated that it was possible that the fair value of the reporting units could be less than their carrying amounts, including goodwill. A quantitative analysis was performed and no impairment resulted in the Predecessor Period.

Successor

The excess of the Successor's reorganization value over the fair value of identified tangible and intangible assets as of the Effective Date is reported separately on the Company's consolidated balance sheets as goodwill. Refer to **Note 3** for additional information on Fresh Start Accounting Adjustments.

We performed a qualitative assessment of our Banking and Retail reporting units as of October 1, 2023. As part of this analysis, we evaluated factors including, but not limited to, our market capitalization and stock price performance, macro-economic conditions, market and industry conditions, cost factors, the competitive environment, and the operational stability and overall financial performance of the reporting units. The assessment indicated that it was more likely than not that the fair value of the Banking and Retail reporting units exceeded their respective carrying values.

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The changes in the carrying amount of goodwill are as follows:

	Legacy Reporting Units		New Reporting Units		Total
	Eurasia Banking	Americas Banking	Banking	Retail	
Goodwill	\$ 561.4	\$ 440.1	\$ —	\$ 213.0	\$ 1,214.5
Accumulated impairment losses	(291.7)	(122.0)	—	(57.2)	(470.9)
Balance at January 1, 2022 (Predecessor)	\$ 269.7	\$ 318.1	\$ —	\$ 155.8	\$ 743.6
Currency translation adjustment	(6.3)	(1.0)	(18.6)	(15.4)	(41.3)
Goodwill reassignment	(555.1)	(439.1)	922.2	72.0	—
Goodwill	\$ —	\$ —	\$ 903.6	\$ 269.6	\$ 1,173.2
Accumulated impairment reassignment	291.7	122.0	(413.7)	—	—
Accumulated impairment losses	—	—	(413.7)	(57.2)	(470.9)
Balance at December 31, 2022 (Predecessor)	\$ —	\$ —	\$ 489.9	\$ 212.4	\$ 702.3
Currency translation adjustment	—	—	8.5	3.5	12.0
Fresh Start adjustment goodwill	—	—	(440.7)	(123.5)	(564.2)
Fresh Start adjustment accumulated impairment losses	—	—	413.7	57.2	470.9
Goodwill	—	—	471.4	149.6	621.0
Accumulated impairment losses	—	—	—	—	—
Balance as of August 12, 2023 (Successor)	\$ —	\$ —	\$ 471.4	\$ 149.6	\$ 621.0
Currency translation adjustment	—	—	—	(0.1)	(0.1)
Divestitures	—	—	—	(4.2)	(4.2)
Balance at December 31, 2023 (Successor)	\$ —	\$ —	\$ 471.4	\$ 145.3	\$ 616.7

Goodwill. We performed the required annual impairment tests of goodwill at October 1, 2023 on our two reporting units. We assessed qualitative factors and determined it was less likely than not that the fair value of either reporting unit was less than its carrying amount, including goodwill. Changes in certain assumptions or the Company's failure to execute on the current plan could have a significant impact to the estimated fair value of the reporting units.

Intangible Assets. Intangible assets consists of net capitalized software development costs, patents, trademarks and other intangible assets. Where applicable, intangible assets are stated at cost and, if applicable, are amortized ratably over the relevant contract period or the estimated life of the assets. Fees to renew or extend the term of the Company's intangible assets are expensed when incurred.

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The following summarizes information on intangible assets by major category:

	Weighted-average remaining useful lives	Successor			Predecessor		
		December 31, 2023			December 31, 2022		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships, net	17.1 years	\$ 555.5	\$ (12.5)	\$ 543.0	\$ 662.3	\$ (448.7)	\$ 213.6
Trademarks and trade names	18.0 years	118.8	(2.6)	116.2	—	—	—
Capitalized software development	8.1 years	22.0	(1.1)	20.9	245.2	(202.7)	42.5
Technology know-how and development costs non-software	6.0 years	193.3	(12.5)	180.8	48.7	(48.7)	—
Other	1.5 years	40.6	(10.2)	30.4	48.7	(47.2)	1.5
Other intangible assets, net		374.7	(26.4)	348.3	342.6	(298.6)	44.0
Total		\$ 930.2	\$ (38.9)	\$ 891.3	\$ 1,004.9	\$ (747.3)	\$ 257.6

Costs incurred for the development of external-use software that will be sold, leased or otherwise marketed are capitalized when technological feasibility has been established. These costs are included within other assets and are amortized on a straight-line basis over the estimated useful lives ranging from three to five years. Amortization begins when the product is available for general release. Costs capitalized include direct labor and related overhead costs. Costs incurred prior to technological feasibility or after general release are expensed as incurred. The Company performs periodic reviews to ensure that unamortized program costs remain recoverable from future revenue. If future revenue does not support the unamortized program costs, the amount by which the unamortized capitalized cost of a software product exceeds the net realizable value is impaired.

The following table identifies the activity relating to total capitalized software development:

	Successor		Predecessor		
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
				2022	2021
Beginning balance	\$ 13.8		\$ 42.5	\$ 43.2	\$ 38.0
Capitalization	9.8		13.1	28.7	31.1
Amortization	(1.8)		(12.4)	(14.1)	(23.3)
Impairment	—		—	(9.8)	—
Other	(0.9)		(6.1)	(5.5)	(2.6)
Fresh Start Accounting Adjustments	—		(23.3)	—	—
Ending balance	\$ 20.9		\$ 13.8	\$ 42.5	\$ 43.2

The Company's total amortization expense, excluding deferred financing costs, was \$42.8, \$59.0, \$96.2 and \$102.7 for the Successor Period from August 12, 2023 through December 31, 2023, the Predecessor Period from January 1, 2023 through August 11, 2023, and the years ended December 31, 2022 and 2021, respectively. The expected annual amortization expense is as follows:

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	Estimated amortization
2024	\$ 100.3
2025	76.8
2026	73.8
2027	73.8
2028	73.8
Thereafter	492.8
	<u>\$ 891.3</u>

NOTE 11: PRODUCT WARRANTIES

The Company provides its customers a standard manufacturer's warranty and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. Estimated future obligations due to warranty claims are based upon historical factors such as labor rates, average repair time, travel time, number of service calls per machine and cost of replacement parts.

Changes in the Company's warranty liability balance are illustrated in the following table:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Beginning balance	\$ 26.6	\$ 28.3	\$ 36.3
Accruals	16.3	18.8	19.5
Settlements	(14.6)	(21.9)	(26.4)
Currency translation	(0.3)	1.4	(1.1)
Ending balance	<u>\$ 28.0</u>	<u>\$ 26.6</u>	<u>\$ 28.3</u>

NOTE 12: RESTRUCTURING

In the fourth quarter of 2021, the Company completed the execution of a multi-year restructuring and transformation program called DN Now. On a cumulative basis, \$218.9 of expenses were incurred through December 31, 2021. These costs consisted of \$200.2 of severance charges with the remainder related to costs of personnel transitioning out of the organization, and consulting fees paid to third-party organizations who assisted with our transition to a shared service model.

In the fourth quarter of 2023, the Company completed the 2022 initiative that was announced in the second quarter of 2022. The focus was to streamline operations, drive efficiencies and digitize processes. The savings realized were in line with expectations. The most significant expense of the initiative related to severance payments, while the remainder of the expenses incurred primarily relate to transitioning personnel and consultant fees in relation to the transformation process.

The following table summarizes the impact of the Company's restructuring and transformation charges, excluding the aforementioned impairments, on the consolidated statements of operations for the years ended December 31:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Cost of sales - services	\$ (1.4)	\$ 5.3	\$ 7.7	\$ 13.0
Cost of sales - products	(1.5)	0.8	13.1	2.4
Selling and administrative expense	25.4	29.4	94.4	13.1
Research, development and engineering expense	0.1	1.5	9.0	(0.3)
Loss on sale of assets, net	—	1.9	—	—
Total	<u>\$ 22.6</u>	<u>\$ 38.9</u>	<u>\$ 124.2</u>	<u>\$ 28.2</u>

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As of August 11, 2023, management determined that the carrying value of the restructuring accrual approximated the fair value; therefore, no fair value adjustment for Fresh Start Accounting was recorded.

The following table summarizes the Company's restructuring severance accrual balance and related activity:

Balance at January 1, 2021 (Predecessor)	\$	62.9
Liabilities incurred		15.4
Liabilities paid/settled		(43.0)
Balance at December 31, 2021 (Predecessor)	\$	35.3
Liabilities incurred		62.5
Liabilities paid/settled		(53.6)
Balance at December 31, 2022 (Predecessor)	\$	44.2
Liabilities incurred		6.8
Liabilities paid/settled		(37.0)
Other		0.4
Balance as of August 12, 2023 (Successor)	\$	14.4
Liabilities incurred		5.3
Liabilities paid/settled		(9.4)
Balance at December 31, 2023 (Successor)	\$	10.3

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NOTE 13: DEBT

Outstanding debt balances were as follows:

	Successor	Predecessor
	December 31, 2023	December 31, 2022
Notes payable – current		
Lines of credit	\$ —	\$ 0.9
2023 Term Loan B Facility - USD	—	12.9
2023 Term Loan B Facility - Euro	—	5.1
2025 Extended Term Loan B Facility - USD	—	5.3
2025 Extended Term Loan B Facility - EUR	—	1.1
Other	0.3	1.7
	<u>0.3</u>	<u>27.0</u>
Short-term deferred financing fees	—	(3.0)
	<u>\$ 0.3</u>	<u>\$ 24.0</u>
Long-term debt		
2024 Senior Notes	\$ —	\$ 72.1
2025 Senior Secured Notes - USD	—	2.7
2025 Senior Secured Notes - EUR	—	4.7
2026 Asset Backed Loan (ABL)	—	182.0
2025 Extended Term Loan B Facility - USD	—	529.5
2025 Extended Term Loan B Facility - EUR	—	95.5
2026 2L Notes	—	333.6
2025 Exchanged Senior Secured Notes - USD	—	718.1
2025 Exchanged Senior Secured Notes - EUR	—	379.7
2025 Superpriority Term Loans	—	400.6
Exit Facility	1,250.0	—
Other	3.6	6.3
	<u>1,253.6</u>	<u>2,724.8</u>
Long-term deferred financing fees	(1.2)	(139.0)
	<u>\$ 1,252.4</u>	<u>\$ 2,585.8</u>

DIP Facility and Exit Credit Agreement

On June 5, 2023, the Company, as borrower, entered into the credit agreement governing the DIP Facility along with certain financial institutions party thereto, as lenders (the Lenders), and GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent (the DIP Credit Agreement), and the closing of the DIP Facility occurred on the same day. The DIP Facility provided for two tranches of term loans to be made on the closing date of the DIP Facility: (i) a \$760.0 Term B-1 tranche and (ii) a \$490.0 Term B-2 tranche.

On June 5, 2023, the proceeds of the DIP Facility were used, among others, to: (i) repay in full the term loan obligations, including a make-whole premium, under the Superpriority Facility (defined below) and (ii) repay in full the ABL Facility (defined below) and cash collateralize letters of credit thereunder. The payment for the Superpriority Facility totaled \$492.3 and was comprised of \$401.3 of principal and interest, \$20.0 of premium, and a make-whole amount of \$71.0. The payment for the ABL Facility, including the FILO Tranche (defined below), and the cash collateralization of the letters of credit thereunder totaled \$241.0 and was comprised of \$211.2 of principal and interest and \$29.8 of the cash collateralized letters of credit.

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The DIP Facility provided for the following premiums and fees, as further described in the DIP Credit Agreement: (i) a participation premium equal to 10.00% of New Common Stock upon reorganization (subject only to dilution on account of the MIP); (ii) a backstop premium equal to 13.50% of New Common Stock; (iii) an upfront premium equal to 7.00% of New Common Stock and (iv) an additional premium equal to 7.00% of New Common Stock. Per the terms of the agreement, the backstop premium, the upfront premium and the additional premium were considered earned on May 30, 2023, and the participation premium was earned on the closing date in respect of the DIP Facility (i.e., June 5, 2023). As of June 30, 2023, the Company estimated the value of the DIP Facility premium based upon the midpoint of the equity value contained in the Disclosure Statement associated with the U.S. Plan. As discussed in **Note 3**, as of the Effective Date the Company determined the value of the common stock distributable pursuant to the Plans, based on the low end of the enterprise value for the reorganized entity, as contained in the Disclosure Statement to be \$2,150.0. As a result, an adjustment to the DIP Facility premium was recorded by the Company to reflect this revised value in the final closing balance sheet of the Predecessor. The amount of this adjustment, \$32.6, was recorded by the Predecessor as a reorganization item in the statement of operations. On August 11, 2023, contemporaneously with the Company's emergence from the Restructuring Proceedings, the conversion of the aforementioned premiums and fees to New Common Stock occurred. The value of the DIP premiums that converted to equity was \$384.4, as described in **Note 3**.

On the Effective Date (i.e., August 11, 2023), the Company, as borrower, entered into a credit agreement (the Exit Credit Agreement) governing its \$1,250.0 senior secured term loan credit facility (the Exit Facility) along with the Lenders, GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent.

Concurrently with the closing of the Exit Facility, the Company's existing \$1,250.0 DIP Facility was terminated and the loans outstanding under the DIP Facility were converted into loans outstanding under the Exit Facility (the Conversion), and the liens and guarantees, including all guarantees and liens granted by certain subsidiaries of the Company that are organized in the United States and in certain foreign jurisdictions, granted under the DIP Facility were automatically terminated and released.

In connection with the Conversion, the entire \$1,250.0 under the Exit Facility was deemed drawn on the Effective Date. The Exit Facility will mature on August 11, 2028.

The Company may repay the loans under the Exit Facility at any time; provided that certain repayments of the loans made on or prior to February 11, 2025 with the proceeds of certain types of indebtedness must be accompanied by a premium of either 1.00% or 5.00% of the principal amount of the loans repaid. The amount of the premium is based on the type of indebtedness incurred to repay the loans. Amounts borrowed and repaid under the Exit Facility may not be reborrowed.

The obligations of the Company under the Exit Facility are guaranteed by certain subsidiaries of the Company that are organized in the United States (the Guarantors). The Exit Facility and related guarantees are secured by perfected senior security interests and liens on substantially all assets of the Company and each Guarantor. Loans under the Exit Facility bear interest at an adjusted secured overnight financing rate with a one-month tenor rate plus 7.50 percent per annum or an adjusted base rate plus 6.50 percent per annum.

The Exit Facility includes conditions precedent, representations and warranties, affirmative and negative covenants and events of default that are customary for financings of this type and size. Events of default include both credit and non-credit events such as a change of control, nonpayment of principal or interest, etc. In the event of a default, the Lenders may declare the outstanding amounts immediately due and payable.

Lines of Credit

The Company had various international, short-term lines of credit with borrowing limits aggregating to \$8.2 and \$25.9 as of December 31, 2023 and 2022, respectively. The remaining amount available under the short-term uncommitted lines at December 31, 2023 and 2022 was \$8.2 and \$25.0. The weighted-average interest rate on outstanding borrowings on the short-term uncommitted lines of credit as of December 2022 was 11.02 percent. Short-term uncommitted lines mature in less than one year. These lines of credit support working capital, vendor financing and foreign exchange derivatives.

Restructuring Proceedings

In accordance with the Plans, on the Effective Date, all of the obligations of the Company with respect to the following debt instruments were cancelled:

- 8.50% Senior Notes due 2024 (the 2024 Senior Notes), issued under the Indenture, dated as of April 19, 2016, among the Company, as issuer, certain of the Debtors, as guarantors, and Computershare Trust Company, NA, as successor to U.S. Bank Trust Company, National Association, as trustee, as amended, restated, amended and restated, supplemented, waived, or otherwise modified from time to time;
- 9.375% Senior Secured Notes due 2025 (the First Lien U.S. Notes, referred to above as the "2025 Senior Secured Notes-USD" and the "2025 New Senior Secured Notes – EUR"), issued under the amended and restated senior secured notes indenture, dated as of December 29, 2022, among the Company, as issuer, certain of the Debtors, as guarantors, U.S. Bank Trust Company, National Association, as trustee, and GLAS Americas LLC, as notes collateral agent, as amended, restated, amended and restated, supplemented, waived, or otherwise modified from time to time;

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- 9.000% Senior Secured Notes due 2025 (the First Lien Euro Notes, referred to above as the "2025 Senior Secured Notes – EUR" and the "2025 New Senior Secured Notes – EUR"), issued under the amended and restated senior secured notes indenture, dated as of December 29, 2022, among Diebold Dutch, as issuer, the Company, as guarantor, certain of the Debtors, as guarantors, U.S. Bank Trust Company, National Association, as trustee, and GLAS Americas LLC, as notes collateral agent, as amended, restated, amended and restated, supplemented, waived, or otherwise modified from time to time;
- 8.50%/12.50% Senior Secured PIK Toggle Notes due 2026 (the 2L Notes and, together with the 2024 Senior Notes, the First Lien U.S. Notes and First Lien Euro Notes, the Notes), issued under the senior secured PIK toggle notes indenture, dated as of December 29, 2022, among the Company, as issuer, certain of the Debtors, as guarantors, Computershare Trust Company, NA, as successor to U.S. Bank Trust Company, National Association, as trustee, and GLAS Americas LLC, as notes collateral agent, as amended, restated, amended and restated, supplemented, waived, or otherwise modified from time to time;
- Credit Agreement, dated as of November 23, 2015 (referred to above as the "2023 Term Loan B Facilities"), by and among the Company, as borrower, certain of the Debtors as guarantors, the banks, financial institutions, and other lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent, as amended, restated, amended and restated, supplemented, waived, or otherwise modified from time to time; and
- Credit Agreement, dated as of December 29, 2022 (referred to above as the "2025 New Term Loan B Facilities"), by and among the Company, as borrower, certain of the Debtors, as guarantors, the banks, financial institutions, and other lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent and GLAS Americas LLC, as collateral agent, as amended, restated, amended and restated, supplemented, waived or otherwise modified from time to time.

2022 Restructuring Activities

All of the following obligations of the Predecessor were cancelled when the related instruments were paid with the DIP Facility proceeds.

- Superpriority Facility - On December 29, 2022, the Company and Diebold Nixdorf Holding Germany GmbH (the Superpriority Borrower) entered into a Credit Agreement (the Superpriority Credit Agreement), providing for a superpriority secured term loan facility of \$400.0 (the Superpriority Facility). On the December 2022 settlement date with respect to the Superpriority Facility, the Superpriority Borrower borrowed the full \$400.0 of term loans available (the Superpriority Term Loans). The Superpriority Term Loans were to mature on July 15, 2025. On June 5, 2023, proceeds from the DIP Facility were used to repay in full the term loan obligations, including a make-whole premium, under the Superpriority Credit Agreement.
- ABL Revolving Credit and Guaranty Agreements - On December 29, 2022, the Company and subsidiary borrowers (together with the Company, the ABL Borrowers) entered into a Revolving Credit and Guaranty Agreement (the ABL Credit Agreement). The ABL Credit Agreement provided for an asset-based revolving credit facility (the ABL Facility) consisting of three Tranches (respectively, Tranche A, Tranche B and Tranche C) with a total commitment of up to \$250.0, including a Tranche A commitment of up to \$155.0, a Tranche B commitment of up to \$25.0 and a Tranche C commitment of up to \$70.0. On the December 2022 settlement date with respect to the ABL Revolving Credit and Guaranty Agreements, certain ABL Borrowers borrowed a total of \$182.0 under the ABL Facility, consisting of \$122.0 of Tranche A loans and \$60.0 of Tranche C loans. The ABL Facility was to mature on July 20, 2026, subject to a springing maturity to a date that is 91 days prior to the maturity date of any indebtedness for borrowed money (other than term loans or 2024 Senior Notes that were not exchanged in connection with the December 2022 refinancing transactions) in an aggregate principal amount of more than \$25.0 incurred by the Company or any of its subsidiaries. On June 5, 2023, proceeds from the DIP Facility were used to repay in full the ABL Facility and cash collateralize letters of credit thereunder.
- FILO Amendment - On March 21, 2023, the Company and certain of its subsidiaries entered into an amendment and limited waiver (the FILO Amendment) to the ABL Credit Agreement. The FILO Amendment provided for an additional tranche (the FILO Tranche) of commitments under the ABL Credit Agreement consisting of a senior secured "last out" term loan facility (the FILO Facility). An additional amount of \$55.0 under the FILO Facility was borrowed in full on March 21, 2023. The FILO Facility matured on June 4, 2023. On June 5, 2023, proceeds from the DIP Facility were used to repay in full the FILO Tranche.

