
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended July 31, 2024

OR

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

Commission File Number: 001-37999

REV Group, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

26-3013415

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

245 South Executive Drive, Suite 100
Brookfield, WI

53005

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (414) 290-0190

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 (\$0.001 Par Value)	REVG	New York Stock Exchange

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 an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer
Emerging growth company

Accelerated filer
Small reporting company

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

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

As of August 28, 2024, the registrant had 51,998,551 shares of common stock, \$0.001 par value per share, outstanding.

Table of Contents

	Page
<u>Cautionary Statement About Forward-Looking Statements</u>	2
<u>Website and Social Media Disclosure</u>	2
PART I. <u>FINANCIAL INFORMATION</u>	3
Item 1. <u>Financial Statements</u>	3
<u>Condensed Unaudited Consolidated Balance Sheets</u>	3
<u>Condensed Unaudited Consolidated Statements of Income and Comprehensive Income</u>	4
<u>Condensed Unaudited Consolidated Statements of Cash Flows</u>	5
<u>Condensed Unaudited Consolidated Statements of Shareholders' Equity</u>	6
<u>Notes to Condensed Unaudited Consolidated Financial Statements</u>	7
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	18
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	28
Item 4. <u>Controls and Procedures</u>	28
PART II. <u>OTHER INFORMATION</u>	28
Item 1. <u>Legal Proceedings</u>	28
Item 1A. <u>Risk Factors</u>	28
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	28
Item 6. <u>Exhibits</u>	29
<u>Signatures</u>	30

Cautionary Statement About Forward-Looking Statements

This Quarterly Report on Form 10-Q may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," "contemplate," "aim" and other similar expressions, although not all forward-looking statements contain these identifying words. Investors are cautioned that forward-looking statements are inherently uncertain. A number of factors could cause actual results to differ materially from these statements, including, but not limited to increases in interest rates, availability of credit, low consumer confidence, availability of labor, significant increases in repurchase obligations, inadequate liquidity or capital resources, availability and price of fuel, a slowdown in the economy, increased material and component costs, availability of chassis and other key component parts, sales order cancellations, slower than anticipated sales of new or existing products, new product introductions by competitors, the effect of global tensions, and integration of operations relating to mergers and acquisitions activities. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from that projected or suggested is contained in the "Risk Factors" section in our filings with the U.S. Securities and Exchange Commission ("SEC"). We disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this Form 10-Q or to reflect any changes in expectations after the date of this release or any change in events, conditions or circumstances on which any statement is based.

Website and Social Media Disclosure

We use our website (www.revgroup.com) and corporate social media accounts including X (previously known as Twitter) account (@revgroupinc), LinkedIn account (@rev-group-inc), Facebook account (@REVGroupInc), YouTube (@REVGrouplnc), and Instagram account (@revgroupinc) as routine channels of distribution for company information, including news releases, analyst presentations, and supplemental financial information, as a means of disclosing material non-public information and for complying with our disclosure obligations under Securities and Exchange Commission ("SEC") Regulation FD. Accordingly, investors should monitor our website and our corporate social media accounts in addition to following press releases, SEC filings and public conference calls and webcasts. Additionally, we provide notifications of news or announcements as part of our investor relations website (<https://investors.revgroup.com/>). Investors and others can receive notifications of new information posted on our investor relations website in real time by signing up for email alerts.

None of the information provided on our website, in our press releases, public conference calls and webcasts, or through social media channels is incorporated into, or deemed to be a part of, this Quarterly Report on Form 10-Q or in any other report or document we file with the SEC, and any references to our website or our social media channels are intended to be inactive textual references only.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

REV Group, Inc. and Subsidiaries

Condensed Unaudited Consolidated Balance Sheets (Dollars in millions, except share amounts)

	July 31, 2024	(Audited) October 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 50.5	\$ 21.3
Accounts receivable, net	201.4	226.5
Inventories, net	632.3	657.7
Other current assets	30.2	27.7
Total current assets	914.4	933.2
Property, plant and equipment, net	147.2	159.5
Goodwill	137.7	157.3
Intangible assets, net	95.9	115.7
Right of use assets	33.3	37.0
Other long-term assets	6.2	7.7
Total assets	<u>\$ 1,334.7</u>	<u>\$ 1,410.4</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 196.6	\$ 208.3
Short-term customer advances	155.1	214.5
Short-term accrued warranty	15.7	23.4
Short-term lease obligations	7.3	7.4
Other current liabilities	118.6	103.6
Total current liabilities	493.3	557.2
Long-term debt	215.0	150.0
Long-term customer advances	159.3	142.9
Deferred income taxes	8.8	8.2
Long-term lease obligations	26.8	30.0
Other long-term liabilities	36.9	24.1
Total liabilities	940.1	912.4
Commitments and contingencies		
Shareholders' Equity:		
Preferred stock (\$.001 par value, 95,000,000 shares authorized; none issued or outstanding)	—	—
Common stock (\$.001 par value, 605,000,000 shares authorized; 51,998,551 and 59,505,829 shares issued and outstanding, respectively)	0.1	0.1
Additional paid-in capital	314.5	445.0
Retained earnings	80.0	52.7
Accumulated other comprehensive income	—	0.2
Total REV's shareholders' equity	394.6	498.0
Total liabilities and shareholders' equity	<u>\$ 1,334.7</u>	<u>\$ 1,410.4</u>