Below is a summary of financing facilities information:

	Interest Rate Index and Margin	Maturity/Termination Dates	Initial Term (Years)
Exit Facility ⁽ⁱ⁾	SOFR + 7.50%	August 2028	5.0

⁽ⁱ⁾ SOFR with a floor of 4.0 percent

Interest expense on the Company's debt instruments was \$64.7, \$148.7, \$187.9 and \$180.0 for the Successor Period from August 12, 2023 through December 31, 2023, the Predecessor Period from January 1, 2023 through August 11, 2023, and the years ended December 31, 2022 and 2021, respectively.

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NOTE 14: REDEEMABLE NONCONTROLLING INTERESTS

Changes in redeemable noncontrolling interests were as follows:

	Predecessor 2021
Balance at January 1	\$ 19.2
Termination of put option	(19.2)
Balance at December 31	\$ —

The Predecessor company entered into an agreement whereby its ownership percentage in a certain consolidated but non-wholly owned subsidiary in Europe was reduced by means of capital contributions from noncontrolling shareholders totaling \$12.7. Following entry into the agreement, the Predecessor company maintained a controlling interest in the subsidiary. Subsequently, the put option that could have required the Predecessor company to acquire the noncontrolling shares was irrevocably waived, reducing the redeemable noncontrolling interest to zero.

NOTE 15: ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table summarizes the changes in the Company's AOCI, net of tax, by component:

	Translation	Foreign Currency Hedges	Interest Rate Hedges	Pension and Other Post- Retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2021 (Predecessor)	\$ (310.9)	\$ (1.9)	\$ 0.4	\$ (64.6)	\$ (1.5)	\$ (378.5)
Other comprehensive income (loss) before reclassifications ⁽¹⁾	(41.2)	—	5.5	0.9	2.8	(32.0)
Amounts reclassified from AOCI	—	—	(0.6)	51.1	—	50.5
Net current period other comprehensive income (loss)	(41.2)	—	4.9	52.0	2.8	18.5
Balance at December 31, 2022 (Predecessor)	\$ (352.1)	\$ (1.9)	\$ 5.3	\$ (12.6)	\$ 1.3	\$ (360.0)
Other comprehensive income (loss) before reclassifications ⁽²⁾	28.7	4.7	3.4	0.1	—	36.9
Amounts reclassified from AOCI	—	—	—	3.1	—	3.1
Fresh Start Accounting Adjustments	323.4	(2.8)	(8.7)	9.4	(1.3)	320.0
Net current period other comprehensive income (loss)	352.1	1.9	(5.3)	12.6	(1.3)	360.0
Balance at August 12, 2023 (Successor)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Other comprehensive income (loss) before reclassifications ⁽³⁾	14.2	(0.1)	—	(0.1)	(0.4)	13.6
Amounts reclassified from AOCI	—	—	—	(6.0)	—	(6.0)
Net current period other comprehensive income (loss)	14.2	(0.1)	—	(6.1)	(0.4)	7.6
Balance at December 31, 2023 (Successor)	\$ 14.2	\$ (0.1)	\$ —	\$ (6.1)	\$ (0.4)	\$ 7.6

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- (1) Other comprehensive income (loss) before reclassifications within the translation component excludes \$(5.9) of translation attributable to noncontrolling interests.
(2) Other comprehensive income (loss) before reclassifications within the translation component excludes \$(9.7) of translation attributable to noncontrolling interests.
(3) Other comprehensive income (loss) before reclassifications within the translation component excludes \$(0.2) of translation attributable to noncontrolling interests.

The following table summarizes the details about amounts reclassified from AOCI:

	Successor	Predecessor		Affected Line Item in the Statement of Operations
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022	
	Amount Reclassified from AOCI	Amount Reclassified from AOCI	Amount Reclassified from AOCI	
Interest rate hedges (net of tax of \$0.1 in the Predecessor Period)	\$ —	\$ —	\$ (0.6)	Interest expense
Pension and post-retirement benefits:				
Net prior service benefit (cost) amortization (net of tax of \$(0.2) in the Successor Period and \$0.2 and \$0.0, in the Predecessor Periods, respectively)	0.4	(0.2)	2.4	(1)
Net actuarial (losses) gains recognized during the year (net of tax of \$2.6 in the Successor Period and \$(4.9) and \$0.0 in the Predecessor Periods, respectively)	(6.5)	4.2	38.5	(1)
Net actuarial gains (losses) recognized due to settlement (net of tax of \$0.0 in the Successor Period \$1.1 and \$0.0 in the Predecessor Periods, respectively)	0.1	(0.9)	10.2	(1)
	<u>(6.0)</u>	<u>3.1</u>	<u>51.1</u>	
Total reclassifications for the period	\$ (6.0)	\$ 3.1	\$ 50.5	

- (1) Pension and other post-retirement benefits AOCI components are included in the computation of net periodic benefit cost (refer to Note 17 of the consolidated financial statements).

NOTE 16: DIVESTITURES

Successor Divestitures

During the Successor Period, the Company sold its non-core European retail business that had been classified as held for sale.

Predecessor Divestitures

In the first and second quarters of 2022, the Company received net proceeds of \$5.8 and \$4.7, respectively, from the German reverse vending business sale. The Company signed a divestiture agreement for its German reverse vending business in the fourth quarter of 2021, however the transaction had not closed as it was pending the regulatory process as of December 31, 2021. An impairment loss was recorded in 2021 related to this transaction for \$1.3.

In the third quarter of 2022, the Company received \$3.5 in cash proceeds related to the sale of IT assets with no book value.

In the fourth quarter of 2022, the Company received \$2.7 in cash proceeds and recognized \$1.9 of gain related to the sale of a building in Belgium.

In the second quarter of 2021, the Company divested its Asia Pacific Electronic Security business, a non-core, wholly owned portion of the banking business. The sale resulted in a gain of approximately \$1.0 and cash proceeds of \$5.8.

In the fourth quarter of 2021, the Company divested Prosystems IT GmbH, a non-core, wholly owned European ERP business which resulted in a loss on sale of \$3.9 million and a net cash consideration distribution of \$4.7.

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NOTE 17: BENEFIT PLANS

Qualified Retirement Benefits. The Company has a qualified retirement plan covering certain U.S. employees that has been closed to new participants since 2003 and frozen since December 2013.

The Company has a number of non-U.S. defined benefit plans covering eligible employees located predominately in Europe, the most significant of which are German plans. Benefits for these plans are based primarily on each employee's final salary, with annual adjustments for inflation. The obligations in Germany consist of employer funded pension plans and deferred compensation plans. The employer funded pension plans are based upon direct performance-related commitments in terms of defined contribution plans. Each beneficiary receives, depending on individual pay-scale grouping, contractual classification, or income level, different yearly contributions. The contribution is multiplied by an age factor appropriate to the respective pension plan and credited to the individual retirement account of the employee. The retirement accounts may be used up at retirement by either a one-time lump-sum payout or payments of up to ten years.

The Company has other defined benefit plans outside the U.S., which have not been mentioned here due to materiality.

Supplemental Executive Retirement Benefits. The Company has non-qualified pension plans in the U.S. to provide supplemental retirement benefits to certain officers, which have also been frozen since December 2013. Benefits are payable at retirement based upon a percentage of the participant's compensation, as defined.

Other Benefits. In addition to providing retirement benefits, the Company provides post-retirement healthcare and life insurance benefits (referred to as other benefits) for certain retired employees. Retired eligible employees in the U.S. may be entitled to these benefits based upon years of service with the Company, age at retirement and collective bargaining agreements. There are no plan assets and the Company funds the benefits as the claims are paid. The post-retirement benefit obligation was determined by application of the terms of medical and life insurance plans together with relevant actuarial assumptions and healthcare cost trend rates.

The following tables set forth the change in benefit obligation, change in plan assets, and funded status for the Company's U.S. defined benefit pension plans:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Change in benefit obligation			
Benefit obligation at beginning of period	\$ 351.5	\$ 359.8	\$ 584.4
Interest cost	7.6	11.9	17.3
Actuarial loss (gain)	10.1	(10.1)	(133.8)
Benefits paid	(6.9)	(10.1)	(25.7)
Settlements	—	—	(82.4)
Benefit obligation at end of period	362.3	351.5	359.8
Change in plan assets			
Fair value of plan assets at beginning of period	293.3	293.0	511.3
Actual return on plan assets	14.3	8.4	(113.8)
Employer contributions	1.2	2.0	3.6
Benefits paid	(6.9)	(10.1)	(25.7)
Settlements	—	—	(82.4)
Fair value of plan assets at end of period	301.9	293.3	293.0
Funded status	\$ (60.4)	\$ (58.2)	\$ (66.8)

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The following tables set forth the change in benefit obligation, change in plan assets, and funded status for the Company's Non-U.S. defined benefit plans:

	Successor		Predecessor			
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022		
Change in benefit obligation						
Benefit obligation at beginning of period	\$	306.4	\$	297.5	\$	420.5
Service cost		2.7		3.9		8.9
Interest cost		4.3		7.2		4.1
Actuarial loss (gain)		15.9		5.5		(80.5)
Plan participant contributions		0.1		1.1		1.2
Benefits paid		(2.9)		(4.6)		(6.5)
Plan amendments		(0.6)		—		(2.4)
Curtailment		—		(0.1)		—
Settlements		(2.9)		(16.8)		(24.6)
Foreign currency impact		3.4		12.7		(22.9)
Acquired benefit plans and other		(0.3)		—		(0.3)
Benefit obligation at end of period		<u>326.1</u>		<u>306.4</u>		<u>297.5</u>
Change in plan assets						
Fair value of plan assets at beginning of period	\$	333.3	\$	325.3	\$	394.4
Actual return on plan assets		15.2		14.5		(27.6)
Employer contributions		2.9		1.0		10.9
Plan participant contributions		0.1		1.1		1.2
Benefits paid		(2.9)		(4.6)		(6.5)
Foreign currency impact		2.9		12.8		(22.5)
Settlements		(2.9)		(16.8)		(24.6)
Fair value of plan assets at end of period		<u>348.6</u>		<u>333.3</u>		<u>325.3</u>
Funded status	\$	<u>22.5</u>	\$	<u>26.9</u>	\$	<u>27.8</u>

The following tables set forth the change in benefit obligation, change in plan assets, and funded status for the Company's other benefits:

	Successor		Predecessor			
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022		
Change in benefit obligation						
Benefit obligation at beginning of period	\$	4.1	\$	4.3	\$	5.7
Interest cost		0.1		0.2		0.2
Actuarial loss (gain)		0.4		0.1		(1.2)
Benefits paid		(0.6)		(0.6)		(0.5)
Foreign currency impact		—		0.1		0.1
Benefit obligation at end of period		<u>4.0</u>		<u>4.1</u>		<u>4.3</u>
Change in plan assets						
Employer contributions		0.6		0.6		0.5
Benefits paid		(0.6)		(0.6)		(0.5)
Fair value of plan assets at end of period		<u>—</u>		<u>—</u>		<u>—</u>
Funded status	\$	<u>(4.0)</u>	\$	<u>(4.1)</u>	\$	<u>(4.3)</u>

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The following table sets forth the consolidated balance sheet presentation for the Company's defined benefit pension plans and other benefits at and for the years ended December 31:

	Successor 2023	Predecessor 2022
Pension Benefits - U.S. Plans		
Noncurrent assets	\$ —	\$ —
Current liabilities	—	3.5
Noncurrent liabilities ⁽¹⁾	60.4	63.3
Accumulated other comprehensive income (loss):		
Unrecognized net actuarial (loss) gain ⁽²⁾	(2.1)	(77.3)
Unrecognized prior service (cost) benefit ⁽²⁾	—	—
Net amount recognized	\$ 58.3	\$ (10.5)
Pension Benefits - Non-U.S. Plans		
Noncurrent assets	\$ 70.3	\$ —
Current liabilities	4.3	3.1
Noncurrent liabilities ⁽¹⁾	43.5	(30.9)
Accumulated other comprehensive income (loss):		
Unrecognized net actuarial (loss) gain ⁽²⁾	(6.6)	45.4
Unrecognized prior service (cost) benefit ⁽²⁾	0.6	5.9
Net amount recognized	\$ (28.5)	\$ 23.5
Other Benefits		
Noncurrent assets	\$ —	\$ —
Current liabilities	0.4	0.5
Noncurrent liabilities ⁽¹⁾	3.6	3.8
Accumulated other comprehensive income (loss):		
Unrecognized net actuarial (loss) gain ⁽²⁾	(0.5)	5.6
Unrecognized prior service (cost) benefit ⁽²⁾	—	—
Net amount recognized	\$ 3.5	\$ 9.9

⁽¹⁾ Included in the consolidated balance sheets in pensions, post-retirement and other benefits.

⁽²⁾ Represents amounts in accumulated other comprehensive income (loss) that have not yet been recognized as components of net periodic benefit cost.

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The following table sets forth the change in accumulated other comprehensive income (loss) for the Company's defined benefit pension plans and other benefits:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Pension Benefits - U.S. Plans			
Balance at beginning of period	\$ —	\$ (77.3)	\$ (94.9)
Net actuarial gains (losses) recognized during the period	(2.1)	7.9	(1.1)
Net actuarial gains (losses) occurring during the period	—	0.4	4.4
Net actuarial gains (losses) recognized due to settlement	—	—	14.3
Fresh Start Accounting Adjustments	—	69.0	—
Balance at end of period	<u>\$ (2.1)</u>	<u>\$ —</u>	<u>\$ (77.3)</u>
Pension Benefits - Non-U.S. Plans			
Balance at beginning of period	\$ —	\$ 51.3	\$ 17.7
Prior service credit (cost) recognized during the period	0.6	(0.4)	2.4
Net actuarial gains (losses) recognized during the period	(6.5)	1.2	38.4
Net actuarial gains (losses) occurring during the period	—	(2.2)	(1.6)
Net actuarial gains (losses) recognized due to settlement	0.1	(2.0)	(4.1)
Foreign currency impact	(0.2)	2.2	(1.5)
Fresh Start Accounting Adjustments	—	(50.1)	—
Balance at end of period	<u>\$ (6.0)</u>	<u>\$ —</u>	<u>\$ 51.3</u>
Other Benefits			
Balance at beginning of period	\$ —	\$ 5.6	\$ 4.8
Net actuarial gains (losses) recognized during the period	(0.5)	—	1.2
Net actuarial gains (losses) occurring during the period	—	(0.3)	(0.5)
Foreign currency impact	—	0.2	0.1
Fresh Start Accounting Adjustments	—	(5.5)	—
Balance at end of period	<u>\$ (0.5)</u>	<u>\$ —</u>	<u>\$ 5.6</u>

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The following table sets forth the components of net periodic benefit cost for the Company's defined benefit pension plans and other benefits:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022	Year ended December 31, 2021
Pension Benefits - U.S. Plans				
Interest cost	\$ 7.6	\$ 11.9	\$ 17.3	\$ 15.9
Expected return on plan assets	(6.0)	(11.0)	(21.2)	(22.3)
Recognized net actuarial (gain) loss	—	0.4	4.4	8.9
Settlement (gain) loss	—	—	14.3	—
Net periodic benefit cost	\$ 1.6	\$ 1.3	\$ 14.8	\$ 2.5
Pension Benefits - Non-U.S. Plans				
Service cost	\$ 2.7	\$ 3.9	\$ 8.9	\$ 9.8
Interest cost	4.3	7.2	4.1	2.9
Expected return on plan assets	(5.2)	(8.4)	(14.5)	(14.5)
Amortization of prior service cost	—	(0.5)	(0.4)	(0.1)
Recognized net actuarial (gain) loss	—	(2.2)	(1.6)	0.3
Curtailment loss	—	(0.1)	—	—
Settlement (gain) loss	0.1	(2.1)	(4.1)	(1.1)
Net periodic benefit cost	\$ 1.9	\$ (2.2)	\$ (7.6)	\$ (2.7)
Other Benefits				
Service cost	\$ —	\$ —	\$ —	\$ 0.1
Interest cost	0.1	0.2	0.2	0.7
Recognized net actuarial (gain) loss	—	(0.3)	(0.4)	0.2
Net periodic benefit cost	\$ 0.1	\$ (0.1)	\$ (0.2)	\$ 1.0

The following table represents information for pension plans with an accumulated benefit obligation in excess of plan assets at December 31:

	Successor		Predecessor	
	2023		2022	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Projected benefit obligation	\$ 362.3	\$ 216.2	\$ 359.8	\$ 189.2
Accumulated benefit obligation	\$ 362.3	\$ 203.6	\$ 359.8	\$ 181.6
Fair value of plan assets	\$ 301.9	\$ 63.7	\$ 293.0	\$ 51.7

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The following table represents the weighted-average assumptions used to determine benefit obligations:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Pension Benefits - U.S. Plans			
Discount rate	5.52%	5.69%	5.59%
Rate of compensation increase	N/A	N/A	N/A
Pension Benefits - Non-U.S. Plans			
Discount rate	4.87%	4.76%	4.92%
Rate of compensation increase	4.25%	3.88%	3.88%
Other Benefits			
Discount rate	6.97%	6.83%	6.84%
Rate of compensation increase	N/A	N/A	N/A

The following table represents the weighted-average assumptions used to determine periodic benefit cost:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Pension Benefits - U.S. Plans			
Discount rate	5.69%	5.59%	2.99%
Expected long-term return on plan assets	5.25%	5.25%	5.25%
Rate of compensation increase	N/A	N/A	N/A
Pension Benefits - Non-U.S. Plans			
Discount rate	4.76%	4.92%	2.39%
Expected long-term return on plan assets	3.75%	3.75%	3.30%
Rate of compensation increase	3.91%	3.88%	3.89%
Other Benefits			
Discount rate	6.83%	6.84%	4.22%
Expected long-term return on plan assets	N/A	N/A	N/A
Rate of compensation increase	N/A	N/A	N/A

The discount rate is determined by analyzing the average return of high-quality (i.e., AA-rated) fixed-income investments and the year-over-year comparison of certain widely used benchmark indices as of the measurement date. The expected long-term rate of return on plan assets is primarily determined using the plan's current asset allocation and its expected rates of return. The Company also considers information provided by its investment consultant, a survey of other companies using a December 31 measurement date and the Company's historical asset performance in determining the expected long-term rate of return. The rate of compensation increase assumptions reflects the Company's long-term actual experience and future and near-term outlook.

During 2021, the Society of Actuaries released new mortality tables (Pri-2012) and projection scales resulting from recent studies measuring mortality rates for various groups of individuals. As of December 31, 2023, the Company used the Pri-2012 mortality tables and the MP-2021 mortality projection scales. The Pri-2012 mortality tables were also used in 2022.

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The following table represents assumed healthcare cost trend rates:

	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Healthcare cost trend rate assumed for next year	5.6%	5.7%	6.0%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.2%	4.2%	4.0%
Year that rate reaches ultimate trend rate	2046	2046	2046

The healthcare trend rates for the postemployment benefits plans in the U.S. are reviewed based upon the results of actual claims experience. The Company used initial healthcare cost trends of 5.6 percent, 5.7 percent and 6.0 percent in the period from August 12, 2023 to December 31, 2023, the period from January 1, 2023 to August 11, 2023 and the year ended December 31, 2022, respectively, with an ultimate trend rate of 4.2 percent reached in 2046. Assumed healthcare cost trend rates have a modest effect on the amounts reported for the healthcare plans.

A one-percentage-point change in assumed healthcare cost trend rates results in a minimal impact to total service and interest cost and post-retirement benefit obligation.

The Company has a pension investment policy in the U.S. designed to achieve an adequate funded status based on expected benefit payouts and to establish an asset allocation that will meet or exceed the return assumption while maintaining a prudent level of risk. The plans' target asset allocation adjusts based on the plan's funded status. As the funded status improves or declines, the debt security target allocation will increase and decrease, respectively. The Company utilizes the services of an outside consultant in performing asset / liability modeling, setting appropriate asset allocation targets along with selecting and monitoring professional investment managers.

The U.S. plan assets are invested in equity and fixed income securities, alternative assets and cash. Within the equities asset class, the investment policy provides for investments in a broad range of publicly-traded securities including both domestic and international stocks diversified by value, growth and cap size. Within the fixed income asset class, the investment policy provides for investments in a broad range of publicly-traded debt securities with a substantial portion allocated to a long duration strategy in order to partially offset interest rate risk relative to the plans' liabilities. The alternative asset class includes investments in diversified strategies with a stable and proven track record and low correlation to the U.S. stock market. Several plans outside of the U.S. are also invested in various assets, under various investment policies in compliance with local funding regulations.

The following table summarizes the Company's target allocation for these asset classes in 2024, which are readjusted at least quarterly within a defined range for the U.S., and the Company's actual pension plan asset allocation as of December 31, 2023 and 2022:

	U.S. Plans			Non-U.S. Plans		
	Target	Actual		Target	Actual	
	2024	2023	2022	2024	2023	2022
Equity securities	41%	39%	43%	51%	51%	52%
Debt securities	50%	51%	48%	29%	29%	26%
Real estate	4%	5%	7%	8%	8%	8%
Other	5%	5%	2%	12%	12%	14%
Total	100%	100%	100%	100%	100%	100%

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The following table summarizes the fair value categorized into a three level hierarchy, as discussed in Note 1 of the consolidated financial statements, based upon the assumptions (inputs) of the Company's plan assets as of December 31, 2023:

	U.S. Plans				Non-U.S. Plans			
	Fair Value	Level 1	Level 2	NAV	Fair Value	Level 1	Level 2	NAV
Cash and short-term investments	\$ 2.5	\$ 2.5	\$ —	\$ —	\$ 11.5	\$ 10.7	\$ —	\$ 0.8
Mutual funds	1.0	1.0	—	—	—	—	—	—
Equity securities								
International developed markets	—	—	—	—	178.7	178.7	—	—
Fixed income securities								
International corporate bonds	—	—	—	—	56.3	56.3	—	—
Fixed and index funds	—	—	—	—	43.9	43.9	—	—
Common collective trusts								
Real estate (a)	15.2	—	—	15.2	26.3	—	13.1	13.2
Other (b)	269.6	—	—	269.6	18.8	—	—	18.8
Alternative investments								
Private equity funds (c)	13.6	—	—	13.6	—	—	—	—
Other alternative investments (d)	—	—	—	—	13.1	0.2	—	12.9
Fair value of plan assets at end of year	<u>\$ 301.9</u>	<u>\$ 3.5</u>	<u>\$ —</u>	<u>\$ 298.4</u>	<u>\$ 348.6</u>	<u>\$ 289.8</u>	<u>\$ 13.1</u>	<u>\$ 45.7</u>

The following table summarizes the fair value of the Company's plan assets as of December 31, 2022:

	U.S. Plans				Non-U.S. Plans			
	Fair Value	Level 1	Level 2	NAV	Fair Value	Level 1	Level 2	NAV
Cash and short-term investments	\$ 1.8	\$ 1.8	\$ —	\$ —	\$ 12.1	\$ 11.4	\$ —	\$ 0.7
Mutual funds	0.8	0.8	—	—	—	—	—	—
Equity securities								
International developed markets	—	—	—	—	170.4	167.5	—	2.9
Fixed income securities								
International corporate bonds	—	—	—	—	59.6	50.1	—	9.5
Fixed and index funds	—	—	—	—	23.7	14.2	—	9.5
Common collective trusts								
Real estate (a)	20.1	—	—	20.1	25.5	—	14.5	11.0
Other (b)	263.1	—	—	263.1	16.8	—	—	16.8
Alternative investments								
Private equity funds (c)	7.2	—	—	7.2	—	—	—	—
Other alternative investments (d)	—	—	—	—	17.2	0.3	—	16.9
Fair value of plan assets at end of year	<u>\$ 293.0</u>	<u>\$ 2.6</u>	<u>\$ —</u>	<u>\$ 290.4</u>	<u>\$ 325.3</u>	<u>\$ 243.5</u>	<u>\$ 14.5</u>	<u>\$ 67.3</u>

In 2023 and 2022, the fair value of investments categorized as level 3 represent the plan's interest in private equity, hedge and property funds. The fair value for these assets is determined based on the NAV as reported by the underlying investment managers.

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- (a) *Real estate common collective trust.* The objective of the real estate common collective trust (CCT) is to achieve long-term returns through investments in a broadly diversified portfolio of improved properties with stabilized occupancies. As of December 31, 2023, investments in this CCT, for U.S. plans, included approximately 21 percent office, 32 percent residential, 10 percent retail and 38 percent industrial, cash and other. As of December 31, 2022, investments in this CCT, for U.S. plans, included approximately 22 percent office, 27 percent residential, 10 percent retail and 41 percent industrial, cash and other. Investments in the real estate CCT can be redeemed once per quarter subject to available cash, with a 30-day notice.
- (b) *Other common collective trusts.* At December 31, 2023, approximately 53 percent of the other CCTs are invested in fixed income securities including 36 percent in corporate bonds and 64 percent in U.S. Treasury and other. Approximately 19 percent of the other CCTs at December 31, 2023 are invested in Russell 1000 Fund large cap index funds, 16 percent in International Funds, and approximately 12 percent in funds, including emerging markets, real assets, and other funds. At December 31, 2022, approximately 53 percent of the other CCTs are invested in fixed-income securities, including approximately 36 percent in corporate bonds and 64 percent in U.S. Treasury and other. Approximately 19 percent of the other CCTs at December 31, 2022 are invested in Russell 1000 Fund large cap index funds, 16 percent in International Funds, and approximately 12 percent in funds, including emerging markets, real assets, and other funds. Investments in all common collective trust securities can be redeemed daily.
- (c) *Private equity funds.* The objective of the private equity funds is to achieve long-term returns through investments in a diversified portfolio of private equity limited partnerships that offer a variety of investment strategies, targeting low volatility and low correlation to traditional asset classes. As of December 31, 2023 and 2022, investments in these private equity funds include approximately 42 percent and 26 percent, respectively, in buyout private equity funds that usually invest in mature companies with established business plans, approximately 31 percent and 17 percent, respectively, in special situations private equity and debt funds that focus on niche investment strategies and approximately 27 percent and 24 percent respectively, in venture private equity funds that invest in early development or expansion of business. Investments in the private equity fund can be redeemed only with written consent from the general partner, which may or may not be granted. At December 31, 2023 and 2022 the Company had unfunded commitments of underlying funds \$1.6 and \$1.6, respectively.
- (d) *Other alternative investments.* The Company's plan assets include a combination of insurance contracts, multi-strategy investment funds and company-owned real estate. The fair value for these assets is determined based on the NAV as reported by the underlying investment manager, insurance companies and the trustees of the CTA.

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The following table represents the amortization amounts expected to be recognized during 2024:

	U.S. Pension Benefits	Non-U.S. Pension Benefits	Other Benefits
Amount of net prior service credit	\$ —	\$ (0.1)	\$ —
Amount of net loss (gain)	\$ —	\$ —	\$ —

The Company contributed \$8.3 to its retirement and other benefit plans, including contributions to the nonqualified plan and benefits paid from company assets. In 2023, the Company received a reimbursement of \$22.8 from the CTA assets to the Company for benefits paid directly from company assets during the year ended December 31, 2023. The Company expects to contribute approximately \$0.5 to its other post-retirement benefit plan and expects to contribute approximately \$28.4 to its retirement plans, including the nonqualified plan, as well as benefits payments directly from the Company during the year ending December 31, 2024. The Company anticipates reimbursement of approximately \$20 for certain benefits paid from its trustee in 2023. The following benefit payments, which reflect expected future service, are expected to be paid:

	U.S. Pension Benefits	Non-U.S. Pension Benefits	Other Benefits	Other Benefits after Medicare Part D Subsidy
2024	\$ 23.1	\$ 25.4	\$ 0.5	\$ 0.5
2025	\$ 24.1	\$ 20.2	\$ 0.5	\$ 0.5
2026	\$ 24.9	\$ 20.8	\$ 0.5	\$ 0.5
2027	\$ 25.8	\$ 22.3	\$ 0.5	\$ 0.4
2028	\$ 26.2	\$ 24.5	\$ 0.4	\$ 0.4
2029-2033	\$ 133.9	\$ 111.9	\$ 1.8	\$ 1.7

Retirement Savings Plan. The Company offers employee 401(k) savings plans (Savings Plans) to encourage eligible employees to save on a regular basis by payroll deductions. The Company match is determined by the Board of Directors and evaluated at least annually. Total Company match was \$2.4, \$4.0, \$7.0 and \$7.4 for the period from August 12, 2023 to December 31, 2023, the period from January 1, 2023 to August 11, 2023 and the years ended December 31, 2022 and 2021, respectively. The Company's basic match is 50 percent on the first 6 percent of a participant's qualified contributions, subject to IRS limits.

NOTE 18: LEASES

The Company utilizes lease agreements to meet its operating needs. These leases support global staff via the use of office space, warehouses, vehicles and IT equipment. The Company utilizes both operating and finance leases in its portfolio of leased assets, however, the majority of these leases are classified as operating. A significant portion of the volume of the lease portfolio is in fleet vehicles and IT office equipment; however, real estate leases constitute a majority of the value of the right-of-use (ROU) assets. Lease agreements are utilized worldwide, with the largest location concentration in the United States, Germany and India.

The Company made the following elections related to the January 1, 2019 adoption of ASU No. 2016-02, Leases:

- The Company elected the package of practical expedients permitted under the transition guidance within the new standard, which allowed the Company to carry forward its ASC 840 assessment regarding definition of a lease, lease classification and initial direct costs.
- The practical expedient related to land easements is not applicable as the Company currently does not utilize any easements.
- The Company declined the hindsight practical expedient to determine the lease term and ROU asset impairment for existing leases. The decision to decline the hindsight practical expedient resulted in relying on assessments made under ASC 840 during transition and re-assessing under ASC 842 going forward.
- The Company declined the short-term lease exception, therefore recognizing all leases in the ROU asset and lease liability balances. Consistent with ASC 842 requirements, leases that are one month or less are not included in the balance.
- The Company elected to not separate non-lease components from lease components and, instead, to account for each separate lease component and the non-lease components associated with it as a single lease component, recognized on the balance sheet. This election has been made for all classes of underlying assets.
- The Company elected to use a grouping/portfolio approach on applying discount rates to leases at transition, for certain groups of leases where it was determined that using this approach would not differ materially from a lease-by-lease approach.

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The Company's lease population has initial lease terms ranging from less than one year to approximately fifteen years. Some leases include one or more options to renew, with renewal terms that can extend the lease term from six months to 15 years. The Company assesses these renewal/extension options using a threshold of reasonably certain, which is a high threshold and, therefore, the majority of its lease terms for accounting purposes do not include renewal periods. For leases where the Company is reasonably certain to renew, those optional periods are included within the lease term and, therefore, the measurement of the ROU asset and lease liability. Some of the vehicle and IT equipment leases also include options to purchase the leased asset, typically at end of term at fair market value. Some of the Company's leases include options to terminate the lease early. This allows the contract parties to terminate their obligations under the lease contract, sometimes in return for an agreed upon financial consideration. The terms and conditions of the termination options vary by contract, and for those leases where the Company is reasonably certain to use these options, the term and payments recognized in the measurement of ROU assets and lease liabilities has been updated accordingly. Additionally, there are several open-ended lease arrangements where the Company controls the option to continue or terminate the arrangement at any time after the first year. For these arrangements, the Company has analyzed a mix of historical use and future economic incentives to determine the reasonable expected holding period. This term is used for measurement of ROU assets and lease liabilities.

The following table summarizes the weighted-average remaining lease terms and discount rates related to the Company's lease population:

	Successor December 31, 2023	Predecessor December 31, 2022
Weighted-average remaining lease terms (in years)		
Operating leases	4.8	5.8
Finance leases	2.5	3.1
Weighted-average discount rate		
Operating leases	8.3%	15.4%
Finance leases	6.6%	11.9%

Certain lease agreements include payments based on a variety of global indexes or rates. These payment amounts have been projected using the index or rate as of lease commencement or the transition date and measured in ROU assets and lease liabilities. Other leases contain variable payments that are based on actual usage of the underlying assets and, therefore, are not measured in assets or liabilities as the variable payments are not based on an index or a rate. For real estate leases, these payments are most often tied to non-committed maintenance or utilities charges, and for equipment leases, to actual output or hours in operation. These amounts typically become known when the invoice is received, which is when expense is recognized. In rare circumstances, the Company's lease agreements may contain residual value guarantees. The Company's lease agreements do not contain any restrictions or covenants, such as those relating to dividends or incurring additional financial obligations.

As of December 31, 2023, the Company did not have any material leases that have not yet commenced but that create significant rights and obligations.

The Company determines whether an arrangement is or includes a lease at contract inception. All contracts containing the right to use an underlying asset are reviewed to confirm that the contract meets the definition of a lease. ROU assets and liabilities are recognized at commencement date and initially measured based on the present value of lease payments over the defined lease term.

As most leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. In order to apply the incremental borrowing rate, a rate table was developed to assign the appropriate rate to each lease based on lease term and currency of payments. For leases with large numbers of underlying assets, a portfolio approach with a collateralized rate was utilized. Assets were grouped based on similar lease terms and economic environments in a manner whereby the Company reasonably expects that the application does not differ materially from a lease-by-lease approach.

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The following table summarizes the components of lease expense for the years ended December 31:

	Successor		Predecessor			
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,		
				2022	2021	
Lease expense						
Operating lease expense	\$ 25.3		\$ 41.9	\$ 75.7	\$ 87.3	
Finance lease expense						
Amortization of ROU lease assets	\$ 1.9		\$ 2.4	\$ 4.1	\$ 2.9	
Interest on lease liabilities	\$ 0.2		\$ 0.5	\$ 0.7	\$ 0.9	
Variable lease expense	\$ 4.1		\$ 5.2	\$ 10.1	\$ 7.8	

The following table summarizes the maturities of lease liabilities:

	Operating	Finance
2024	\$ 46.6	\$ 4.1
2025	30.0	1.9
2026	17.6	1.1
2027	10.3	0.6
2028	5.1	0.2
Thereafter	15.7	—
Total	125.3	7.9
Less: Present value discount	(20.6)	(0.6)
Lease liability	<u>\$ 104.7</u>	<u>\$ 7.3</u>

The following table summarizes the cash flow information related to leases:

	Successor		Predecessor			
	Period from 08/12/2023 through 12/31/2023		Period from 01/01/2023 through 08/11/2023	Years ended December 31,		
				2022	2021	
Cash paid for amounts included in the measurement of lease liabilities:						
Operating - operating cash flows	\$ 30.1		\$ 43.3	\$ 76.2	\$ 87.3	
Finance - financing cash flows	\$ 2.2		\$ 2.5	\$ 4.3	\$ 2.3	
Finance - operating cash flows	\$ 0.2		\$ 0.5	\$ 0.7	\$ 0.4	
ROU lease assets obtained in the exchange for lease liabilities:						
Operating leases	\$ 6.7		\$ 19.2	\$ 28.1	\$ 57.4	
Finance leases	\$ 0.6		\$ 0.6	\$ 7.4	\$ 4.5	

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The following table summarizes the balance sheet information related to leases:

	Successor December 31, 2023	Predecessor December 31, 2022
Assets		
Operating	\$ 98.7	\$ 108.5
Finance	6.9	10.3
Total leased assets	\$ 105.6	\$ 118.8
Current liabilities		
Operating	\$ 39.6	\$ 39.0
Finance	3.7	4.1
Noncurrent liabilities		
Operating	65.1	76.7
Finance	3.6	5.7
Total lease liabilities	\$ 112.0	\$ 125.5

Finance leases are included in other assets, other current liabilities and long-term debt on the consolidated balance sheets.

NOTE 19: FINANCE LEASE RECEIVABLES

Under certain circumstances, the Company provides financing arrangements to customers that are largely classified and accounted for as sales-type leases. The Company records interest income and any fees or costs related to financing receivables using the effective interest method over the term of the lease.

Future minimum payments due from customers under finance lease receivables as of December 31, 2023 are as follows:

2024	\$ 7.9
2025	4.6
2026	4.1
2027	3.1
2028	2.8
Thereafter	1.9
	\$ 24.4

The following table presents the components of finance lease receivables as of December 31:

	Successor 2023	Predecessor 2022
Gross minimum lease receivable	\$ 24.4	\$ 28.1
Allowance for credit losses	(0.2)	(0.2)
Estimated unguaranteed residual values	—	0.1
	24.2	28.0
Less:		
Unearned interest income	(0.9)	(1.5)
Unearned residuals	—	—
	(0.9)	(1.5)
Total	\$ 23.3	\$ 26.5

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The Company's combined allowance for finance receivables and notes receivables was minimal for the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023, finance leases and notes receivables individually evaluated for impairment were \$23.5 and \$0.5, respectively, with no provision recorded. As of December 31, 2022, finance leases and notes receivables individually evaluated for impairment were \$26.7 and \$0.5, respectively, with no provision recorded. As of December 31, 2023 and 2022, the recorded investment in past-due financing receivables was minimal and no recorded investment in finance receivables was past due 90 days or more and still accruing interest.

The following table presents finance lease receivables sold by the Company for the years ended December 31:

	Successor	Predecessor	
	2023	2022	2021
Finance lease receivables sold	\$ —	\$ 1.6	\$ 1.9

NOTE 20: DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company is exposed to certain risks arising from both its business operations and economic conditions and manages certain economic risks, including interest rate and foreign exchange rate risk, through the use of derivative financial instruments. The Company's interest rate derivatives are used to manage interest expense on variable interest rate borrowings.

The following table summarizes the gain (loss) recognized on derivative instruments:

Derivative instrument	Classification on consolidated statement of operations	Successor	Predecessor		
		Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31, 2022	2021
Interest rate swaps and non-designated hedges	Interest expense	\$ —	\$ (0.5)	\$ (4.4)	\$ (8.4)
Foreign exchange forward contracts and cash flow hedges	Net sales	—	—	(0.1)	—
Foreign exchange forward contracts and cash flow hedges	Cost of sales	—	—	(0.5)	0.1
Foreign exchange forward contracts and cash flow hedges	Foreign exchange gain (loss), net	(0.4)	—	—	(4.6)
Total		\$ (0.4)	\$ (0.5)	\$ (5.0)	\$ (12.9)

FOREIGN EXCHANGE

Non-Designated Hedges. A substantial portion of the Company's operations and revenues are international. As a result, changes in foreign exchange rates can create substantial foreign exchange gains and losses from the revaluation of non-functional currency monetary assets and liabilities. The Company's policy allows the use of foreign exchange forward contracts with maturities of up to 24 months to mitigate the impact of currency fluctuations on those foreign currency asset and liability balances. The Company elected not to apply hedge accounting to its foreign exchange forward contracts. Thus, spot-based gains/losses offset revaluation gains/losses within foreign exchange loss, net and forward-based gains/losses represent interest expense or income.

INTEREST RATE

Cash Flow Hedges. The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. Amounts reported in AOCI related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable-rate debt. The Company estimates that a minimal amount will be reclassified as a decrease to interest expense over the next year.

The Company does not use derivatives for trading or speculative purposes and currently does not have any additional derivatives that are not designated as hedges.

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NOTE 21: FAIR VALUE OF ASSETS AND LIABILITIES
Assets and Liabilities Recorded at Fair Value

Assets and liabilities subject to fair value measurement by fair value level and recorded at fair value are as follows:

Classification on consolidated balance sheets	Successor			Predecessor			
	December 31, 2023			December 31, 2022			
	Fair Value	Level 1	Level 2	Fair Value	Level 1	Level 2	
Assets							
Certificates of deposit	Short-term investments	\$ 13.4	\$ 13.4	\$ —	\$ 24.6	\$ 24.6	\$ —
Assets held in rabbi trusts	Securities and other investments	2.9	2.9	—	4.4	4.4	—
Total		\$ 16.3	\$ 16.3	\$ —	\$ 29.0	\$ 29.0	\$ —
Liabilities							
Foreign exchange forward contracts	Other current liabilities	\$ 0.4	\$ —	\$ 0.4	\$ —	\$ —	\$ —
Deferred compensation	Other liabilities	2.9	2.9	—	4.4	4.4	—
Total		\$ 3.3	\$ 2.9	\$ 0.4	\$ 4.4	\$ 4.4	\$ —

The Company uses the end of the period when determining the timing of transfers between levels. During each of the years ended December 31, 2023 and 2022, there were no transfers between levels.

The remaining debt had a carrying value of \$1,253.9 and fair value of \$1,285.5 at December 31, 2023, and a carrying value of \$2,557.6 and fair value of \$1,819.7 at December 31, 2022.