See Notes to Condensed Unaudited Consolidated Financial Statements.

REV Group, Inc. and Subsidiaries

Condensed Unaudited Consolidated Statements of Income and Comprehensive Income
(Dollars in millions, except per share amounts)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2024	2023	2024	2023
Net sales	\$ 579.4	\$ 680.0	\$ 1,782.3	\$ 1,944.7
Cost of sales	501.1	599.8	1,563.8	1,724.1
Gross profit	78.3	80.2	218.5	220.6
Operating expenses:				
Selling, general and administrative	42.6	53.9	148.1	174.1
Amortization of intangible assets	0.5	0.6	1.7	3.0
Restructuring	4.7	—	9.2	—
Impairment charges	1.9	—	14.5	—
Total operating expenses	49.7	54.5	173.5	177.1
Operating income	28.6	25.7	45.0	43.5
Interest expense, net	7.6	7.3	21.0	21.9
(Gain) Loss on sale of business	(1.4)	—	(260.4)	1.1
Other expense	—	—	—	0.7
Income before provision for income taxes	22.4	18.4	284.4	19.8
Provision for income taxes	4.4	3.5	68.5	4.2
Net income	\$ 18.0	\$ 14.9	\$ 215.9	\$ 15.6
Other comprehensive loss, net of tax	—	—	(0.2)	(0.5)
Comprehensive income	<u>\$ 18.0</u>	<u>\$ 14.9</u>	<u>\$ 215.7</u>	<u>\$ 15.1</u>
Net income per common share:				
Basic	\$ 0.35	\$ 0.25	\$ 3.96	\$ 0.27
Diluted	0.35	0.25	3.91	0.26
Dividends declared per common share	0.05	0.05	3.15	0.15

See Notes to Condensed Unaudited Consolidated Financial Statements.

REV Group, Inc. and Subsidiaries

Condensed Unaudited Consolidated Statements of Cash Flows
(Dollars in millions)

	Nine Months Ended July 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 215.9	\$ 15.6
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	19.4	19.7
Stock-based compensation expense	7.8	11.0
Deferred income taxes	0.6	(2.4)
Impairment charges	14.5	—
(Gain) Loss on sale of business	(260.4)	1.1
Other non-cash adjustments	(0.2)	1.4
Changes in operating assets and liabilities, net	(12.8)	27.0
Net cash (used in) provided by operating activities	(15.2)	73.4
Cash flows from investing activities:		
Purchase of property, plant and equipment	(22.3)	(19.7)
Proceeds from sale of business	319.6	0.6
Other investing activities	4.5	1.1
Net cash provided by (used in) investing activities	301.8	(18.0)
Cash flows from financing activities:		
Net proceeds (payments) from borrowings on revolving credit facility	65.0	(51.0)
Payment of dividends	(188.6)	(9.1)
Repurchase and retirement of common stock	(126.1)	—
Other financing activities	(7.7)	(4.7)
Net cash used in financing activities	(257.4)	(64.8)
Net increase (decrease) in cash and cash equivalents	29.2	(9.4)
Cash and cash equivalents, beginning of period	21.3	20.4
Cash and cash equivalents, end of period	<u>\$ 50.5</u>	<u>\$ 11.0</u>
Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	<u>\$ 17.8</u>	<u>\$ 18.5</u>
Income taxes, net of refunds	<u>\$ 69.6</u>	<u>\$ 7.0</u>

See Notes to Condensed Unaudited Consolidated Financial Statements.