Refer to Note 13 of the consolidated financial statements for further details surrounding long-term debt as of December 31, 2023 compared to December 31, 2022, and Note 3 for further detail regarding Fresh Start Accounting Adjustments related to the Company's debt. Additionally, the Company remeasures certain assets to fair value, using Level 3 measurements, as a result of the occurrence of triggering events. There was no significant assets or liabilities that were remeasured at fair value on a non-recurring basis during the periods presented.

NOTE 22: COMMITMENTS AND CONTINGENCIES
Contractual Obligations

At December 31, 2023, the Company's purchase commitments due within one year were minimal for materials and services through contract manufacturing agreements at negotiated prices. The amounts purchased under these obligations were minimal in 2023. The Company guarantees a fixed cost of certain products used in production to its strategic partners. Variations in the products costs are absorbed by the Company.

Indirect Tax Contingencies

The Company accrues non-income-tax liabilities for indirect tax matters when management believes that a loss is probable and the amounts can be reasonably estimated, while contingent gains are recognized only when realized. In the event any losses are sustained in excess of accruals, they are charged against income. In evaluating indirect tax matters, management takes into consideration factors such as historical experience with matters of similar nature, specific facts and circumstances, and the likelihood of prevailing. Management evaluates and updates accruals as matters progress over time. It is reasonably possible that some of the matters for which accruals have not been established could be decided unfavorably to the Company and could require recognizing future expenditures. Also, statutes of limitations could expire without the Company paying the taxes for matters for which accruals have been established, which could result in the recognition of future gains upon reversal of these accruals at that time.

At December 31, 2023, the Company was a party to several routine indirect tax claims from various taxing authorities globally that were incurred in the normal course of business, which neither individually nor in the aggregate are considered material by management in relation to the Company's financial position or results of operations. In management's opinion, the consolidated financial statements would not be materially affected by the outcome of these indirect tax claims and/or

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proceedings or asserted claims.

A loss contingency is reasonably possible if it has a more than remote but less than probable chance of occurring. Although management believes the Company has valid defenses with respect to its indirect tax positions, it is reasonably possible that a loss could occur in excess of the estimated accrual. The Company estimated the aggregate risk at December 31, 2023 to be up to \$93.3 for its material indirect tax matters. The aggregate risk related to indirect taxes is adjusted as the applicable statutes of limitations expire.

Legal Contingencies

At December 31, 2023, the Company was a party to several lawsuits that were incurred in the normal course of business, which neither individually nor in the aggregate were considered material by management in relation to the Company's financial position or results of operations. In management's opinion, the Company's consolidated financial statements would not be materially affected by the outcome of these legal proceedings, commitments or asserted claims.

In addition to these normal course of business litigation matters, the Successor company continues to be a party to the proceedings that began in the Predecessor Period described below:

Diebold Nixdorf Holding Germany GmbH, formerly Diebold Nixdorf Holding Germany Inc. & Co. KGaA (Diebold KGaA), is a party to two separate appraisal proceedings (Spruchverfahren) in connection with the purchase of all shares in its former listed subsidiary, Diebold Nixdorf AG. The first appraisal proceeding, which relates to the Domination and Profit/Loss Transfer Agreement (DPLTA) entered into by Diebold KGaA and former Diebold Nixdorf AG, which became effective on February 17, 2017, is pending at the Higher Regional Court (Oberlandesgericht) of Düsseldorf (Germany) as the court of appeal. The DPLTA appraisal proceeding was filed by minority shareholders of Diebold Nixdorf AG challenging the adequacy of both the cash exit compensation of €55.02 per Diebold Nixdorf AG share (of which 6.9 shares were then outstanding) and the annual recurring compensation of €2.82 per Diebold Nixdorf AG share offered in connection with the DPLTA.

The second appraisal proceeding relates to the cash merger squeeze-out of minority shareholders of Diebold Nixdorf AG in 2019 and is currently pending at the same Chamber for Commercial Matters (Kammer für Handelssachen) at the District Court (Landgericht) of Dortmund (Germany) that was originally competent for the DPLTA appraisal proceedings. The squeeze-out appraisal proceeding was filed by former minority shareholders of Diebold Nixdorf AG challenging the adequacy of both the cash exit compensation of €54.80 per Diebold Nixdorf AG share (of which 1.4 shares were then outstanding) in connection with the merger squeeze-out.

In both appraisal proceedings, a court ruling would apply to all Diebold Nixdorf AG shares outstanding at the time when the DPLTA or the merger squeeze-out, respectively, became effective. Any cash compensation received by former Diebold Nixdorf AG shareholders in connection with the merger squeeze-out would be netted with any higher cash compensation such shareholder may still claim in connection with the DPLTA appraisal proceeding.

The District Court of Dortmund dismissed in 2022 all claims to increase the cash compensation and the annual recurring compensation in the DPLTA appraisal proceeding and rejected in 2023 all claims to increase the cash compensation in the merger squeeze-out appraisal proceeding. These first instance decisions, however, are not final as some of the plaintiffs filed appeals in both, the DPLTA appraisal proceeding and the squeeze-out appraisal proceeding. The Company believes that the compensation offered in connection with the DPLTA and the merger squeeze-out was in both cases fair and that the decisions of the District Court of Dortmund in the DPLTA and merger squeeze-out appraisal proceedings validate its position. German courts often adjudicate increases of the cash compensation to plaintiffs in varying amounts in connection with German appraisal proceedings. Therefore, the Company cannot rule out that a court may increase the cash compensation in these appraisal proceedings. The Company, however, is convinced that its defense in both appraisal proceedings is supported by strong sets of facts and the Company will continue to vigorously defend itself in these matters.

Bank Guarantees, Standby Letters of Credit, and Surety Bonds

In the ordinary course of business, the Company may issue performance guarantees on behalf of its subsidiaries to certain customers and other parties. Some of those guarantees may be backed by standby letters of credit, surety bonds, or similar instruments. In general, under the guarantees, the Company would be obligated to perform, or cause performance, over the term of the underlying contract in the event of an unexcused, uncured breach by its subsidiary, or some other specified triggering event, in each case as defined by the applicable guarantee. At December 31, 2023, the maximum future contractual obligations relative to these various guarantees totaled \$117.1, of which \$23.0 represented standby letters of credit to insurance providers, and no associated liability was recorded. At December 31, 2022, the maximum future payment obligations relative to these various guarantees totaled \$173.2, of which \$24.0 represented standby letters of credit to insurance providers, and no associated liability was recorded.

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Restricted Cash

The following table provides a reconciliation of Cash, cash equivalents and Short-term and Long-term restricted cash reporting within the Company's consolidated balance sheets and in the consolidated statements of cash flows:

	Successor December 31, 2023	Predecessor December 31, 2022
Cash and cash equivalents	\$ 550.2	\$ 307.4
Professional fee escrow	0.2	—
Bank collateral guarantees	32.5	2.6
Pension collateral guarantees	9.4	9.1
Restricted cash and cash equivalents	42.1	11.7
Total cash, cash equivalents, and restricted cash	\$ 592.3	\$ 319.1

The balances primarily relate to cash held in escrow for the purpose of paying certain professional fees as a result of the Restructuring Proceedings as described in Note 2 and collateralized letters of credit supporting corporate insurance.

NOTE 23: REVENUE RECOGNITION

Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The amount of consideration can vary depending on discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties, or other similar items contained in the contract with the customer of which generally these variable consideration components represents minimal amount of net sales. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

The Company's payment terms vary depending on the individual contracts and are generally fixed fee. The Company recognizes advance payments and billings in excess of revenue recognized as deferred revenue. In certain contracts where services are provided prior to billing, the Company recognizes a contract asset within trade receivables and other current assets.

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction and that are collected by the Company from a customer are excluded from revenue.

The Company recognizes shipping and handling fees billed when products are shipped or delivered to a customer and includes such amounts in net sales. Although infrequent, shipping and handling associated with outbound freight after control over a product has transferred to a customer is not a separate performance obligation, rather it is accounted for as a fulfillment cost. Third-party freight payments are recorded in cost of sales.

The Company includes warranties in connection with certain contracts with customers, which are not considered to be separate performance obligations. The Company provides its customers a manufacturer's warranty, and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. For additional information on product warranty refer to Note 11 of the consolidated financial statements. The Company also has extended warranty and service contracts available for its customers, which are recognized as separate performance obligations. Revenue is recognized on these contracts ratably as the Company has a stand-ready obligation to provide services when or as needed by the customer. This input method is the most accurate assessment of progress toward completion the Company can apply.

Nature of goods and services

Product revenue is recognized at the point in time that the customer obtains control of the product, which could be upon delivery or upon completion of installation services, depending on contract terms. The Company's software licenses are functional in nature (the IP has significant stand-alone functionality); as such, the revenue recognition of distinct software license sales is at the point in time that the customer obtains control of the rights granted by the license.

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Professional services integrate the commercial solution with the customer's existing infrastructure and helps define the optimal user experience, improve business processes, refine existing staffing models and deploy technology to meet branch and store automation objectives. Revenue from professional services are recognized over time, because the customer simultaneously receives and consumes the benefits of the Company's performance as the services are performed or when the Company's performance creates an asset with no alternative use and the Company has an enforceable right to payment for performance completed to date. Generally, revenue will be recognized using an input measure, typically costs incurred. The typical contract length for service is generally one year and is billed and paid in advance except for installations, among others.

Services may be sold separately or in bundled packages. For bundled packages, the Company accounts for individual services separately if they are distinct. A distinct service is separately identifiable from other items in the bundled package if a customer can benefit from it on its own or with other resources that are readily available to the customer. The consideration (including any discounts) is allocated between separate services or distinct obligations in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the prices at which the Company separately sells the products or services. For items that are not sold separately, the Company estimates stand-alone selling prices using the cost plus expected margin approach. Revenue on service contracts is recognized ratably over time, generally using an input measure, as the customer simultaneously receives and consumes the benefits of the Company's performance as the services are performed. In some circumstances, when global service supply chain services are not included in a term contract and rather billed as they occur, revenue on these billed work services are recognized at a point in time as transfer of control occurs.

The following is a description of principal solutions offered within the Company's two main customer segments that generate the Company's revenue.

Banking

Products. Products for banking customers consist of cash recyclers and dispensers, intelligent deposit terminals, teller automation tools and kiosk technologies, as well as physical security solutions. The Company provides its banking customers front-end applications for consumer connection points and back-end platforms that manage channel transactions, operations and integration and facilitate omnichannel transactions, endpoint monitoring, remote asset management, customer marketing, merchandise management and analytics. These offerings include highly configurable, API enabled software that automates legacy banking transactions across channels.

Services. The Company provides its banking customers product-related services which include proactive monitoring, rapid resolution of incidents through remote service capabilities or an on-site visit and professional services. First and second line maintenance, preventive maintenance and on-demand services keep the distributed assets of the Company's customers up and running through a standardized incident management process. Managed services and outsourcing consists of the end-to-end business processes, solution management, upgrades and transaction processing. The Company also provides a full array of cash management services, which optimizes the availability and cost of physical currency across the enterprise through efficient forecasting, inventory and replenishment processes.

Retail

Products. The retail product portfolio includes modular, integrated and mobile POS and SCO terminals that meet evolving automation and omnichannel requirements of consumers. Supplementing the POS system is a broad range of peripherals, including printers, scales and mobile scanners, as well as the cash management portfolio which offers a wide range of banknote and coin processing systems. Also in the portfolio, the Company provides SCO terminals and ordering kiosks which facilitate an efficient and user-friendly purchasing experience. The Company's hybrid product line can alternate from an attended operator to self-checkout with the press of a button as traffic conditions warrant throughout the business day.

The Company's platform software is installed within retail data centers to facilitate omnichannel transactions, endpoint monitoring, remote asset management, customer marketing, merchandise management and analytics.

Services. The Company provides its retail customers product-related services which include on-demand services and professional services. Diebold Nixdorf AllConnect Services for retailers include maintenance and availability services to continuously improve retail self-service fleet availability and performance. These include: total implementation services to support both current and new store concepts; managed mobility services to centralize asset management and ensure effective, tailored mobile capability; monitoring and advanced analytics providing operational insights to support new growth opportunities; and store life-cycle management to proactively monitors store IT endpoints and enable improved management of internal and external suppliers and delivery organizations.

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Refer to Note 25 of the consolidated financial statements for additional information regarding the Company's reportable operating segments, disaggregation of net sales by segments and product solutions, net sales by geographical region and disaggregation by timing of revenue recognition.

Timing of revenue recognition

A performance obligation is a contractual promise to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and is recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied. The following table represents the percentage of revenue recognized either at a point in time or over time as of December 31:

Timing of revenue recognition	Successor	Predecessor	
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Year ended December 31, 2022
Products transferred at a point in time	47%	39%	39%
Products and services transferred over time	53%	61%	61%
Net sales	100%	100%	100%

Contract balances

The following table provides information about receivables and deferred revenue, which represent contract liabilities from contracts with customers:

Contract balance information	Trade Receivables		Contract liabilities	
Balance at January 1, 2023 (Predecessor)	\$	612.2	\$	453.2
Balance at December 31, 2023 (Successor)	\$	721.8	\$	376.2

Contract balance information	Trade Receivables		Contract liabilities	
Balance at January 1, 2022 (Predecessor)	\$	595.2	\$	322.4
Balance at December 31, 2022 (Predecessor)	\$	612.2	\$	453.2

Contract assets are minimal for the periods presented. The amount of revenue recognized in 2023 and 2022 from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to the changes in the estimate of variable consideration and contract modifications was de minimis.

As of January 1, 2023 (Predecessor), the Company had \$453.2 of unrecognized deferred revenue constituting the remaining performance obligations that are either unsatisfied or partially unsatisfied. During the period from the period from August 12, 2023 through December 31, 2023 and January 1, 2023 through August 11, 2023, the Company recognized revenue of \$151.9 and \$223.4, respectively, related to the Company's deferred revenue balance at start of those periods.

Contract assets are the rights to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditional on something other than the passage of time. Contract assets of the Company primarily relate to the Company's rights to consideration for goods shipped and services provided but not contractually billable at the reporting date.

The contract assets are reclassified into the receivables balance when the rights to receive payment become unconditional. Contract liabilities are recorded for any services billed to customers and not yet recognizable if the contract period has commenced or for the amount collected from customers in advance of the contract period commencing. In addition, contract liabilities are recorded as advanced payments for products and other deliverables that are billed to and collected from customers prior to revenue being recognizable.

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(in millions, except per share amounts)

Transaction price and variable consideration

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. This consideration can include fixed and variable amounts and is determined at contract inception and updated each reporting period for any changes in circumstances. The transaction price also considers variable consideration, time value of money and the measurement of any non-cash consideration, all of which are estimated at contract inception and updated at each reporting date for any changes in circumstances. Once the variable consideration is identified, the Company estimates the amount of the variable consideration to include in the transaction price by using one of two methods, expected value (probability weighted methodology) or most likely amount (when there are only two possible outcomes). The Company chooses the method expected to better predict the amount of consideration to which it will be entitled and applies the method consistently to similar contracts. Generally, the Company applies the expected value method when assessing variable consideration including returns and refunds.

The Company also applies the 'as invoiced' practical expedient in ASC paragraph 606-10-55-18 related to performance obligations satisfied over time, which permits the Company to recognize revenue in the amount to which it has a right to invoice the customer if that amount corresponds directly with the value to the customer of the Company's performance completed to date. Service revenues that are recognized ratably are primarily contracts that include first and second line maintenance. Service revenues that are recognized using input measures include primarily preventative maintenance. The 'as invoiced' practical expedient relates to the on-demand service revenue which is generally not under contract.

Transaction price allocated to the remaining performance obligations

As of December 31, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$1,400. The Company generally expects to recognize revenue on the remaining performance obligations over the next twelve to eighteen months. The Company enters into service agreements with cancellable terms after a certain period without penalty. Unsatisfied obligations reflect only the obligation during the initial term. The Company applies the practical expedient in ASC paragraph 606-10-50-14 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Cost to obtain and cost to fulfill a contract

The Company has minimal cost to obtain or fulfill contracts for customers for the periods presented. The Company pays commissions to the sales force based on multiple factors including but not limited to order entry, revenue recognition and portfolio growth. These incremental commission fees paid to the sales force meet the criteria to be considered a cost to obtain a contract, as they are directly attributable to a contract, incremental and management expects the fees are recoverable. The Company applies the practical expedient and recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. The costs that are not capitalized are included in cost of sales. The costs related to contracts with greater than a one-year term are immaterial and continue to be recognized in cost of sales.

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NOTE 24: CLOUD IMPLEMENTATION

At December 31, 2021, the Company had capitalized \$50.7 of cloud implementation costs, of which \$38.4 was impaired in the first quarter of 2022. This impairment was related to the cloud-based North American enterprise resource planning (ERP) system, which was intended to replace the on premise ERP currently in use. In connection with the executive transition that took place in the first quarter of 2022 and the culmination of related process optimization workshops in March 2022, the Company made the decision to indefinitely suspend the cloud-based North America ERP implementation, which was going to require significant additional investment before it could function as well as our current North America ERP, and to instead focus the Company's ERP implementation efforts on the distribution subsidiaries, which can better leverage the standardization and simplification initiatives connected with the cloud-based implementation. As a result of the completed process optimization walkthroughs, the Company determined that the customizations already built for the North America ERP should not be leveraged at the distribution subsidiaries which require more streamlined and scalable process flows.

At December 31, 2023 and 2022, the Company had a net book value of capitalized cloud implementation costs of \$18.5 and \$19.0, respectively. This relates to a combination of the distribution subsidiary ERP and corporate tools to support business operations. Refer to Note 3 for further information on Fresh Start Accounting Adjustments.

Amortization of cloud implementation fees are expensed over the term of the cloud computing arrangement, and the expense is required to be recognized in the same line item in the income statement as the associated hosting service expenses. Amortization of cloud implementation fees were as follows:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Amortization of cloud implementation fees	\$ 2.9	\$ 2.0	\$ 2.5	\$ 0.8

NOTE 25: SEGMENT INFORMATION

During the second quarter of 2022, the Company appointed a new Chief Executive Officer, who is also the CODM, and announced an organizational simplification initiative. In connection with those events, the Company's reportable segments are no longer Americas Banking, Eurasia Banking and Retail, and instead the reportable operating segments are the following: Banking and Retail. Under the simplified organization and related restructuring discussed in Note 10 of the consolidated financial statements, the Company does not have regionally focused direct reports to the CODM, and the CODM analyzes Banking and Retail on a global basis and not based on regional profitability metrics.

The Company's reportable segment information below directly aligns with how the CODM regularly reviews results to make decisions, allocate resources, and assess performance. The new Banking segment's sales and cost of sales are the summation of the legacy Americas Banking and Eurasia Banking's sales and cost of sales. The Company will consider its operating structure and the information subject to regular review.

Segment operating profit (loss) as disclosed herein is consistent with the segment profit or loss measure used by the CODM and does not include corporate charges, amortization of acquired intangible assets, asset impairment, restructuring and transformation charges, the results of the formerly held-for-sale European retail business, or other non-routine, unusual or infrequently occurring items, as the CODM does not regularly review and use such financial measures to make decisions, allocate resources and assess performance.

Segment revenue represents revenues from sales to external customers. Segment operating profit is defined as revenues less expenses directly attributable to the segments. The Company does not allocate to its segments certain operating expenses which are managed at the headquarters level; that are not used in the management of the segments, not segment-specific, and impractical to allocate. In some cases the allocation of corporate charges has changed from the legacy structure to the new structure, but prior periods have been recast to conform to the new presentation. Segment operating profit reconciles to consolidated income (loss) before income taxes by deducting items that are not attributed to the segments and which are managed independently of segment results. Assets are not allocated to segments, and thus are not included in the assessment of segment performance, and consequently, we do not disclose total assets and depreciation and amortization expense by reportable operating segment.

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The following tables represent information regarding the Company's segment information and provides a reconciliation between segment operating profit and the consolidated income (loss) before income taxes:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Net sales summary by segment				
Banking	\$ 1,157.6	\$ 1,511.0	\$ 2,422.4	\$ 2,711.1
Retail	469.3	610.0	1,018.2	1,194.1
Held for sale non-core European retail business ⁽⁷⁾	1.7	10.9	20.1	—
Total Revenue	\$ 1,628.6	\$ 2,131.9	\$ 3,460.7	\$ 3,905.2
Segment operating profit				
Banking	\$ 182.1	\$ 211.6	\$ 310.8	\$ 440.6
Retail	68.9	86.2	134.0	164.6
Total segment operating profit	\$ 251.0	\$ 297.8	\$ 444.8	\$ 605.2
Corporate charges not allocated to segments ⁽¹⁾	\$ (123.4)	\$ (159.8)	\$ (247.3)	\$ (272.5)
Impairment of assets ⁽²⁾	(1.2)	(3.3)	(111.8)	(1.3)
Amortization of Wincor Nixdorf purchase accounting intangible assets ⁽³⁾	—	(41.8)	(69.6)	(78.2)
Restructuring and transformation expenses ⁽⁴⁾	(23.1)	(38.4)	(124.2)	(98.9)
Refinancing related costs ⁽⁵⁾	(5.1)	(44.7)	(32.0)	—
Net non-routine expense ⁽⁶⁾	(4.8)	(7.4)	(42.6)	(17.2)
Held for sale non-core European retail business ⁽⁷⁾	(1.0)	(7.9)	(29.0)	—
	(158.6)	(303.3)	(656.5)	(468.1)
Operating profit (loss)	92.4	(5.5)	(211.7)	137.1
Other (expense) income	(92.5)	1,453.9	(226.9)	(187.8)
(Loss) income before taxes	\$ (0.1)	\$ 1,448.4	\$ (438.6)	\$ (50.7)

⁽¹⁾ Corporate charges not allocated to segments include headquarter-based costs associated with procurement, human resources, compensation and benefits, finance and accounting, global development/engineering, global strategy/mergers and acquisitions, global IT, tax, treasury and legal.

⁽²⁾ Impairments in 2023 primarily relate to the write-down of right-of-use assets and related leasehold improvements for facilities identified for closure and impairment of discontinued internally developed software. Charges were taken in the first quarter of 2022 related to the North American ERP and certain assets in Ukraine, Russia, and Belarus; in the second quarter of 2022 related to facility closures; in the third quarter 2022 related to German capitalized software; and in the fourth quarter of 2022 related to assets at the held for sale non-core European retail business.

⁽³⁾ The amortization of purchase accounting intangible assets is not included in the segment results used by the CODM to make decisions, allocate resources or assess performance.

⁽⁴⁾ Refer to Note 12 of the consolidated financial statements for further information. Consistent with the historical reportable segment structure, restructuring and transformation costs are not assigned to the segments, and are separately analyzed by the CODM.

⁽⁵⁾ Refinancing related costs are fees earned by our advisors and the advisors of our potential lenders that do not qualify for capitalization.

⁽⁶⁾ Net non-routine expense consists of items that the Company has determined are non-routine in nature and not allocated to the reportable operating segments as they are not included in the measure used by the CODM to make decisions, allocate resources and assess performance.

⁽⁷⁾ Held for sale non-core European retail business represents the revenue and operating profit, excluding impairment which is captured separately, of a business that had been classified as held for sale for all the Predecessor Periods presented, but which was removed in 2022 from the retail segment's information used by the CODM to make decisions, assess performance and allocate resources, and was individually analyzed. This change and timing thereof aligns with the build-out of a data center that makes the entity capable of operating autonomously and is consistent with material provided in connection with our refinancing effort which are exclusive of this entity. This business was sold during the Successor Period.

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The following table presents information regarding the Company's segment net sales by service and product solution:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Banking				
Services	\$ 626.9	\$ 954.3	\$ 1,548.1	\$ 1,681.2
Products	530.7	556.7	874.3	1,029.9
Total Banking	\$ 1,157.6	\$ 1,511.0	\$ 2,422.4	\$ 2,711.1
Retail				
Services	\$ 230.4	\$ 335.2	\$ 540.9	\$ 622.4
Products	238.9	274.8	477.3	571.7
Total Retail	\$ 469.3	\$ 610.0	\$ 1,018.2	\$ 1,194.1
Held for sale non-core European retail business ⁽⁷⁾				
Services	\$ 1.1	\$ 5.5	\$ 9.9	\$ —
Products	0.6	5.4	10.2	—
	1.7	10.9	20.1	—
Total Revenue	\$ 1,628.6	\$ 2,131.9	\$ 3,460.7	\$ 3,905.2

The Company had no customers that accounted for more than 10 percent of total net sales in 2023, 2022 and 2021.

Below is a summary of net sales by point of origin:

	Successor	Predecessor		
	Period from 08/12/2023 through 12/31/2023	Period from 01/01/2023 through 08/11/2023	Years ended December 31,	
			2022	2021
Americas				
United States	\$ 404.1	\$ 583.9	\$ 861.4	\$ 893.1
Other Americas	290.0	380.9	600.0	530.1
Total Americas Revenue	694.1	964.8	1,461.4	1,423.2
EMEA				
Germany	248.2	283.9	522.8	768.2
Other EMEA	553.2	714.2	1,173.2	1,356.3
Total EMEA Revenue	801.4	998.1	1,696.0	2,124.5
APAC				
Total APAC Revenue	133.1	169.0	303.3	357.5
Total Revenue	\$ 1,628.6	\$ 2,131.9	\$ 3,460.7	\$ 3,905.2

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 (in millions, except per share amounts)

Below is a summary of property, plant and equipment, net and right-of-use operating lease assets by geographical location as of December 31:

	Successor 2023	Predecessor 2022
Property, plant and equipment, net		
United States	\$ 29.7	\$ 24.4
Germany	86.5	80.5
Other international	42.8	15.8
Total property, plant and equipment, net	<u>\$ 159.0</u>	<u>\$ 120.7</u>
Right-of-use operating lease assets		
United States	\$ 30.9	\$ 34.9
Germany	10.1	7.4
Other international	57.7	66.2
Total right-of-use operating lease assets	<u>\$ 98.7</u>	<u>\$ 108.5</u>

NOTE 26: SUBSEQUENT EVENTS

On February 13, 2024, the Company, as borrower, entered into a credit agreement (the Revolving Credit Agreement) with certain financial institutions party thereto, as lenders, and PNC Bank, National Association, as administrative agent and collateral agent. The Revolving Credit Agreement provides for a superior-priority senior secured revolving credit facility (the Credit Facility) in an aggregate principal amount of \$200.0, which includes a \$50.0 letter of credit sub-limit and a \$20.0 swing loan sub-limit. Borrowings under the Credit Facility may be used by the Company for (i) the Repayment (as defined below) and (ii) general corporate purposes and working capital. As of the effective date of the Revolving Credit Agreement, the Credit Facility is fully drawn.

Concurrently with the closing of the Credit Facility, the Company prepaid \$200.0 (the Repayment) of outstanding principal of its senior secured term loans under the Exit Credit Agreement, by and among the Company, certain financial institutions party thereto, as lenders, GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent. The Repayment pays down a portion of the borrowings outstanding under the Exit Facility.

The Credit Facility will mature on February 13, 2027.

The obligations of the Company under the Credit Facility are guaranteed by certain subsidiaries of the Company that are organized in the United States (the Guarantors). The Credit Facility and related guarantees are secured by perfected super-priority senior security interests and liens on substantially all assets of the Company and each Guarantor.

Loans under the Credit Facility bear interest at an adjusted secured overnight financing rate plus 4.00 percent per annum or an adjusted base rate plus 3.00 percent per annum.

The Credit Facility includes conditions precedent, representations and warranties, affirmative and negative covenants and events of default that are customary for financings of this type and size.

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

Not applicable.

ITEM 9A: CONTROLS AND PROCEDURES

(in millions)

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

The Company carries out a variety of on-going procedures, under the supervision and with the participation of the Company's management, including the Company's CEO and CFO, to evaluate the effectiveness of the design and operation of the Company's disclosure controls and procedures.

Based on that evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures were effective at a reasonable assurance level as of the end of the period of this report.

(a) MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). The 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 U.S. GAAP.

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 the preparation of financial statements in accordance with U.S. GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (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.

Under the supervision of the CEO and CFO and Board of Directors, the Company conducted an evaluation of the effectiveness of the Company's internal control over financial reporting based on the framework in "Internal Control-Integrated Framework (2013 framework)" issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on this assessment, management has concluded that the internal control over financial reporting was effective as of December 31, 2023.

(b) CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the fourth quarter ended December 31, 2023, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

ITEM 9B: OTHER INFORMATION

ADOPTION, MODIFICATION OR TERMINATION OF TRADING PLANS

During the quarter ended December 31 2023, no director or officer (as defined in Rule 16a-1(f) promulgated under the Exchange Act) of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408 of Regulation S-K).

ITEM 9C: DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III**ITEM 10: DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

Information with respect to directors of the Company, any delinquent Section 16(a) reports, the audit committee and the designated audit committee financial experts, is included in the Company's proxy statement for the 2024 Annual Meeting of Shareholders (the 2024 Annual Meeting) and is incorporated herein by reference. There have been no material changes to the procedures by which security holders may recommend nominees to the Company's board of directors.

The following table summarizes information regarding executive officers of the Company:

Name, Age, Title and Year Elected to Present Office	Other Positions Held Last Five Years
Octavio Marquez — 56 President and Chief Executive Officer Since: 2022	<u>February 2023 – September 2023</u> : Chairman of the Board; <u>2020-March 2022</u> : Executive Vice President, Global Banking for Diebold Nixdorf, Incorporated; <u>2016-2020</u> : Senior Vice President of the Americas region for Diebold Nixdorf, Incorporated.
James A. Barna — 44 Executive Vice President, Chief Financial Officer Since: 2023	<u>2021-2023</u> : Senior Vice President, Treasurer and Tax for Diebold Nixdorf, Incorporated; <u>2019-2021</u> : Vice President and Chief Accounting Officer for Diebold Nixdorf, Incorporated; <u>2016-2019</u> : Chief Accounting Officer and Controller for Ferro Corporation (international coatings manufacturing).
Jonathan B. Myers — 50 Executive Vice President, Global Banking Year elected: 2022	<u>2011-2022</u> : Executive Vice President and Chief Revenue Officer for Elavon (payments processing).
Ilhami Cantadurucu — 49 Executive Vice President, Global Retail Year elected: 2023	<u>2021-2023</u> : Vice President, Retail Global Account Management for Diebold Nixdorf, Incorporated; <u>2018-2020</u> : Vice President, Retail Global Finance for Diebold Nixdorf, Incorporated.
Elizabeth C. Radigan — 43 Executive Vice President, Chief Legal Officer and Corporate Secretary Since: 2023	<u>November 2022-August 2023</u> : Executive Vice President, Chief People Officer; <u>2014-November 2022</u> : Senior Vice President, Chief Ethics and Compliance Officer for Diebold Nixdorf, Incorporated.
Frank Baur — 49 Executive Vice President, Operational Excellence Since: 2024	<u>2022-2024</u> : Chief Operating Officer, Onshore Wind (Global); <u>2021</u> : Chief Operating Officer, Onshore Wind (APAC, EMEA, LATAM); <u>2018-2021</u> : Vice President, Supply Chain (EMEA) for Parker Hannifin.

There are no family relationships, either by blood, marriage or adoption, between any of the executive officers and directors of the Company.

CODE OF BUSINESS ETHICS

All of the directors, executive officers and employees of the Company are required to comply with certain policies and protocols concerning business ethics and conduct, which we refer to as our Code of Business Ethics (COBE). The COBE applies not only to the Company, but also to all of those domestic and international companies in which the Company owns or controls a majority interest. The COBE describes certain responsibilities that the directors, executive officers and employees have to the Company, to each other and to the Company's global partners and communities including, but not limited to, compliance with laws, conflicts of interest, intellectual property and the protection of confidential information. The COBE is available on the Company's web site at www.dieboldnixdorf.com or by written request to the Corporate Secretary.

ITEM 11: EXECUTIVE COMPENSATION

Information with respect to executive officers' and directors' compensation is included in the Company's proxy statement for the 2024 Annual Meeting and is incorporated herein by reference. Information with respect to compensation committee interlocks and insider participation and the compensation committee report is included in the Company's proxy statement for the 2024 Annual Meeting and is incorporated herein by reference.

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

Information with respect to security ownership of certain beneficial owners and management is included in the Company's proxy statement for the 2024 Annual Meeting and is incorporated herein by reference.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)(1)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)(2)
Equity compensation plans approved by security holders	—	—	—
Equity compensation plans not approved by security holders			
Stock options	580,000	\$ 30.00	N/A
Restricted stock units	280,000	N/A	N/A
Total	860,000	\$ 30.00	1,500,000

(1) Only applicable to stock options.

(2) Includes the total number of stock options, restricted stock units, performance shares and non-employee director deferred shares approved.

(3) All shares covered by the Company's 2023 Equity and Incentive Plan (the "2023 Plan") are being treated as approved by stockholders based on the approval by the Company's stockholders of the amendment to the 2023 Plan on December 24, 2023. The 2023 Plan was previously approved by the Bankruptcy Court pursuant to the U.S. Plan.

ITEM 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information with respect to certain relationships and related transactions and director independence is included in the Company's proxy statement for the 2024 Annual Meeting and is incorporated herein by reference.

ITEM 14: PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Company's independent registered public accounting firm is KPMG LLP (PCAOB firm ID: 185) with the primary location of Cleveland, OH. Information with respect to principal accountant fees and services is included in the Company's proxy statement for the 2024 Annual Meeting and is incorporated herein by reference.

PART IV

ITEM 15: EXHIBIT AND FINANCIAL STATEMENT SCHEDULES

1. Documents filed as a part of this annual report on Form 10-K.

- Reports of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets at December 31, 2023 (Successor) and 2022 (Predecessor)
- Consolidated Statements of Operations for the period from August 12, 2023 through December 31, 2023 (Successor), the period from January 1, 2023 through August 11, 2023 (Predecessor) and the years ended December 31, 2022 and 2021 (Predecessor)
- Consolidated Statements of Comprehensive Income (Loss) for the period from August 12, 2023 through December 31, 2023 (Successor), the period from January 1, 2023 through August 11, 2023 (Predecessor) and the years ended December 31, 2022 and 2021 (Predecessor)
- Consolidated Statements of Equity for the period from August 12, 2023 through December 31, 2023 (Successor), the period from January 1, 2023 through August 11, 2023 (Predecessor) and the years ended December 31, 2022 and 2021 (Predecessor)
- Consolidated Statements of Cash Flows for the period from August 12, 2023 through December 31, 2023 (Successor), the period from January 1, 2023 through August 11, 2023 (Predecessor) and the years ended December 31, 2022 and 2021 (Predecessor)
- Notes to Consolidated Financial Statements

2. Financial statement schedules

All schedules are omitted, as the required information is inapplicable or the information is presented in the consolidated financial statements or related notes.

3. Exhibits

- | | |
|-----------------------|---|
| 2.1 | Order Confirming Debtors' Second Amended Joint Prepackaged Chapter 11 Plan of Reorganization of Diebold Holding Company, LLC and its Debtor Affiliates as revised July 7, 2023 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on July 14, 2023) |
| 2.2 | Debtors' Second Amended Joint Prepackaged Chapter 11 Plan of Reorganization of Diebold Holding Company, LLC and its Debtor Affiliates as revised July 7, 2023 (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed with the SEC on July 14, 2023) |
| 3.1 | Certificate of Incorporation of Diebold Nixdorf, Incorporated (incorporated by reference to Exhibit 3.1 to the Company's registration statement on Form 8-A filed with the SEC on August 11, 2023) |
| 3.2 | Amended and Restated Bylaws of Diebold Nixdorf, Incorporated (incorporated by reference to Exhibit 3.2 to the Company's registration statement on Form 8-A filed with the SEC on August 11, 2023) |
| 4.1 | Description of Securities of Diebold Nixdorf, Inc. |
| 10.1* | Form of Employee Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015) |
| 10.2* | 401(k) Restoration Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.5(v) to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) |
| 10.3* | 401(k) Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.5(vi) to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) |
| 10.4* | Amendment to 401(k) Restoration Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.2(vii) to the Company's Annual Report on Form 10-K for the year ended December 31, 2018) |
| 10.5* | Deferred Compensation Plan No. 2 for Directors of Diebold, Incorporated (incorporated by reference to Exhibit 10.7(iv) to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) |
| 10.6* | First Amendment to Deferred Compensation Plan No. 2 for Directors of Diebold, Incorporated (incorporated by referenced to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 20, 2015) |
| 10.7* | Form of Deferred Compensation Agreement and Amendment No. 1 to Deferred Compensation Agreement (incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K for the year ended December 31, 1996) |
| 10.8* | Deferred Incentive Compensation Plan No. 2 (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008) |
| 10.9* | Section 162(m) Deferred Compensation Agreement (as amended and restated January 29, 1998) (incorporated by reference to Exhibit 10.13 (ii) to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1998) |

10.10*	Senior Leadership Severance Plan, Amended and Restated Effective November 7, 2018 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018)
10.11*	Domination and Profit and Loss Transfer Agreement, dated September 26, 2016, by and among Diebold Holding Germany Inc. & Co. KGaA and Wincor Nixdorf AG (English translation) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 29, 2016)
10.12*	Offer Letter - Olaf Heyden (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)
10.13*	Service Agreement, dated February 24, 2021, by and between Diebold Nixdorf Holding Germany GmbH and Olaf Heyden (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K for the year ended December 31, 2020)
10.14*	Offer Letter - Ulrich Näher (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)
10.15*	Service Agreement, dated February 24, 2021, by and between Diebold Nixdorf Holding Germany GmbH and Dr. Ulrich Näher (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K for the year ended December 31, 2020)
10.16*	Diebold Nixdorf, Incorporated 2017 Equity and Performance Incentive Plan, as amended May 6, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2022)
10.17*	Offer Letter, dated February 21, 2018, by and between Diebold Nixdorf, Incorporated and Gerrard Schmid (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 21, 2018)
10.18*	Change in Control Agreement, dated February 21, 2018, by and between Diebold Nixdorf, Incorporated and Gerrard Schmid (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on February 21, 2018)
10.19*	Separation and Transition Agreement, dated February 9, 2022, by and between Diebold Nixdorf, Incorporated and Gerrard B. Schmid (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on February 10, 2022)
10.20*	Offer Letter, dated February 9, 2022, by and between Diebold Nixdorf, Incorporated and Octavio Marquez (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 10, 2022)
10.21*	Termination Agreement dated June 30, 2022, by and between Diebold Nixdorf, Incorporated and Dr. Ulrich Näher (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022)
10.22*	Offer Letter, dated July 17, 2022, between Diebold Nixdorf, Incorporated and Joe Myers (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022)
10.23*	Offer Letter, dated February 7, 2023, by and between Diebold Nixdorf, Incorporated and James Barna (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 9, 2023)
10.24*	Separation Agreement and Release, dated December 1, 2022, by and between Diebold Nixdorf, Incorporated and Elizabeth Patrick (incorporated by reference to Exhibit 10.49 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022)
10.25*	Separation Agreement and Release, dated November 8, 2023, by and between Diebold Nixdorf, Incorporated and David Caldwell
10.26*	Form of Deferred Cash Award Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 3, 2023)
10.27*	Form of Performance Cash Award Agreement by and between Diebold Nixdorf, Incorporated and Participants (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023)
10.28*	Form of Retention Agreement Letter by and between Diebold Nixdorf, Incorporated and Octavio Marquez, Olaf Heyden and Jonathan Leiken (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023)
10.29*	Retention Agreement Letter by and between Diebold Nixdorf, Incorporated and James Barna (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023)
10.30†	Credit Agreement, dated as of August 11, 2023, by and among Diebold Nixdorf, Incorporated, the financial institutions party thereto, as lenders, GLAS USA LLC, as administrative agent, and GLAS Americas LLC, as collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on August 11, 2023)
10.31	Registration Rights Agreement, dated as of August 11, 2023, among Diebold Nixdorf, Incorporated and the stockholders party thereto (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on August 11, 2023)
10.32*	Diebold Nixdorf, Incorporated 2023 Equity and Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on August 11, 2023)
10.33*	First Amendment to the Diebold Nixdorf, Incorporated 2023 Equity and Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on November 29, 2023)

10.34*	Separation Agreement, dated as of September 8, 2023, between Diebold Nixdorf, Incorporated and Olaf Heyden (incorporated by reference to Exhibit 10.32 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023).
10.35*	First Amended and Restated Separation Agreement and Release, dated August 31, 2023, between Diebold Nixdorf, Incorporated and Jeffrey Rutherford (incorporated by reference to Exhibit 10.33 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023).
10.36†	Credit Agreement, dated as of February 13, 2024, by and among Diebold Nixdorf, Incorporated, the financial institutions party thereto, as lenders, and PNC Bank, National Association, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 the Company's Current Report on Form 8-K filed with the SEC on February 13, 2024).
21.1	Subsidiaries of the Registrant as of December 31, 2023
23.1	Consent of Independent Registered Public Accounting Firm
24.1	Power of Attorney
31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
32.2	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
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	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Reflects management contract or other compensatory arrangement required to be filed as an exhibit pursuant to Item 15(b) of this annual report on Form 10-K.