REV Group, Inc. and Subsidiaries

Condensed Unaudited Consolidated Statements of Shareholders' Equity
(Dollars in millions, except share amounts)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Amount	# Shares	\$	\$	\$
Balance, October 31, 2023	<u>\$ 0.1</u>	<u>59,505,829</u>	<u>Sh. \$ 445.0</u>	<u>\$ 52.7</u>	<u>\$ 0.2</u> \$ 498.0
Net income				182.7	182.7
Stock-based compensation expense			2.9		2.9
Vesting of restricted and performance stock units, net of employee tax withholdings	—	255,651 Sh.	(2.0)		(2.0)
Other comprehensive loss, net of tax				(0.2)	(0.2)
Issuances of restricted stock awards, net of employee tax withholdings on vested awards	—	14,233 Sh.	(2.9)		(2.9)
Dividends declared on common stock				(182.4)	(182.4)
Balance, January 31, 2024	<u>\$ 0.1</u>	<u>59,775,713</u>	<u>Sh. \$ 443.0</u>	<u>\$ 53.0</u>	<u>\$ —</u> \$ 496.1
Net income				15.2	15.2
Stock-based compensation expense			3.0		3.0
Vesting of restricted and performance stock units, net of employee tax withholdings	—	115,232 Sh.	(1.8)		(1.8)
Issuances of restricted stock awards	—	23,532 Sh.	—		—
Repurchase and retirement of common stock, including fees and excise taxes	—	(8,000,000 Sh.)	(129.7)		(129.7)
Dividends declared on common stock				(3.1)	(3.1)
Balance, April 30, 2024	<u>\$ 0.1</u>	<u>51,914,477</u>	<u>Sh. \$ 314.5</u>	<u>\$ 65.1</u>	<u>\$ —</u> \$ 379.7
Net Income				18.0	18.0
Stock-based compensation expense			1.9		1.9
Vesting of performance stock units, net of employee tax withholdings	—	84,074 Sh.	(1.9)		(1.9)
Dividends declared on common stock				(3.1)	(3.1)
Balance, July 31, 2024	<u>\$ 0.1</u>	<u>51,998,551</u>	<u>Sh. \$ 314.5</u>	<u>\$ 80.0</u>	<u>\$ —</u> \$ 394.6
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Amount	# Shares	\$	\$	\$
Balance, October 31, 2022	<u>\$ 0.1</u>	<u>59,323,534</u>	<u>Sh. \$ 436.4</u>	<u>\$ 19.5</u>	<u>\$ 0.3</u> \$ 456.3
Net loss				(13.5)	(13.5)
Stock-based compensation expense			5.9		5.9
Vesting of restricted and performance stock units, net of employee tax withholdings	—	214,746 Sh.	(1.3)		(1.3)
Other comprehensive loss, net of tax				(0.5)	(0.5)
Forfeitures of restricted stock awards, net of forfeitures and employee tax withholdings on vested awards	—	(23,243 Sh.)	(3.1)		(3.1)
Dividends declared on common stock				(3.1)	(3.1)
Balance, January 31, 2023	<u>\$ 0.1</u>	<u>59,515,037</u>	<u>Sh. \$ 437.9</u>	<u>\$ 2.9</u>	<u>\$ (0.2)</u> \$ 440.7
Net income				14.2	14.2
Stock-based compensation expense			1.6		1.6
Vesting of restricted stock units, net of employee tax withholdings	—	9,321 Sh.	(0.1)		(0.1)
Issuance of restricted stock awards, net of forfeitures and employee tax withholdings on vested awards	—	(120,519 Sh.)	(0.1)		(0.1)
Dividends declared on common stock				(3.0)	(3.0)
Balance, April 30, 2023	<u>\$ 0.1</u>	<u>59,403,839</u>	<u>Sh. \$ 439.3</u>	<u>\$ 14.1</u>	<u>\$ (0.2)</u> \$ 453.3
Net Income				14.9	14.9
Stock-based compensation expense			3.5		3.5
Vesting of restricted stock units, net of employee tax withholdings	—	11,411 Sh.	(0.1)		(0.1)
Forfeitures of restricted stock awards, net of issuances	—	(106,143 Sh.)	—		—
Dividends declared on common stock				(3.0)	(3.0)
Balance, July 31, 2023	<u>\$ 0.1</u>	<u>59,309,107</u>	<u>Sh. \$ 442.7</u>	<u>\$ 26.0</u>	<u>\$ (0.2)</u> \$ 468.6

See Notes to Condensed Unaudited Consolidated Financial Statements.

REV Group, Inc. and Subsidiaries

Notes to the Condensed Unaudited Consolidated Financial Statements (All tabular amounts presented in millions, except share and per share amounts)

Note 1. Basis of Presentation

The Condensed Unaudited Consolidated Financial Statements include the accounts of REV Group, Inc. ("REV" or "the Company") and all its subsidiaries. In the opinion of management, the accompanying Condensed Unaudited Consolidated Financial Statements contain all adjustments (which include normal recurring adjustments, unless otherwise noted) necessary to present fairly the financial position, results of operations and cash flows for the periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) have been condensed or omitted pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. These Condensed Unaudited Consolidated Financial Statements should be read in conjunction with the audited financial statements and notes thereto included in the Annual Report on Form 10-K of the Company for the fiscal year ended October 31, 2023. The interim results are not necessarily indicative of results for the full year.