† Schedules and similar attachments to the agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplementally a copy of all omitted schedules and similar attachments to the SEC upon its request.

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.

DIEBOLD NIXDORF, INCORPORATED

Date: March 7, 2024

By: /s/ Octavio Marquez
Octavio Marquez
President and Chief Executive Officer, Director

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.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Octavio Marquez</u> Octavio Marquez	President and Chief Executive Officer, Director (Principal Executive Officer)	March 7, 2024
<u>/s/ James Barna</u> James Barna	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 7, 2024
* <u>Arthur F. Anton</u>	Director	March 7, 2024
* <u>Marjorie L. Bowen</u>	Director	March 7, 2024
* <u>Patrick J. Byrne</u>	Chairman of the Board of Directors	March 7, 2024
* <u>Matthew J. Espe</u>	Director	March 7, 2024
* <u>Mark Gross</u>	Director	March 7, 2024
* <u>David H. Naemura</u>	Director	March 7, 2024
* <u>Emanuel R. Pearlman</u>	Director	March 7, 2024

* The undersigned, by signing her name hereto, does sign and execute this Annual Report on Form 10-K pursuant to the Powers of Attorney executed by the above-named officers and directors of the Registrant and filed with the Securities and Exchange Commission on behalf of such officers and directors.

Date: March 7, 2024

*By: /s/ Elizabeth C. Radigan
Elizabeth C. Radigan
Attorney-in-Fact

DESCRIPTION OF CAPITAL STOCK

The following is a description of the capital stock of Diebold Nixdorf, Incorporated (the "Company"). The common stock, with \$0.01 par value per share (the "Common Stock"), of the Company is registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act") and listed on the New York Stock Exchange (NYSE:DBD).

This description does not describe every aspect of the Company's capital stock and is subject to, and qualified in its entirety by reference to, the provisions of the Company's Certificate of Incorporation ("Charter") and the Company's Amended and Restated Bylaws ("Bylaws"), each as currently in effect and each of which is incorporated by reference as an exhibit to the most recent Annual Report on Form 10-K of the Company, and applicable provisions of the Delaware General Corporation Law (the "DGCL").

Authorized Capital Stock

The Company has the authority to issue a total of 47,000,000 shares of stock of the Company, consisting of 45,000,000 shares of Common Stock and 2,000,000 shares of preferred stock, par value \$0.01 per share (the "Preferred Stock").

The Board of Directors of the Company (the "Board") is granted authority to issue shares of Preferred Stock in series, and by filing a certificate pursuant to the DGCL (such certificate being hereinafter referred to as a "Preferred Stock Designation"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof; provided, however, that the Board is authorized to provide for the issuance of shares of Preferred Stock solely in order to implement a stockholders' rights plan.

The Company may not issue non-voting equity securities of any class, series or other designation to the extent prohibited by section 1123(a)(6) of the chapter 11 of the U.S. Bankruptcy Code; provided, however, that the foregoing restriction (i) shall have no further force and effect beyond that required under such section 1123(a)(6) of the U.S. Bankruptcy Code nor after such section 1123(a)(6) of the U.S. Bankruptcy Code no longer applies to the Company, and (ii) may be amended or eliminated in accordance with applicable law.

Common Stock

Holders of Common Stock are entitled to cast one vote for each share of Common Stock held on each matter properly submitted to the stockholders for their vote; provided, however, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to the Charter (including any Preferred Stock Designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to the Charter (including any Preferred Stock Designation relating to any series of Preferred Stock);

The Company's outstanding shares of Common Stock are fully paid and nonassessable.

The Bylaws include a proxy access provision, which allows a stockholder, or a group of up to 20 stockholders in the aggregate, owning 3% of the outstanding Common Stock continuously for at least three years to nominate and include in the Company's annual meeting proxy materials director nominees constituting up to 20% of the number of directors in office or two nominees, whichever is greater, provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the Bylaws.

Preferred Stock

Under the Charter, the Board is authorized to issue shares of Preferred Stock in series, subject to any limitations prescribed by law, and to establish from time to time the number of shares to be included in each such series. With respect to any such series, the Board is authorized to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof; provided, however, that the Board is authorized to provide for the issuance of shares of Preferred Stock solely in order to implement a stockholders' rights plan.

The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of capital stock of the Company entitled to vote thereon, without a vote of the holders of the Preferred Stock, or any series thereof, unless a vote of any such holders is required pursuant to the terms of any Preferred Stock Designation.

Voting Rights

Subject to the rights of holders of any series of Preferred Stock then outstanding, each share of Common Stock shall be entitled to one vote per share, in person or by proxy, on all matters submitted to a vote of stockholders on which the holders of Common Stock are entitled to vote. Except as otherwise required in the Charter, Bylaws or by applicable law, the holders of voting stock shall vote together as one class on all matters submitted to a vote of stockholders generally. The Charter and Bylaws do not provide for cumulative voting in connection with the election of directors, and accordingly, holders of more than 50% of the shares voting will be able to elect all of the directors. However, in a contested election, a plurality of the votes shall

be enough to elect a director. The presence, in person or by proxy, of holders of a majority of voting power of all then-outstanding shares of capital stock of the Company generally entitled to vote at the meeting shall constitute a quorum at all meetings of the stockholders for the transaction of business.

All directors will be in one class and serve for a term ending at the annual meeting following the annual meeting at which the director was elected.

The Board is authorized to adopt, amend, alter or repeal the Bylaws by the affirmative vote of a majority of the directors present at any regular or special meeting, subject to the power of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the Company to adopt, amend or repeal the Bylaws made by the Board.

Dividend Rights

The holders of shares of Common Stock shall be entitled to receive such dividends if and as declared by the Board from funds legally available therefor, subject to the rights of holders of Preferred Stock, if any.

No Preemptive Rights

No holder of capital stock has any preemptive right to subscribe for any shares of capital stock issued in the future.

Liquidation Rights

The holders of Common Stock shall be entitled to share ratably in the net assets remaining after payment of all liquidation preferences to the Preferred Stock, if any, that may be outstanding from time to time.

Anti-Takeover Provisions of Charter, Bylaws and DGCL

Delaware Anti-Takeover Law

The Company expressly elects not to be governed by Section 203(a) of the DGCL, which regulates corporate takeovers and generally prohibits a publicly-held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation's voting stock for a period of three years following the time the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner.

Amendments to Governing Documents

Except as permitted by the DGCL, the amendment of any provision of the Charter requires approval by the Board and holders of a majority of the voting power of all then-outstanding shares of capital stock of the Company. Any amendment to the Bylaws requires the approval of either a majority of the Board or holders of a majority of the voting power of all then-outstanding shares of capital stock of the Company entitled to vote generally in the election of the Board.

Special Meetings of Stockholders

The Charter and Bylaws provide that special meetings of the stockholders may be called by the Chair of the Board, Chief Executive Officer, President or the Board.

Advance Notice of Stockholder Meetings

Notice of any annual or special meeting of stockholders, stating the time, date and place of the meeting, if any, the means by which stockholders can be present and vote at the meeting through the use of remote communications the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be given to each stockholder of record entitled to vote at such meeting as of the record date not more than 60 days nor less than 10 days before such meeting.

Advance Notice for Nominations or Stockholder Proposals at Meetings

The Bylaws also prescribe the procedure that a stockholder must follow to nominate directors or bring business before stockholders' meetings.

Nominations of persons for election to the Board and the proposal of business at stockholder meetings may be made (1) by or at the direction of the Board or a committee thereof, (2) by any stockholder who is a stockholder of record at the time of giving notice and at the time of the annual meeting, who is entitled to vote for the election of Directors at such meeting, or (3) any Eligible Stockholder (as defined below), or group of up to 20 Eligible Stockholders, who complies with the requirements and procedures set forth in the Bylaws and whose Stockholder Nominee (as defined below) is included in the Company's proxy materials for the relevant annual meeting of stockholders. For a stockholder

to nominate a candidate for director or to bring other business before a meeting, the Company must receive notice not less than 90 days nor more than 120 prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 30 days, or delayed by more than 30 days from such anniversary date, notice by the stockholder must be so delivered not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is made. Notice of a nomination for director must also include a description of various matters regarding the nominee and the stockholder giving notice, as set forth in the Bylaws. An "Eligible Stockholder" is a person or group (in the aggregate) that has owned 3% or more of the Company's outstanding Common Stock continuously for at least three years.

Requests to include stockholder-nominated candidates in the Company's proxy materials must be delivered to the Company within the time periods applicable to stockholder notices of nominations as described in the preceding paragraph. The maximum number of stockholder nominated candidates shall not exceed the greater of (i) two or (ii) 20% of the number of directors in office as of the last day on which notice of a nomination under these provisions may be delivered. The Bylaws provide a process to determine which candidates under these provisions exceed the maximum permitted number. Each stockholder seeking to include a director nominee in the Company's proxy materials pursuant to these provisions is required to provide certain information, as set forth in the Bylaws. A stockholder nominee must also meet certain eligibility requirements, as set forth in the Bylaws.

At a meeting of stockholders, only such business (other than the nomination of candidates for election as directors in accordance with the Bylaws) will be conducted or considered as is properly brought before the annual meeting or a special meeting as specified in the Bylaws.

Stockholder Action by Written Consent

The Charter provides that any action required or permitted to be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of the then-outstanding shares of capital stock entitled to vote thereon were present.

Directors

The Board shall be composed of not more than 14 persons nor less than four persons, as may be fixed from time to time solely by a resolution adopted by a majority of the Board. At present, the Board is composed of eight members. Directors need not be stockholders.

Each director to be elected by stockholders shall be elected by a majority vote of the stockholders, except that if the number of nominees exceeds the number of directors to be elected, the directors shall be elected by a plurality of votes. There is no cumulative voting in the election of directors. Directors may be removed, with or without cause, by a holders of a majority of voting power of all then-outstanding shares of capital stock of the Company generally entitled to vote.

Limitations on Liability and Indemnification of Officers and Directors

The Company's Charter and Bylaws provide for indemnification of officers and directors of the Company and certain other persons to the full extent permitted by law, as now in effect or later amended, against liabilities and expenses incurred by any of them in certain stated proceedings and under certain stated conditions.

The Company may maintain insurance for the benefit of its directors, officers, employees and agents, insuring such persons against any expense, liability, or loss, including liability under the securities laws. In addition, the Company has entered into customary indemnification agreements with its directors and executive officers that require the Company to indemnify these persons for claims made against each of these persons because he or she is, was or may be deemed to be a director, officer, employee or agent of the Company or any of its subsidiaries. The Company are obligated to pay the expenses of these persons in connection with any claims that are subject to the agreement.

Exclusive Forum

Under the Charter, unless the Company consents in writing to the selection of alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any action asserting a claim of breach of a fiduciary duty owed by any current or former director or officer or stockholder in such capacity, or (ii) any action as to which the DGCL confers jurisdiction upon the Court of Chancery of the State of Delaware; provided, however, that, in the event that the Court of Chancery of the State of Delaware lacks jurisdiction over any such action or proceeding, the sole and exclusive forum for such action or proceeding shall be the Superior Court of the State of Delaware, or, if such other court does not have jurisdiction, the United States District Court for the District of Delaware.

Transfer Agent and Registrar

The transfer agent for the Common Stock is Equiniti Trust Company, LLC.

Listing of the Common Stock

The Common Stock is listed on the New York Stock Exchange under the symbol "DBD."

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release (this “Agreement”) is entered into by and between Diebold Nixdorf Canada, Limited (the “Company”) located at 6630 Campobello Road, Mississauga, ON L5N 2L8 and David Caldwell (“Executive”).

WITNESSETH:

WHEREAS, the Executive was advised verbally on or about August 20, 2023 that his employment would terminate effective December 31, 2023 and effective on December 31, 2023, (the “Separation Date”), Executive shall be terminated from his employment with the Company as its Executive Vice President, Strategy & Corporate Development and from any and all other offices of the Company, and from any other position, office or directorship of any other entity for which Executive was serving at the request of the Company; and

WHEREAS, the Company and Executive desire to set forth the payments and benefits that Executive will be entitled to receive from the Company in connection with the cessation of his employment with the Company; and

WHEREAS, the Company and Executive wish to resolve, settle and/or compromise certain matters, claims and issues between them, including, without limitation, Executive’s separation from the offices he held and from his employment with the Company.

NOW, THEREFORE, in consideration of the promises and agreements contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, the Company and Executive hereby agree as follows:

1. **Separation.** Effective on the Separation Date, Executive’s employment with the Company, its subsidiaries and related or affiliated companies, and his position shall terminate. Executive will further resign, effective on the Separation Date or earlier if requested by the Company: (a) from all other offices of the Company to which he has been elected by the Board of Directors of the Company (the “Board”), or to which he has otherwise been appointed; (b) from all offices of any entity that is a subsidiary of, or is otherwise related to or affiliated with, the Company; (c) from all administrative, fiduciary or other positions he may hold with respect to arrangements or plans for, of or relating to the Company; and (d) from any other directorship, office, or position of any corporation, partnership, joint venture, trust or other enterprise (each, an “Other Entity”) insofar as Executive is serving in the directorship, office, or position of the Other Entity at the request of the Company. The Company hereby consents to and accepts said resignations.
 2. **Separation from Service.** For purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), Executive shall incur a separation of service, within
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the meaning of Section 409A of the Code (a “Separation from Service”), on the Separation Date.

3. **Additional Compensation and Benefits.** In consideration of the promises made by Executive in this Agreement and subject to the conditions hereof, the Company agrees to the following:

a. **Severance Payment.**

- i. Provided that Executive is not in material breach of any of the terms of this Agreement, the Company will make the following payments to Executive: an amount of One Million Five Hundred Seventy Thousand One Hundred Seventy Three Dollars (USD \$1,570,173), less applicable statutory deductions, which is one and one half (1.5) multiplied by the sum of the following (A) Executive’s base salary of Five Hundred Twenty Three Thousand Three Hundred Ninety One Dollars (USD \$523,391) and (B) Executive’s 2023 annual target bonus of Five Hundred Twenty Three Thousand Three Hundred Ninety One Dollars (USD \$523,391) payable in two equal installments of Seven Hundred Eighty Five Thousand Eighty Six Dollars and 50/100 (USD \$785,086.50) each with the first installment paid on March 1, 2024 and the second installment paid on May 1, 2024. The payment will be characterized as a Retiring Allowance and treated as such for the purposes of the Canada Revenue Agency.
- i. Additionally, provided that Executive is not in material breach of any of the terms of this Agreement, the Company shall make the following payment to Executive within two and one-half (2½) months after the calendar year that includes the Separation Date: The actual bonus that would have been payable to Executive for the calendar year that includes the Separation Date based on actual performance if Executive had remained employed through the end of such calendar year; *provided however*, that such amount shall be adjusted on a pro rata basis based on the number of days Executive was actually employed during the bonus plan year in which the Separation Date occurs.
- ii. Executive understands that (A) the amounts paid after the Separation Date under this Agreement will not be treated as pensionable earnings under any pension or retirement plan and (B) these payments will not give rise to the accrual of any benefits.

b. **Accrued Salary and Vacation.** Executive will be paid for unpaid salary through the Separation Date and paid 240 hours for all accrued and unused vacation days on the first ordinary Company payroll date following the Separation Date or earlier if required by applicable law. Executive will be eligible for no other salary, vacation or paid time off.

- c. **Health Care and Life Insurance Coverages.** Your Short Term and Long Term Disability benefits will end the later of (i) the end of your ESA notice period, or (ii) your last day of employment. Medical, Dental and EA benefits will be extended until the earlier of December 31, 2024, or the date of newly found full time employment. Your life insurance and dependent life insurance policy will remain in full force and effect through December 31, 2024. At the termination of these benefits, it will be your responsibility to find alternate insurance coverage if you deem necessary.
- d. **Professional Fees.** The Company and Executive acknowledge and agree that each shall be responsible for the payment of their respective legal fees and costs (and related disbursements) incurred in connection with Executive's separation and the negotiation and execution of this Agreement.
- e. **Outplacement Services.** The Company will assist Executive in finding other employment opportunities by providing to him, at the Company's limited expense, professional outplacement services through a provider of the Company's choice. Such outplacement services shall terminate when Executive finds other employment. However, in no event shall such outplacement services continue for more than two (2) years following the Separation Date.
- f. **Business Expenses.** Within two (2) weeks after the Separation Date, Executive will file a final expense report covering any last expenses incurred on behalf of the Company. Thereafter, the Company will either (i) reimburse Executive for any pending, reasonable business-related credit card charges for which Executive has not already been reimbursed, or (ii) pay such charge directly to the card-issuing bank. Such reimbursement will be made no later than thirty (30) days after the final expense reimbursement request has been submitted to the Company. Executive hereby authorizes the Company to deduct from monies to be paid to Executive under this Agreement any balance remaining on Executive's Company credit card account after such (i) reimbursement or (ii) direct payment. Only those expenses incurred by Executive prior to the Separation Date shall be eligible for reimbursement.
- g. **Other Compensation and Benefits.** Except as specifically set forth herein, Executive is due no other compensation or benefits. Executive acknowledges that as of the date of entering into this Agreement, Executive is no longer entitled to any benefits on account of a termination in connection with a change-in-control of the Company.
- h. **Separate Payments.** Each payment and each reimbursement to Executive under the provisions of this Agreement will be considered a separate payment and not one of a series of payments for purposes of Section 409A of the Code.

4. **Non-Competition.**

- a. For a period of one and one half (1.5) years after the Separation Date, Executive shall not, anywhere in North America:
 - (A) directly or indirectly act in concert or conspire with any person employed by the Company in order to engage in or
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prepare to engage in or to have a financial or other interest in any business or any activity that he knows (or reasonably should have known) to be directly competitive either with the business of the Company as then being carried on or with any business, activity, product or service which was under active development while Executive was employed by the Company if such development was actively pursued or considered during the two (2) year period preceding the Separation Date; or (B) serve as an employee, agent, partner, shareholder, director, or consultant for, or in any other capacity participate, engage, or have a financial or other interest in any business or any activity that he knows (or reasonably should have known) to be directly competitive either with the business of the Company as then being carried on or with any business, activity, product or service which was under active development while Executive was employed by the Company if such development was actively pursued or considered during the two (2) year period preceding the Separation Date (*provided, however*, that notwithstanding anything to the contrary contained in this Agreement, Executive may own up to two percent (2%) of the outstanding shares of the capital stock of a company whose securities are registered under Section 12 of the Securities Exchange Act of 1934).

- b. In the event Executive violates any provision of this Section 4 as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities as set forth in such provision, such violation shall toll the running of such time period from the date of such violation until such violation shall cease. The foregoing shall in no way limit the Company's rights under Section 9(b) of this Agreement.
 - c. Executive has carefully considered the nature and extent of the restrictions upon him and the rights and remedies conferred upon the Company under this Section 4 and this Agreement, and hereby acknowledges and agrees that the same are reasonable in time and territory, are designed to eliminate competition which otherwise would be unfair to the Company, do not stifle the inherent skill and experience of Executive, would not operate as a bar to Executive's sole means of support, are fully required to protect the legitimate interests of the Company and do not confer a benefit upon the Company disproportionate to the detriment to Executive. Executive further acknowledges that his obligations in this Section 4 are made in consideration of, and are adequately supported by the payments by the Company to Executive described herein.
5. **Non-Solicitation.** For a period of two and one half (2.5) years following the Separation Date (the "Restricted Period"), Executive agrees that he will not: (A) employ or retain or solicit for employment or arrange to have any other person, firm, or other entity employ or retain or solicit for employment or otherwise participate in the employment or retention of any person who is an employee or consultant of the Company; or (B) solicit suppliers of Company or solicit customers of the Company to purchase goods or services then sold by the Company or induce any such person to terminate his, her, or its relationship with the Company.
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6. Protected Information.