Equity Sponsor Exit: Prior to the second quarter of fiscal year 2024, the Company's largest equity holder was comprised of (i) American Industrial Partners Capital Fund IV, LP, (ii) American Industrial Partners Capital Fund IV (Parallel), LP and (iii) AIP/CHC Holdings, LLC, which the Company collectively refers to as "AIP" or "Sponsor".

During the second quarter of fiscal year 2024, the Company completed two underwritten public offerings (the "Offerings") in which shares of common stock previously held by AIP were sold. Upon completion of the second of the two Offerings, AIP ceased to beneficially own at least 15% of the Company's outstanding shares of common stock, in the aggregate. As a result, under the terms of the Amended and Restated Shareholders Agreement, dated as of February 1, 2017 (as amended), AIP no longer has significant influence over the Company, including control over decisions that require the approval of stockholders, and no longer has the right to nominate any directors to the board of directors of the Company. Each of the board members previously nominated by AIP resigned from the Board of Directors of the Company, effective upon the completion of the second of the two Offerings. AIP is no longer considered a sponsor or related party of the Company.

Related Party Transactions: During the three months ended July 31, 2024 and July 31, 2023, the Company did not incur expenses associated with its former Sponsor. During each of the nine months ended July 31, 2024 and July 31, 2023, the Company reimbursed expenses of its former Sponsor of \$0.2 million. These expenses are included in Selling, general and administrative expenses in the Company's Condensed Unaudited Consolidated Statements of Income and Comprehensive Income.

Reclassifications: Certain reclassifications have been made to the prior period financial statements to conform with the fiscal year 2024 presentation and improve comparability between periods. These reclassifications had no effect on the reported results of operations.

Recent Accounting Pronouncements

Accounting Pronouncement - Adopted

In September 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-04 "Liabilities-Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations". The amendments in this ASU require that a company that uses a supplier finance program in connection with the purchase of goods or services disclose sufficient information about the program to allow a user of financial statements to understand the program's nature, activity during the period, changes from period to period, and potential magnitude. ASU 2022-04 is effective for fiscal years beginning after December 15, 2022. We adopted ASU 2022-04 in the first quarter of fiscal year 2024 and have indicated the impact of ASU 2022-04 to our consolidated financial statements. Refer to Note 3, Supply Chain Finance Program, for further details.

Accounting Pronouncements - To Be Adopted

In November 2023, the FASB issued ASU 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures". The amendments in this ASU require public entities to disclose information about their reportable segments' significant expenses on an interim and annual basis. The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods beginning after December 15, 2024, with early adoption permitted. We expect to adopt ASU 2023-07 in fiscal year 2025 and are currently evaluating the impact of ASU 2023-07 on our consolidated financial statements.

Note 2. Revenue Recognition

Substantially all of the Company's revenue is recognized from contracts with customers with product shipment destinations in the United States and Canada. The Company accounts for a contract when it has approval and commitment from both parties, the rights and payment terms of the parties are identified, the contract has commercial substance and collectability of consideration is probable. The Company determines the transaction price for each contract at inception based on the consideration that it expects to receive for the goods and services promised under the contract. The transaction price excludes sales and usage-based taxes collected and certain "pass-through" amounts collected on behalf of third parties. The Company has elected to expense incremental costs to obtain a contract when the amortization period of the related asset is expected to be less than one year.

The Company's primary source of revenue is generated from the manufacture and sale of specialty and recreational vehicles through its direct sales force and dealer network. The Company also generates revenue through separate contracts that relate to the sale of aftermarket parts and services. Revenue is typically recognized at a point-in-time, when control is transferred, which generally occurs when the product has been shipped to the customer or when it has been picked-up from the Company's manufacturing facilities. Shipping and handling costs that occur after the transfer of control are fulfillment costs that are recorded in Cost of sales in the Condensed Unaudited Consolidated Statements of Income and Comprehensive Income when incurred or when the related product revenue is recognized, whichever is earlier. Periodically, certain customers may request bill and hold transactions according to the terms in the contract. In such cases, revenue is not recognized until after control has transferred which is generally when the customer has requested such transaction and has been notified that the product (i) has been completed according to customer specifications, (ii) has passed our quality control inspections, (iii) has been separated from our inventory and is ready for physical transfer to the customer, and (iv) the Company cannot use the product or redirect the product to another customer. Warranty obligations associated with the sale of a unit are assurance-type warranties that are a guarantee of the unit's intended functionality and, therefore, do not represent a distinct performance obligation within the context of the contract.

Contract Assets and Contract Liabilities

The Company is generally entitled to bill its customers upon satisfaction of its performance obligations, and payment is usually received shortly after billing. Payments for certain contracts are received in advance of satisfying the related performance obligations. Such payments are recorded as Customer advances in the Company's Condensed Unaudited Consolidated Balance Sheets. The Company reduces the customer advance balances when the Company transfers control of the promised good or service. During the three months ended July 31, 2024, and July 31, 2023, the Company recognized \$31.3 million and \$26.8 million, respectively, of revenue that was included in the customer advance balances of \$357.4 million and \$332.8 million as of October 31, 2023 and October 31, 2022, respectively. During the nine months ended July 31, 2024 and July 31, 2023, the Company recognized \$124.3 million and \$109.0 million, respectively, of revenue that was included in the customer advance balances of \$357.4 million and \$332.8 million as of October 31, 2023 and October 31, 2022, respectively. The Company's payment terms do not include a significant financing component outside of the Specialty Vehicles segment. Within the Specialty Vehicles segment, customers earn interest on customer advances at a rate determined at contract inception. The Company incurred interest charges on customer advances during the three months ended July 31, 2024 and July 31, 2023 of \$2.6 million and \$2.2 million, respectively. The Company incurred interest charges on customer advances during the nine months ended July 31, 2024, and July 31, 2023 of \$7.2 million and \$6.3 million, respectively. The interest charges were recorded in Interest expense in the Condensed Unaudited Consolidated Statements of Income and Comprehensive Income. The Company does not have significant contract assets.

Remaining Performance Obligations

As of July 31, 2024, the Company had unsatisfied performance obligations for non-cancelable contracts with an original duration greater than one year totaling \$3,058.9 million, of which \$1,078.0 million is expected to be satisfied and recognized in revenue in the next twelve months and \$1,980.9 million is expected to be satisfied and recognized in revenue thereafter.

Note 3. Supply Chain Finance Program

The Company has an unsecured agreement with a third-party financial institution to facilitate a supply chain finance ("SCF") program. The SCF program allows qualifying suppliers to sell their receivables due from the Company, on an invoice level at the selection of the supplier, to the financial institution and negotiate their outstanding receivable arrangements and associated fees directly with the financial institution. The Company is not party to the agreements between the supplier and the financial institution. The supplier invoices that have been confirmed as valid under the program require payment in full by the Company within 120 days of the invoice date.

All outstanding amounts related to suppliers participating in the SCF program are confirmed with the third-party financial institution and are recorded in Accounts payable in the Condensed Unaudited Consolidated Balance Sheets. The Company's outstanding obligation under the SCF program as of July 31, 2024 and October 31, 2023 was \$10.9 million and \$13.1 million, respectively.

Note 4. Inventories

Inventories consisted of the following:

	July 31, 2024	October 31, 2023
Chassis	\$ 111.5	\$ 122.2
Raw materials & parts	213.8	224.3
Work in process	242.2	274.1
Finished products	75.7	46.8
	643.2	667.4
Less: reserves	(10.9)	(9.7)
Total inventories, net	\$ 632.3	\$ 657.7

Note 5. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	July 31, 2024	October 31, 2023
Land & land improvements	\$ 20.9	\$ 19.2
Buildings & improvements	107.0	111.7
Machinery & equipment	105.9	107.2
Computer hardware & software	67.9	65.0
Office furniture & fixtures	6.2	5.5
Construction in process	6.5	16.4
	314.4	325.0
Less: accumulated depreciation	(167.2)	(165.5)
Total property, plant and equipment, net	\$ 147.2	\$ 159.5

Depreciation expense was \$5.9 million and \$5.7 million for the three months ended July 31, 2024 and July 31, 2023, respectively, and \$17.7 million and \$16.7 million for the nine months ended July 31, 2024 and July 31, 2023, respectively. In connection with the discontinuation of manufacturing operations at the Company's ElDorado National (California) ("ENC") facility, the Company recorded impairment charges of property, plant, and equipment of \$4.4 million for the nine months ended July 31, 2024, which were based on Level 3 inputs as defined by Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*. Refer to Note 8, Restructuring and Other Related Charges, for further details.