- a. The Company has advised Executive and Executive acknowledges that it is the policy of the Company to maintain as secret and confidential all Protected Information (as defined below), and that Protected Information has been and will be developed at substantial cost and effort to the Company. Executive shall keep in strict confidence, and shall not at any time, directly or indirectly, divulge, furnish, or make accessible to any person, firm, corporation, association, or other entity, nor use or suffer to be used in any manner, any Protected Information, or cause any such Protected Information to enter the public domain, without limitation as to when or how Executive may have acquired such Protected Information.
 - b. For purposes of this Agreement, "Protected Information" means any of the following: trade secrets, confidential or proprietary business information of the Company, including, but not limited to, customer lists (including potential customers), sources of supply, processes, plans, materials, pricing information, internal memoranda, marketing plans, internal policies, and products and services that may be developed from time to time by the Company and its agents or employees, including Executive; *provided, however*, that information that is in the public domain (other than as a result of a breach of this Agreement), approved for release by the Company or lawfully obtained from third parties who are not bound by a confidentiality agreement with the Company, is not Protected Information. Executive specifically acknowledges that Protected Information includes any and all such information, whether reduced to writing (or in a form from which information can be obtained, translated, or derived into reasonably usable form) or maintained in the mind or memory of Executive and whether compiled or created by the Company, which derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from the disclosure or use of such information.
 - c. Executive agrees: (i) that reasonable efforts have been put forth by the Company to maintain the secrecy of Protected Information; (ii) that such information was developed by and/or for the Company through substantial expenditure of time, effort and money and constitutes valuable and unique property of the Company; (iii) that such information is and will remain the sole property of the Company; and (iv) that any retention, disclosure, or use by Executive of Protected Information after the termination of Executive's employment with, and performance of services for, the Company shall constitute a misappropriation of the Company's Protected Information and a material breach of this Agreement, except under the circumstances set forth in Section 6(d) of this Agreement.
 - d. Exceptions. The disclosure of Protected Information by Executive, if done in strict compliance with one of the exceptions described in this Section 6(d), shall not constitute a breach of Section 6(c) of this Agreement, so long as the permitted disclosure of Protected Information is made by Executive in a manner that is
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reasonably designed to limit its dissemination to the limited purpose(s) permitted herein:

- i. Executive may disclose Protected Information if compelled to do so by a summons, subpoena or a valid order of any government officer or agency or of a court of competent jurisdiction, specifically directing Executive to disclose the Protected Information, provided that Executive shall attempt to avoid or resist such summons, subpoena or order and, in any event, shall notify the Company in writing of such summons, subpoena or order not less than five (5) days prior to any such disclosure, or as soon in advance as possible.
 - ii. Nothing in this Agreement is intended to or shall prevent, impede or interfere with Executive's non-waivable right, without prior notice to the Company, to provide information to the government, participate in investigations, file a complaint, testify in proceedings regarding the Company's past or future conduct, or engage in any future activities protected under the whistleblower statutes administered by OSHA or the SEC, or to receive and fully retain a monetary award from a government-administered whistleblower award program for providing information directly to a government agency.
 - iii. Executive shall not be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Furthermore, in the event Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive's attorney and may use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.
 - iv. Any other disclosure that is specifically authorized in writing in advance of such disclosure, by either the Chief Executive Officer or the Chief Legal Officer of the Company.
- e. Executive acknowledges and agrees that he will abide by all requirements and restrictions set forth in federal and provincial/state securities laws, including (but not limited to) refraining from buying or selling the securities of the Company based on material nonpublic information he acquired while he was employed by the Company and not disseminating such material nonpublic information to others.
 - f. Executive further acknowledges that his obligation of confidentiality shall survive until and unless such Protected Information shall have become, through no fault
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of Executive, generally known to the public, or except as permitted under Section 6(d).

- g. Executive understands and agrees that Executive's obligations under Sections 4, 5 and 6 of this Agreement are in addition to, and not in limitation or preemption of, all other obligations that Executive may have to the Company with respect to confidentiality, non-competition and non-solicitation under previous employment agreements or other agreements with the Company (which obligations remain in full force and effect) and general legal or equitable principles or statutes.

7. Release by Executive.

- a. Executive, for himself and his dependents, successors, assigns, heirs, executors and administrators (and his and their legal representatives of every kind), hereby releases, dismisses, and forever discharges the Company, its predecessors, successors, assigns, acquirers, parents, direct and indirect subsidiaries, affiliates, and all such entities' officers, directors, agents, representatives, partners, shareholders, insurers, attorneys, and employees (both current and former) (all released entities are collectively referred to as the "Released Parties") from, and agrees to indemnify each of the Released Parties against, any and all arbitrations, claims (including claims for attorney's fees), demands, damages, suits, proceedings, actions and/or causes of action of any kind and every description (collectively, "Claims"), whether known or unknown, which Executive now has or may have had for, upon, or by reason of any cause whatsoever, including but not limited to:
 - i. any and all Claims, directly or indirectly, arising out of or relating to: (A) Executive's employment with the Company; and (B) Executive's separation from employment as the Company's Executive Vice President Strategy & Business Development and any other position described in Section 1 of this Agreement;
 - ii. any and all claims of harassment, discrimination and/or violence arising from employment and those not arising from employment, including but not limited to claims of discrimination on the basis of sex, race, ancestry, age, national origin, place of origin, colour, ethnic origin, citizenship, creed, marital status, family status, religion, sexual orientation, gender identity, gender expression, record of offences, veteran status or disability arising under any federal, provincial, state, or local statute, ordinance, order or law.
 - iii. any and all claims of wrongful or unjust discharge, wrongful or constructive dismissal including any claim for notice or pay in lieu of notice of termination, or breach of any contract or promise, express or implied;
 - iv. any and all claims under or relating to any and all employee compensation, employee benefit plans, retirement and/or pension plans, equity plans, employee severance or employee incentive bonus plans and
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- arrangements; provided that he shall remain entitled to the amounts and benefits specified in Section 3 above;
- v. any and all claims under any employment or severance agreement, including any agreement that may provide for benefits upon a change in control; and
 - vi. any and all claims related to health and safety legislation.
- b. Limitations on scope of the release in Section 7(a):
- i. The foregoing release does not waive rights or claims that may arise after the date this Agreement is executed or that cannot be waived as a matter of law and does not waive any breach or violation of this Agreement by the Company.
 - ii. Nothing in any part of this Agreement is intended to, or shall, interfere with Executive's right to file or otherwise participate in a charge, investigation, or proceeding conducted by any federal, provincial, state, or local government agency. Executive shall not, however, be entitled to any relief, recovery, or monies in connection with any such matter brought against any of the Released Parties, regardless of who filed or initiated any such charge, investigation, or proceeding. Executive agrees that Executive will neither seek nor accept, from any source whatsoever, any further benefit, payment, or other consideration relating to any rights or claims that have been released in this Agreement. The prohibitions against further recovery in this paragraph 7(b)(ii) shall not apply to any monetary award from a government-administered whistleblower award program for providing information directly to a government agency.
- c. Executive understands and acknowledges that the consideration provided under this Agreement is made for the purpose of settling and extinguishing all claims and rights (and every other similar or dissimilar matter) that Executive ever had or now may have or ever will have against the Released Parties to the extent provided in this Section 7.
- d. Executive further understands and acknowledges that:
- i. The terms of severance provided for in Section 1 are inclusive of any entitlements that Executive may have to wages, vacation pay, termination notice/pay and severance pay under Ontario's Employment Standards Act, 2000 (ESA);
 - ii. He is aware of his rights under the Ontario Human Rights Code (the "Code") and he has no complaint of any kind arising under the Code against the Released Parties as of or prior to the date on which Executive executes this release and indemnity;
 - iii. He has had the opportunity to seek independent legal advice with respect to the terms of this Agreement and he fully understands these terms. He
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confirms that he is executing this Agreement feely, voluntarily and without duress; and

- e. Executive agrees that he waives any claim that he might have to reemployment with the Company, and agrees not to seek future employment with the Company. Executive agrees that the Company has no obligation to employ, hire, or rehire him, or to consider him for hire, and that this right of the Company is purely contractual and is in no way discriminatory or retaliatory.
8. **Disclosure.** From the date of this Agreement through the end of the Restricted Period, Executive will communicate the contents of Sections 4, 5, 6 and 8 of this Agreement to any person, firm, association, or corporation which he intends to be employed by, associated in business with, or represent. The Company agrees that Executive may satisfy the requirements of this Section 8 by providing the third party a copy of Sections 4, 5, 6 and 8, and such disclosure is not a violation of this Agreement.
9. **Breach; Arbitration.**
- a. If Executive materially breaches any of the provisions of this Agreement, then the Company may immediately terminate all remaining payments and benefits described in this Agreement, and in addition, the Company shall be entitled to obtain reimbursement from Executive of all payments and benefits already provided pursuant to Section 3 of this Agreement, plus any expenses and damages incurred as a result of the breach (including, without limitation, reasonable attorneys' fees), with the remainder of this Agreement, and all promises and covenants herein, remaining in full force and effect.
 - i. The Company will not terminate pursuant to Section 9(a) any benefits in which Executive had vested as of the Separation Date under the Retirement Plans. Furthermore, Executive's COBRA rights, if any, will not be reduced by any action taken by the Company under Section 9(a).
 - ii. Executive may challenge any Company action under Section 9(a).
 - b. The parties agree that any disputes, controversies, or claims of whatever nature arising out of or relating to this Agreement or breach thereof shall be resolved through binding arbitration before a mutually agreeable arbitrator or arbitrators, in accordance with the applicable rules of the American Arbitration Association; *provided, however*, that the parties agree that in the event of any alleged breach by Executive of any of his obligations under Sections 4, 5 and 6 of the Agreement, the arbitration requirements of this Section 9(b) shall not apply, and that instead, the Company may elect, in its sole discretion, to seek relief in either in the Court of Common Pleas of Summit County, Ohio or the United States District Court for the Northern District of Ohio, and the parties hereby consent to the exclusive jurisdiction of such court. In addition, in connection with any such court action, Executive acknowledges and agrees that the remedy at law available to the Company for breach by Executive of any of his obligations under Sections 4, 5 or 6 of this Agreement would be inadequate and that damages flowing from such a breach would not readily be susceptible to being measured in monetary terms.
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Accordingly, Executive acknowledges, consents and agrees that, in addition to any other rights or remedies which the Company may have at law, in equity or under this Agreement, upon adequate proof of Executive's violation of any provision of Sections 4, 5 or 6 of this Agreement, the Company shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach, without the necessity of proof of actual damage.

10. Continued Availability and Cooperation.

- a. If requested by the Company, Executive shall cooperate fully with the Company and/or with the Company's agents or counsel in connection with any present and future transition issues, as well as any actual or threatened litigation or administrative proceeding involving the Company that relates to events, occurrences or conduct occurring (or claimed to have occurred) during the period of Executive's employment by the Company or during the Restricted Period. Executive shall not unreasonably withhold his availability for such cooperation. This cooperation by Executive shall include, but not be limited to:
 - i. making himself reasonably available to consult with the Company and/or its agents on transition issues related to his prior work at the Company;
 - ii. making himself reasonably available for interviews and discussions with the Company's counsel as well as for discoveries, depositions, motions and trial testimony;
 - iii. making himself reasonably available for discoveries, depositions, motions or trial testimony and cooperating in the preparation therefor;
 - iv. refraining from impeding in any way the Company's prosecution or defense of such litigation or administrative proceeding; and
 - v. co-operating reasonably in the development and presentation of the Company's prosecution or defense of such litigation or administrative proceeding.
 - b. Where Executive's cooperation has been requested by the Company, Executive shall be reimbursed by the Company for reasonable travel, lodging, telephone and similar expenses incurred in connection with his cooperation hereunder, which the Company shall reasonably endeavor to schedule at times not conflicting with the reasonable requirements of any employer of Executive, or with the requirements of any third party with whom Executive has a business relationship permitted hereunder that provides remuneration to Executive. All such reimbursements shall be for expenses incurred by Executive. In all events such reimbursement will be made no later than thirty (30) days after an appropriate expense reimbursement request has been submitted to the Company. Any expense reimbursed by the Company in one taxable year in no event will affect the amount of expenses required to be reimbursed or in-kind benefits required to be provided by the Company in any other taxable year.
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- c. Upon the Separation Date, Executive will update the Company as to the status of all pending matters for which he was responsible or otherwise involved. Further, Executive will make himself reasonably available following the Separation Date for telephonic discussions with Company personnel regarding matters that occurred prior to the Separation Date.
 11. **Clawback**. Notwithstanding anything in this Agreement to the contrary, Executive acknowledges and agrees that any compensation described herein is subject to the terms and conditions of the Company's clawback provisions, policy or policies (if any) as may be in effect from time to time, including specifically to implement Section 10D of the Securities Exchange Act of 1934, as amended, and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the common stock of the Company at any point may be traded) (collectively, the "Compensation Recovery Policy"), and that applicable sections of this Amendment and any related documents shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.
 12. **Successors and Binding Agreement**.
 - a. This Agreement, and all obligations of the Company and Executive hereunder, shall be binding upon and inure to the benefit of, as applicable, any of their heirs, successors and assigns, including, without limitation, any persons acquiring, directly or indirectly, all or substantially all of the business and/or assets of the Company whether by purchase, merger, consolidation, reorganization, or otherwise (and such successor shall thereafter be deemed included in the definition of "the Company" for purposes of this Agreement) but shall not be otherwise assignable or delegable by the Company.
 - b. This Agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, and/or legatees.
 - c. This Agreement is personal in nature. None of the parties hereto shall, without the consent of the other parties, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Section 12(a) or 12(b). Further, no third party shall have any rights hereunder except as provided in Section 12(a) or 12(b).
 13. **Non-Disclosure; Statements to Third Parties**.
 - a. Executive shall maintain as confidential all provisions of this Agreement and the circumstances giving rise hereto and shall not disclose them to any person not a party hereto, other than (i) to Executive's spouse, if any; (ii) to Executive's attorney, financial advisor and/or tax advisor to the extent necessary for such advisor to render appropriate legal, financial and tax advice; (iii) to an individual or entity to whom disclosure is permitted under Section 6(d) or 7(b)(ii); or (iv) as necessary to carry out the provisions of this Agreement or as required by law.
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- b. Because the purpose of this Agreement is to settle amicably any and all potential disputes or claims among the parties, Executive shall not, directly or indirectly, make or cause to be made any statements to any third parties criticizing or disparaging the Released Parties or commenting on the character or business reputation of the Released Parties, except as permitted under Section 6(d)(ii), Section 7(b)(ii), or in the course of testimony provided by Executive under oath, in which case Executive shall be obligated to testify truthfully without exception. Executive further hereby agrees not to comment to others concerning the status, plans or prospects of the business of the Released Parties.
14. **Notice.** For all purposes of this Agreement (unless otherwise indicated herein), all communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered by registered or certified mail, addressed to the Company to the attention of Jonathan Stark, VP Global Labor & Employment, at Diebold Nixdorf, Incorporated, 50 Executive Parkway, Hudson, Ohio 44236 and to Executive at his principal residence, as set forth in the employment records of the Company, or to such other address as any party may have furnished to the other in writing and in accordance herewith. Notices of change of address shall be effective only upon receipt.
15. **Return of Company Property.** On the Separation Date, Executive will immediately return to the Company (to the extent not already returned) all Company property, including, without limitation, all equipment, software, electronic files, computers, cell phones, smart phones, PDAs, and iPad devices, and including, but not limited to, all documents and/or all other materials (together with all copies, reproductions, summaries and/or analyses thereof) which constitute, refer or relate to Protected Information.
16. **Miscellaneous.** No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in writing signed by Executive and the Chief Legal Officer or the Chief People Officer of the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.
17. **No Representations.** No agreements or representations, promises or inducements, oral or otherwise, expressed or implied with respect to the subject matter covered by this Agreement have been made by any of the parties that are not set forth expressly in this Agreement and every one of them (if, in fact, there have been any) is hereby terminated without liability or any other legal effect whatsoever.
18. **Entire Agreement.** This Agreement shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof and shall supersede all prior verbal or written agreements, covenants, communications, understandings, commitments, representations or warranties, whether oral or written, by any party hereto or any of its representatives pertaining to such subject matter; *provided, however*, that any Conditions of Employment agreement(s) executed by Executive (the "Conditions"), the Retirement Plans, any other plans described in Section 3, and any prior agreements pertaining to stock options, bonuses, incentive or other forms of compensation, and any corresponding
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rights of the Company for breach of any such obligations, shall remain in full force and effect in accordance with their terms. Notwithstanding the foregoing, (a) any change in control or employment agreement to which Executive and the Company are parties (other than the Conditions) shall terminate as of the Separation Date, and all of Executive's rights under any Company severance plans, programs, policies and arrangements (including, without limitation, the Company's Senior Leadership Severance Plan) shall be extinguished as of the Separation Date and (b) if there is a conflict between the terms of this Agreement and the Conditions of Employment agreement(s), this Agreement shall govern.

19. **Governing Law.** Any dispute, controversy, or claim of whatever nature arising out of or relating to this Agreement or breach thereof shall be governed by and under the laws of the Province of Ontario, Canada.
 20. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall nevertheless remain in full force and effect; except, however, that if any portion of the Release in Section 7 is determined by judicial order to be invalid or unenforceable, then the Company shall have seven days to decide whether (a) to invalidate this entire Agreement, in which case the entire Agreement will be void and Executive will have to pay back all money that Executive already received as severance pay, including but not limited to payments made under Section 3(a) of this Agreement; or (b) to waive its right to invalidate the Agreement and instead, to keep the Agreement valid and fully enforceable, subject to the changes needed to remove or modify the portion of the Release that was judicially determined to be invalid or unenforceable.
 21. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.
 22. **Captions and Paragraph Headings.** Captions and paragraph headings used herein are for convenience and are not part of this Agreement and shall not be used in construing it.
 23. **Further Assurances.** Each party hereto shall execute such additional documents, and do such additional things, as may reasonably be requested by the other party to effectuate the purposes and provisions of this Agreement.
 24. **No Admission.** Each party hereto understands and acknowledges that this Agreement shall in no way be construed as an admission by either party that it has acted wrongfully or engaged in any violation of law, liability or invasion of any of right, and further that any such violation, liability or invasion is expressly denied by each party.
 25. **Tax Matters.**
 - a. The Company may withhold from any amounts payable under this Agreement all federal, provincial, state, city or other taxes as the Company is required to withhold pursuant to any applicable law, regulation or ruling. Notwithstanding any other provision of this Agreement, the Company does not guarantee any particular tax result for Executive with respect to any payment provided to
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Executive hereunder. Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on him or for his account in connection with this Agreement (including, without limitation, any taxes, penalties and interest under Section 409A of the Code), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold Executive harmless from any or all of such taxes, penalties or interest. Further, the Executive shall indemnify the Company from all claims, charges, taxes, penalties or demands which may be made by or related to the Canada Revenue Agency, the Employment Insurance Commission and the Canada Pension Commission under applicable statutes and regulations with respect to any amounts which may in the future be found to be payable by the Company in respect of his employment or cessation thereof.

- b. To the extent applicable, it is intended that this Agreement comply with the provisions of Section 409A of the Code. This Agreement shall be administered in a manner consistent with this intent. Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary, or final regulations or any other formal guidance promulgated with respect to Section 409A of the Code by the U.S. Department of Treasury or the Internal Revenue Service. If Executive's termination of employment hereunder does not constitute a "separation from service" within the meaning of Section 409A of the Code, then any amounts payable hereunder on account of a termination of Executive's employment and which are subject to Section 409A of the Code shall not be paid until Executive has experienced a "separation from service" within the meaning of Section 409A of the Code. In addition, no reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. Notwithstanding anything in this Agreement to the contrary, if Executive constitutes a "specified employee" as defined and applied in Section 409A of the Code, as of the Separation Date, to the extent payments or benefits made hereunder constitute deferred compensation (after taking into account any applicable exemptions from Section 409A of the Code), and to the extent required by Section 409A of the Code, payments or benefits may not commence to be paid to Executive until the earlier of: (i) the first day following the six (6) month anniversary of Executive's Separation Date, or (ii) Executive's date of death.