Note 6. Goodwill and Intangible Assets

The table below represents goodwill by segment:

	July 31, 2024	October 31, 2023
Specialty Vehicles	\$ 95.2	\$ 114.8
Recreational Vehicles	42.5	42.5
Total goodwill	\$ 137.7	\$ 157.3

The change in the net carrying value of goodwill consisted of the following:

	Nine Months Ended July 31,	
	2024	2023
Balance at beginning of period	\$ 157.3	\$ 157.3
Divestitures (Note 7)	(19.6)	—
Balance at end of period	\$ 137.7	\$ 157.3

Intangible assets (excluding goodwill) consisted of the following:

	Gross	July 31, 2024	Accumulated Amortization	Net
Finite-lived Customer Relationships	\$ 23.3	\$ (16.8)	\$ 6.5	
Indefinite-lived trade names	89.4	—	89.4	
Total intangible assets, net	\$ 112.7	\$ (16.8)	\$ 95.9	
	October 31, 2023			
	Gross	Accumulated Amortization	Net	
Finite-lived Customer Relationships	\$ 43.7	\$ (35.4)	\$ 8.3	
Indefinite-lived trade names	107.4	—	107.4	
Total intangible assets, net	\$ 151.1	\$ (35.4)	\$ 115.7	

The change in the net carrying value of indefinite-lived trade names consisted of the following:

	Nine Months Ended	July 31,	
	2024	2023	
Balance at beginning of period	\$ 107.4	\$ 107.4	
Impairment charges	(9.1)	—	
Divestiture (Note 7)	(8.9)	—	
Balance at end of period	\$ 89.4	\$ 107.4	

Amortization expense was \$0.5 million and \$0.6 million for the three months ended July 31, 2024 and July 31, 2023, respectively, and \$1.7 million and \$3.0 million for the nine months ended July 31, 2024 and July 31, 2023, respectively. Estimated future amortization expense of finite-lived intangible assets for the remainder of fiscal year 2024 and each of the five fiscal years succeeding October 31, 2024 is as follows: 2024 (remaining three months) - \$0.5 million; 2025 - \$1.7 million; 2026 - \$1.2 million; 2027 - \$1.2 million; 2028 - \$1.2 million; 2029 - \$0.6 million, at which point all finite-lived intangible assets will be fully amortized. As of July 31, 2024, fully amortized intangible assets and the related accumulated amortization were written off.

In connection with the discontinuation of manufacturing operations at the Company's ENC facility, the Company recorded an impairment charge of an indefinite-lived trade name of \$7.2 million for the nine months ended July 31, 2024. Refer to Note 8, Restructuring and Other Related Charges, for further details related to this discontinuation. Additionally, during the quarter ended July 31, 2024, the Company recorded a \$1.9 million impairment charge of an indefinite-lived trade name included within the Recreational Vehicles segment, which was due to lower than expected operating results at a specific business unit. These impairments were based on Level 3 inputs, as defined by ASC 820, *Fair Value Measurements*.

Note 7. Divestiture Activities

On January 26, 2024, the Company entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") by and among the Company, Collins Industries, Inc. ("Collins Industries") an indirect wholly-owned subsidiary of the Company, Collins Bus Corporation, a wholly-owned subsidiary of Collins Industries ("Collins"), Forest River, Inc. and Forest River Bus, LLC (the "Buyer"), pursuant to which Collins Industries agreed to sell all of the issued and outstanding shares of capital stock of Collins to the Buyer. The sale is aimed at optimizing the Company's portfolio of products and to create a more focused operating structure aligned with markets where the Company has a strong presence of industry leading brands. The transactions under the Stock Purchase Agreement closed on January 26, 2024.

In connection with the completion of the sale of Collins, the Company initially received cash consideration of \$308.2 million, inclusive of certain preliminary working capital adjustments, and recorded a gain on sale of \$257.5 million. During the three months ended July 31, 2024, the Company received additional cash consideration of \$1.4 million related to the final working capital adjustments and recorded additional gain on sale of \$1.4 million. The gain on sale is included in the Company's Condensed Unaudited Consolidated Statements of Income and Comprehensive Income for the three and nine months ended July 31, 2024. The Company incurred \$5.0 million of transaction costs in connection with this sale, which are included in the Selling, general and administrative expense in the Company's Condensed Unaudited Consolidated Statements of Income and Comprehensive Income for the nine months ended July 31, 2024. Collins was previously reported as part of the Specialty Vehicles segment.

On April 30, 2024, in connection with a strategic review of the product portfolio, the Company entered into an agreement to sell certain assets of the Fire Regional Technical Center ("Fire RTC") business. In connection with the sale, the Company recorded a gain of \$1.5 million, which is included in the Company's Condensed Unaudited Consolidated Statements of Income and Comprehensive Income for the nine months ended July 31, 2024. The remaining assets and liabilities of the Fire RTC business are included within the Specialty Vehicles segment.

Note 8. Restructuring and Other Related Charges

On January 29, 2024, the Company announced that it would discontinue manufacturing operations at the Company's ENC facility in Riverside, California. Management believes the discontinuation of manufacturing at ENC will create a more focused portfolio that provides opportunities for growth, consistent cash generation and improved margin performance. ENC is included within the Specialty Vehicles segment.

The Company has and will incur certain restructuring and other related charges in connection with the decision to discontinue manufacturing at the ENC facility. For the three and nine months ended July 31, 2024, the Company recorded restructuring charges of \$4.7 million and \$9.2 million, respectively, primarily related to severance and retention costs, and contract cancellation costs. The Company expects to incur additional restructuring charges of \$0.5 to \$1.5 million associated with employee severance and other termination benefits. For the three months ended July 31, 2024 the Company incurred restructuring related charges from this activity of \$1.7 million consisting of inventory charges. For the nine months ended July 31, 2024 the Company incurred restructuring related charges from this activity consisting of \$11.6 million of impairment charges related to intangible assets and property, plant, and equipment, \$7.5 million of inventory charges, and \$0.3 million of other costs. The Company currently expects to incur additional restructuring and related charges associated with contract terminations, inventory liquidation, and other costs; however, such costs are not known at this time. The Company currently expects the charges resulting from this restructuring will be incurred during fiscal year 2024.

Changes in the Company's restructuring reserves related to the discontinuation of manufacturing at ENC during fiscal year 2024 were as follows:

	Employee Severance and Termination Benefits	Contract Termination and Other Costs	Total
Balance at beginning of the period	\$ —	\$ —	\$ —
Restructuring provision	6.6	2.6	9.2
Utilized - cash	(1.6)	(1.0)	(2.6)
Balance at end of the period	<u>\$ 5.0</u>	<u>\$ 1.6</u>	<u>\$ 6.6</u>

Note 9. Long-Term Debt

The Company was obligated under the following debt instrument:

	July 31, 2024	October 31, 2023
ABL facility	\$ 215.0	\$ 150.0

ABL Facility

On April 13, 2021, the Company entered into a \$550.0 million revolving credit agreement (the "2021 ABL Facility" or "2021 ABL Agreement") with a syndicate of lenders. The 2021 ABL Facility provides for revolving loans and letters of credit in an aggregate amount of up to \$550.0 million. The total credit facility is subject to a \$30.0 million sublimit for swing line loans and a \$35.0 million sublimit for letters of credit (plus up to an additional \$20.0 million of letters of credit at issuing bank's discretion), along with certain borrowing base and other customary restrictions as defined in the 2021 ABL Agreement. The 2021 ABL Agreement allows for incremental facilities in an aggregate amount of up to \$100.0 million, plus the excess, if any, of the borrowing base then in effect over total commitments then in effect. Any such incremental facilities are subject to receiving additional commitments from lenders and certain other customary conditions. The debt issuance costs capitalized in connection with the 2021 ABL Facility less accumulated amortization are included in Other long-term assets in the Company's Condensed Unaudited Consolidated Balance Sheets. The debt issuance costs are amortized over the life of the debt on a straight-line basis. The 2021 ABL Facility matures on April 13, 2026. The Company may prepay principal, in whole or in part, at any time without penalty.

The following table summarizes the gross borrowing and gross payments under the Company's 2021 ABL Facility:

	Nine Months Ended July 31,	
	2024	2023
Gross borrowings	\$ 815.0	\$ 479.0
Gross payments	750.0	530.0
Total net borrowings	\$ 65.0	\$ (51.0)

On November 1, 2022, the Company amended the 2021 ABL Facility to transition from the Eurodollar based benchmark rates to the Secured Overnight Financing Rate ("SOFR"). The transition from the Eurodollar rate to SOFR did not have a material impact on the Company's results of operations.

On February 7, 2024, the Company entered into Amendment No. 2 (the "ABL Facility Amendment") to the 2021 ABL Facility. The ABL Facility Amendment revised the definition of fixed charges under the 2021 ABL Facility to exclude a special cash dividend, which was declared in the first quarter of fiscal year 2024 and paid in the second quarter of fiscal year 2024.

All revolving loans under the 2021 ABL Facility, as amended, bear interest at rates equal to, at the Company's option, either a base rate plus an applicable margin, or a SOFR rate plus an applicable margin and credit spread adjustment of 0.10% for all interest periods. As of July 31, 2024, the interest rate margins are 1.0% for all base rate loans and 2.0% for all SOFR rate loans (with the SOFR rate having a floor of 0.0%), subject to adjustment based on the Company's fixed charge coverage ratio in accordance with the 2021 ABL Agreement. Interest is payable quarterly for all base rate loans and is payable on the last day of any interest period or every three months for all SOFR rate loans. The weighted-average interest rate on borrowings outstanding under the 2021 ABL Facility was 7.44% as of July 31, 2024. The weighted-average interest rate on borrowings outstanding under the 2021 ABL Facility was 6.93% as of October 31, 2023.