26. Indemnification by Company.

- a. Executive shall be indemnified with respect to any and all matters that arose during his employment with the Company, whether arising from his status as employee, officer or otherwise, to the maximum extent allowable under, and subject to any conditions or limitations set forth in the Company's Articles of
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Incorporation, Code of Regulations, or applicable law. These indemnification obligations shall survive expiration or termination of this Agreement. To the best of his knowledge, Executive warrants that he has disclosed to the Company all claims and circumstances and potential claims and circumstances that may exist, or could reasonably be brought against him, concerning his past activities as an employee that could reasonably be expected to result in a material claim.

- b. For purposes of this Section 26, the “Company” shall include its predecessors, subsidiaries, divisions, related or affiliated companies, officers, directors, stockholders, members, employees, heirs, successors, assigns, representatives, agents and counsel.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date set forth below.

DIEBOLD NIXDORF CANADA, LIMITED

By: /s/ Octavio Marquez

Date: November 8, 2023

David Caldwell

By: /s/ David A. Caldwell

Date: November 8, 2023

LIST OF SIGNIFICANT SUBSIDIARIES

The following are the subsidiaries of the Registrant included in the Registrant's consolidated financial statements at December 31, 2023. Other subsidiaries are not listed because such subsidiaries are inactive. Subsidiaries are listed alphabetically under either the domestic or international categories.

Domestic	Jurisdiction under which organized	Percent of voting securities owned by Registrant
Diebold Global Finance, LLC	Delaware	100%
Diebold Griffin Technology, LLC	Delaware	100%
Diebold Holding Company, LLC	Delaware	100%
Diebold Latin America Holding Company, LLC	Delaware	100%
Diebold Mexico Holding Company, LLC	Delaware	100%(1)
Diebold Nixdorf Technology Finance, LLC	Delaware	100%
Diebold Nixdorf US Holding, LLC	Delaware	100%
Diebold Nixdorf US Holding II, LLC	Delaware	100%
Diebold Self-Service Systems	New York	100%(2)
Diebold Software Solutions, LLC	Delaware	100%
Diebold SST Holding Company, LLC	Delaware	100%
VDM Holding Company, Inc.	Delaware	100%
International	Jurisdiction under which organized	Percent of voting securities owned by Registrant
Aisino Wincor Manufacturing (Shanghai) Co. Ltd.	China	49%(15)
Aisino-Wincor Retail & Banking Systems (Shanghai) Co. Ltd.	China	49%(42)
Bitelco Diebold Chile Limitada	Chile	100%(20)
CI Tech Sensors AG	Switzerland	100%(4)
C.R. Panama, Inc.	Panama	100%(10)
Cable Print B.V.	Belgium	100%(35)
D&G ATMS y Seguridad de Costa Rica Ltda.	Costa Rica	51%(31)
D&G Centroamerica, S. de R.L.	Panama	51%(27)
D&G Centroamerica y GBM de Nicaragua y Compañía Ltda.	Nicaragua	51%(28)
D&G Dominicana S.R.L.	Dominican Republic	51%(30)
D&G Honduras S. de R.L.	Honduras	51%(29)
D&G Panama S. de R.L.	Panama	51%(32)
DB & GB ATMs Seguridad de Guatemala, Limitada	Guatemala	51%(28)
DB & GB de El Salvador Limitada	El Salvador	51%(28)
DCHC, S.A.	Panama	100%(10)
Diebold Africa (Pty) Ltd.	South Africa	100%(17)
Diebold Africa Investment Holdings (Pty) Ltd.	South Africa	100%(14)
Diebold Argentina, S.A.	Argentina	100%(46)
Diebold Brasil LTDA	Brazil	100%(26)
Diebold Brasil Servicos de Tecnologia e Participacoes Ltda	Brazil	100%(22)
Diebold Canada Holding Company Inc.	Canada	100%
Diebold Ecuador, S.A.	Ecuador	100%(18)
Diebold Financial Equipment Company, Ltd.	China	48.1%(24)
Diebold Nixdorf AB	Sweden	100%(4)
Diebold Nixdorf AG	Switzerland	100%(5)
Diebold Nixdorf A/S	Denmark	100%(4)
Diebold Nixdorf AS	Norway	100%(4)
Diebold Nixdorf Australia Pty. Ltd.	Australia	100%(1)
Diebold Nixdorf BPO Sp. z.o.o.	Poland	100%(4)
Diebold Nixdorf Business Administration Center GmbH	Germany	100%(4)
Diebold Nixdorf B.V.	Netherlands	100%(4)
Diebold Nixdorf B.V.	Belgium	100%(16)

Diebold Nixdorf, C.A.	Venezuela	100%(4)
Diebold Nixdorf Canada Limited	Canada	100%(1)
Diebold Nixdorf Colombia, S.A.S.	Colombia	100%(13)
Diebold Nixdorf de Mexico S.A. de C.V.	Mexico	100%(41)
Diebold Nixdorf Deutschland GmbH	Germany	100%(4)
Diebold Nixdorf Dutch Holding B.V.	Netherlands	100%(45)
Diebold Nixdorf EURL	Algeria	100%(4)
Diebold Nixdorf Finance Germany GmbH	Germany	100%(4)
Diebold Nixdorf Global Holding BV	Netherlands	100%
Diebold Nixdorf Global Logistics GmbH	Germany	100%(19)
Diebold Nixdorf Global Solutions B.V.	Netherlands	100%(38)
Diebold Nixdorf GmbH	Austria	100%(1)
Diebold Nixdorf Holding Germany GmbH	Germany	100%(44)
Diebold Nixdorf (Hong Kong) Ltd.	Hong Kong	100%(4)
Diebold Nixdorf India Private Limited	India	100%(8)
Diebold Nixdorf Information Systems S.A.	Greece	100%(4)
Diebold Nixdorf Information Systems (Shanghai) Co. Ltd.	China	100%(4)
Diebold Nixdorf (Ireland) Ltd.	Ireland	100%(4)
Diebold Nixdorf Kft.	Hungary	100%(4)
Diebold Nixdorf Limited	Nigeria	100%(4)
Diebold Nixdorf LLC	Russia	100%(3)
Diebold Nixdorf Logistics GmbH	Germany	100%(4)
Diebold Nixdorf Manufacturing Pte. Ltd.	Singapore	100%(36)
Diebold Nixdorf Middle East FZ-LLC	United Arab Emirates	100%(4)
Diebold Nixdorf Myanmar Limited	Myanmar	100%(7)
Diebold Nixdorf Operations GmbH	Germany	100%(4)
Diebold Nixdorf Oy	Finland	100%(4)
Diebold Nixdorf Peru S.r.l	Peru	100%(33)
Diebold Nixdorf Philippines, Inc.	Philippines	100%
Diebold Nixdorf Portugal Unipessoal, Lda.	Portugal	100%(1)
Diebold Nixdorf Real Estate GmbH & Co. KG	Germany	100%(40)
Diebold Nixdorf Retail Solutions s.r.o.	Czech Republic	100%(34)
Diebold Nixdorf S.A.	Morocco	100%(4)
Diebold Nixdorf S.A.S.	France	100%(4)
Diebold Nixdorf Sdn. Bhd.	Malaysia	100%(4)
Diebold Nixdorf Security GmbH	Germany	100%(4)
Diebold Nixdorf Singapore Pte. Ltd.	Singapore	100%(4)
Diebold Nixdorf S.L.	Spain	100%(4)
Diebold Nixdorf Software C.V.	Netherlands	100%(9)
Diebold Nixdorf Software Partner B.V.	Netherlands	100%(4)
Diebold Nixdorf South Africa (Pty) Ltd.	South Africa	74.9%(25)
Diebold Nixdorf Sp. z.o.o.	Poland	100%(4)
Diebold Nixdorf S.r.l.	Italy	100%(4)
Diebold Nixdorf Srl	Romania	100%(39)
Diebold Nixdorf s.r.o.	Czech Republic	100%(4)
DIEBOLD NIXDORF s.r.o.	Slovakia	100%(4)
Diebold Nixdorf Solutions Sole Proprietorship LLC	United Arab Emirates	49%(47)
Diebold Nixdorf Systems GmbH	Germany	100%(4)
Diebold Nixdorf Taiwan Ltd.	Taiwan	100%(4)
Diebold Nixdorf Technologies LLC	UAE	49% (37)
Diebold Nixdorf Teknoloji A.S.	Turkey	100%(4)
Diebold Nixdorf (Thailand) Company Limited	Thailand	100%
Diebold Nixdorf (UK) Limited	United Kingdom	100%(4)
Diebold Nixdorf Vermögensverwaltungs GmbH	Germany	100%(4)
Diebold Nixdorf Vietnam Company Limited	Vietnam	100%

Diebold Pacific, Limited	Hong Kong	100%
Diebold Panama, Inc.	Panama	100%(10)
Diebold Paraguay S.A.	Paraguay	100%(43)
Diebold Self-Service Solutions S.ar.l	Switzerland	100%(14)
Diebold Switzerland Holding Company, Srl	Switzerland	100%(1)
Diebold Uruguay S.A.	Uruguay	100%(10)
Inspur Financial Information Technology Co., Ltd.	China	48.1%(6)
IP Management GmbH	Germany	100%(4)
J.J.F. Panama, Inc.	Panama	100%(10)
LLC Diebold Nixdorf	Ukraine	100%(4)
Procomp Amazonia Industria Eletronica Ltda.	Brazil	100%(11)
Procomp Industria Eletronica LTDA	Brazil	100%(23)
Pt. Diebold Nixdorf Indonesia	Indonesia	100%(12)
Wincor Nixdorf Facility GmbH	Germany	100%(4)
WINCOR NIXDORF International GmbH	Germany	100%(3)
WN IT Support S.A. de C.V.	Mexico	100%(21)

- (1) 100 percent of voting securities are owned by Diebold Nixdorf Global Holding, BV, which is 100 percent owned by Registrant.
- (2) 70 percent partnership interest is owned by Diebold Holding Company, LLC, which is 100 percent owned by Registrant, while the remaining 30 percent partnership interest is owned by Diebold SST Holding Company, LLC, which is 100 percent owned by Registrant.
- (3) 100 percent of voting securities are owned by Diebold Nixdorf Holding Germany GmbH, (refer to 44 for ownership).
- (4) 100 percent of voting securities are owned by WINCOR NIXDORF International GmbH (refer to 3 for ownership).
- (5) 100 percent of voting securities are owned by Diebold Self-Service Solutions S.ar.l (refer to 14 for ownership).
- (6) 48.1 percent of voting securities are owned by Diebold Switzerland Holding Company, Srl (refer to 1 for ownership).
- (7) 99.99 percent of voting securities are owned by VDM Holding Company, Inc., which is 100 percent owned by Registrant, while the remaining .01 percent of voting securities is owned by Diebold Pacific, Limited, which is 100 percent owned by Registrant.
- (8) 62.42 percent of voting securities are owned by Registrant; 19.03 percent of voting securities are owned by Diebold Self-Service Solutions S.ar.l (refer to 14 for ownership); 6.82 percent of voting securities are owned by Diebold Switzerland Holding Company, Srl (refer to 1 for ownership); 11.72 percent of voting securities are owned by WINCOR NIXDORF International GmbH (refer to 3 for ownership); and the remaining .01 percent of voting securities is owned by Diebold Holding Company, LLC, which is 100 percent owned by Registrant.
- (9) 60 percent of voting securities are owned by Diebold Nixdorf Global Holding, BV, which is 100 percent owned by Registrant; 39.96 percent of voting securities are owned by IP Management GmbH (refer to 4 for ownership); and the remaining .4 percent of voting securities is owned by Diebold Nixdorf Software Partner B.V. (refer to 4 for ownership).
- (10) 100 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (11) 99.99 percent of voting securities are owned by Diebold Brasil LTDA (refer to 26 for ownership), while the remaining .01 percent is owned by Registrant.
- (12) 87.33 percent of voting securities are owned by WINCOR NIXDORF International GmbH (refer to 3 for ownership), while the remaining 12.52 percent of voting securities are owned by Diebold Nixdorf Global Holding, BV, which is 100 percent owned by Registrant.
- (13) 21.4 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant; 16.8 percent of voting securities are owned by Diebold Panama, Inc. (refer to 10 for ownership); 16.8 percent of voting securities are owned by DCHC, S.A. (refer to 10 for ownership); 13.5 percent of voting securities are owned by J.J.F. Panama, Inc. (refer to 10 for ownership); and the remaining 31.5 percent of voting securities are owned by C.R. Panama, Inc. (refer to 10 for ownership).
- (14) 100 percent of voting securities are owned by Diebold Switzerland Holding Company, Srl (refer to 1 for ownership).
- (15) 100 percent of voting securities are owned by Aisino-Wincor Retail & Banking Systems (Shanghai) Co. Ltd. (refer to 42 for ownership).
- (16) 90 percent of voting securities are owned by Diebold Self-Service Solutions S.ar.l (refer to 14 for ownership), while the remaining 10 percent of voting securities are owned by Diebold Nixdorf AG (refer to 5 for ownership).
- (17) 100 percent of voting securities are owned by Diebold Africa Investment Holdings (Pty) Ltd. (refer to 14 for ownership).
- (18) 99.99 percent of voting securities are owned by Diebold Nixdorf Colombia, S.A.S. (refer to 13 for ownership), while the remaining 0.01 percent of voting securities is owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (19) 100 percent of voting securities are owned by Diebold Nixdorf Logistics GmbH (refer to 4 for ownership).
- (20) 99.88 percent of voting securities are owned by Registrant, while the remaining .12 percent of voting securities is owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (21) 100 percent of voting securities are owned by Diebold Nixdorf, C.A. (refer to 4 for ownership).
- (22) 99.99 percent of voting securities are owned by Diebold Canada Holding Company Inc., which is 100 percent owned by Registrant, while the remaining .01 percent of voting securities is owned by Procomp Amazonia Industria Eletronica Ltda. (refer to 11 for ownership).

- (23) 99.99 percent of voting securities are owned by Diebold Brasil Servicos de Tecnologia e Participacoes Ltda. (refer to 22 for ownership), while the remaining .01 percent of voting securities is owned by Registrant.
- (24) 100 percent of voting securities are owned by Inspur Financial Information Technology Co., Ltd. (refer to 6 for ownership).
- (25) 74.9 percent of voting securities are owned by Diebold Africa Investment Holdings (Pty) Ltd. (refer to 14 for ownership).
- (26) 99.99 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant, while the remaining .01 percent of voting securities is owned by Registrant.
- (27) 51 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (28) 99 percent of voting securities are owned by D&G Centroamerica, S. de R. L. (refer to 27 for ownership).
- (29) 99.97 percent of voting securities are owned by D&G Centroamerica, S. de R. L. (refer to 27 for ownership), while the remaining .03 percent of voting securities is owned by D&G ATMs y Seguridad de Costa Rica Ltda. (refer to 31 for ownership).
- (30) 99.99 percent of voting securities are owned by D&G Centroamerica, S. de R. L. (refer to 27 for ownership), while the remaining .01 percent of voting securities is owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (31) 100 percent of voting securities are owned by D&G Centroamerica, S. de R. L. (refer to 27 for ownership).
- (32) 99.99 percent of voting securities are owned by D&G Centroamerica, S. de R.L. (refer to 27 for ownership).
- (33) 99.86 percent of voting securities are owned by Registrant, while the remaining .14 percent of voting securities is owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant.
- (34) 100 percent of voting securities are owned by IP Management GmbH (refer to 4 for ownership).
- (35) 74.986 percent of voting securities are owned by Registrant; 25.004 percent of voting securities are owned by Diebold Nixdorf B.V. (refer to 16 for ownership); while the remaining .01 percent of voting securities is owned by Diebold Holding Company, LLC, which is 100 percent owned by Registrant.
- (36) 100 percent of voting securities are owned by Diebold Nixdorf Singapore Pte. Ltd (refer to 4 for ownership).
- (37) 49 percent of voting securities are owned by WINCOR NIXDORF International GmbH (refer to 3 for ownership).
- (38) 100 percent of voting securities are owned by Diebold Nixdorf Software C.V. (refer to 9 for ownership).
- (39) 99.99 percent of voting securities are owned by Diebold Self-Service Solutions S.ar.l (refer to 14 for ownership), while the remaining .01 percent of voting securities is owned by Diebold Switzerland Holding Company, Sarl (refer to 1 for ownership).
- (40) 100 percent of voting securities are owned by Wincor Nixdorf Facility GmbH (refer to 4 for ownership).
- (41) 84.99 percent of voting securities are owned by Diebold Mexico Holding Company, LLC (refer to 1 for ownership); 15 percent of voting securities are owned by WINCOR NIXDORF International (refer to 3 for ownership); <.001 percent of voting securities is owned by Diebold Nixdorf, C.A. (refer to 4 for ownership); while the remaining <.001 percent of voting securities is owned by Registrant.
- (42) 49 percent of voting securities are owned by WINCOR NIXDORF International GmbH (refer to 3 for ownership).
- (43) 99 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant, while the remaining 1 percent is owned by Registrant.
- (44) 57.798 percent of voting securities are owned by Registrant, while the remaining 42.202 percent of voting securities are owned by Diebold Nixdorf Dutch Holding B.V. (refer to 45 for ownership)
- (45) 100 percent of voting securities are owned by Diebold Nixdorf US Holding, LLC, which is 100 percent owned by Registrant.
- (46) 95.35 percent of voting securities are owned by Diebold Latin America Holding Company, LLC, which is 100 percent owned by Registrant, while the remaining 4.65 percent of voting securities are owned by Registrant.
- (47) 100 percent of voting securities are owned by Diebold Nixdorf Technologies LLC (refer to 37 for ownership).

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (Nos. 33-32960, 33-39988, 33-55452, 33-54677, 33-54675, 333-31993, 333-32187, 333-60578, 333-162036, 333-162037, 333-162049, 333-190626, 333-193713, 333-199738, 333-217476, 333-223125, 333-224618, 333-231133, 333-238167, 333-256039, 333-267014, and 333-274085) on Form S-8 and (Nos. 333-213780, 333-208186, 333-269706, and 333-269706) on Form S-4 and (No. 333-275461) on Form S-1 of our report dated March 7, 2024, with respect to the consolidated financial statements of Diebold Nixdorf, Incorporated.

/s/ KPMG LLP

Cleveland, Ohio
March 7, 2024

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That the undersigned directors of Diebold Nixdorf, Incorporated, a corporation organized and existing under the laws of the State of Delaware, do for themselves and not for another, constitute and appoint Elizabeth C. Radigan, a true and lawful attorney-in-fact in her name, place and stead, to sign their names to the report on Form 10-K for the year ended December 31, 2023, or to any and all amendments to such reports, and to cause the same to be filed with the Securities and Exchange Commission; it being intended to give and grant unto said attorney-in-fact full power and authority to do and perform any act and thing necessary and proper to be done in the premises as fully and to all intents and purposes as the undersigned by themselves could do if personally present. The undersigned directors ratify and confirm all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

The undersigned have hereunto set their hands as of the date set opposite their signature.

Signature	Date
<u>/s/ Arthur F. Anton</u> Arthur F. Anton	March 7, 2024
<u>/s/ Marjorie L. Bowen</u> Marjorie L. Bowen	March 7, 2024
<u>/s/ Patrick J. Byrne</u> Patrick J. Byrne	March 7, 2024
<u>/s/ Matthew J. Espe</u> Matthew J. Espe	March 7, 2024
<u>/s/ Mark Gross</u> Mark Gross	March 7, 2024
<u>/s/ David H. Naemura</u> David H. Naemura	March 7, 2024
<u>/s/ Emanuel R. Pearlman</u> Emanuel R. Pearlman	March 7, 2024

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Octavio Marquez, certify that:

- 1) I have reviewed this annual report on Form 10-K of Diebold Nixdorf, Incorporated;
- 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: March 7, 2024

By: /s/ Octavio Marquez
Octavio Marquez
President and Chief Executive Officer
(Principal Executive Officer)

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James Barna, certify that:

- 1) I have reviewed this annual report on Form 10-K of Diebold Nixdorf, Incorporated;
- 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: March 7, 2024

/s/ James Barna

James Barna
Executive Vice President and Chief Financial Officer (Principal Financial Officer)

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Annual Report on Form 10-K of Diebold Nixdorf, Incorporated and subsidiaries (the Company) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Gerrard B. Schmid, President and Chief Executive of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

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

/s/ Octavio Marquez

Octavio Marquez

President and Chief Executive Officer
(Principal Executive Officer)

March 7, 2024

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Annual Report on Form 10-K of Diebold Nixdorf, Incorporated and subsidiaries (the Company) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, James Barna, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

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

/s/ James Barna

James Barna
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

March 7, 2024