The lenders under the 2021 ABL Facility have a first priority security interest in substantially all personal property assets and certain real property assets of the Company. The 2021 ABL Facility's borrowing base is comprised of eligible receivables and eligible inventory, plus a fixed asset sublimit of certain eligible real property and eligible equipment, which fixed asset sublimit reduces by quarterly amortization as specified in the 2021 ABL Agreement.

The 2021 ABL Agreement contains customary representations and warranties, affirmative and negative covenants, subject in certain cases to customary limitations, exceptions and exclusions. The 2021 ABL Agreement also contains certain customary events of default. The occurrence of an event of default under the 2021 ABL Agreement could result in the termination of the commitments under the ABL Facility and the acceleration of all outstanding borrowings under it. The 2021 ABL Agreement requires the Company to maintain a minimum fixed charge coverage ratio of 1.10 to 1.00 during certain compliance periods as specified in the 2021 ABL Agreement.

The Company was in compliance with all financial covenants under the 2021 ABL Agreement as of July 31, 2024. As of July 31, 2024, the Company's availability under the 2021 ABL Facility was \$261.8 million. As of October 31, 2023, the Company's availability under the 2021 ABL Facility was \$384.1 million.

The fair value of the 2021 ABL Facility approximated the book value on July 31, 2024 and October 31, 2023.

Note 10. Warranties

The Company's products generally carry explicit warranties that extend from several months to several years, based on terms that are generally accepted in the marketplace. Selected components (such as engines, transmissions, tires, etc.) included in the Company's end products may include warranties from original equipment manufacturers ("OEM"). These OEM warranties are passed on to the end customer of the Company's products, and the customer deals directly with the applicable OEM for any issues encountered on those components.

Changes in the Company's warranty liability consisted of the following:

	Nine Months Ended July 31,	
	2024	2023
Balance at beginning of period	\$ 39.1	\$ 31.9
Warranty provisions	30.3	26.3
Settlements made	(30.0)	(23.0)
Divestiture (Note 7)	(1.1)	—
Balance at end of period	\$ 38.3	\$ 35.2

Accrued warranty is classified in the Company's condensed unaudited consolidated balance sheets as follows:

	July 31, 2024	October 31, 2023
Current liabilities	\$ 15.7	\$ 23.4
Other long-term liabilities	22.6	15.7
Total warranty liability	\$ 38.3	\$ 39.1

Note 11. Earnings Per Share

Basic earnings per common share ("EPS") is computed by dividing net income or loss by the weighted average number of common shares outstanding, which excludes shares of issued but unvested restricted stock awards. Diluted EPS is computed by dividing net income, if applicable, by the weighted-average number of common shares outstanding assuming dilution. The difference between basic EPS and diluted EPS is the result of the dilutive effect of unvested performance stock units, restricted stock units, and restricted stock awards. The reconciliation of basic weighted-average shares outstanding to diluted weighted-average shares outstanding was as follows:

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2024	2023	2024	2023
Basic weighted-average common shares outstanding	51,514,327	58,730,037	54,571,246	58,588,712
Dilutive stock options	—	1,931	—	2,076
Dilutive restricted stock awards	236,614	307,098	233,134	306,639
Dilutive restricted stock units	385,557	116,151	359,497	143,923
Diluted weighted-average common shares outstanding	52,136,498	59,155,217	55,163,877	59,041,350

The table below represents shares excluded from the calculation of diluted weighted-average shares outstanding because they would have been anti-dilutive:

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2024	2023	2024	2023
Anti-dilutive shares	—	233,394	6,416	241,457

Note 12. Income Taxes

For interim financial reporting, the Company estimates its annual effective tax rate based on the projected income for its entire fiscal year and records a provision or benefit for income taxes on a quarterly basis based on the estimated annual effective income tax rate, adjusted for any discrete tax items.

The Company recorded income tax expense of \$4.4 million for the three months ended July 31, 2024, or 19.6% of pre-tax income, compared to \$3.5 million of expense, or 19.0% of pre-tax income, for the three months ended July 31, 2023. Income tax expense for the three months ended July 31, 2024 and July 31, 2023 was favorably impacted by net discrete tax benefits of \$0.9 and \$1.1 million, respectively, primarily related to a federal provision-to-return adjustment.

The Company recorded income tax expense of \$68.5 million for the nine months ended July 31, 2024, or 24.1% of pre-tax income, compared to \$4.2 million of expense, or 21.2% of pretax income, for the nine months ended July 31, 2023. Income tax expense for the nine months ended July 31, 2024 was unfavorably impacted by \$61.3 million of net discrete tax expense, primarily related to gain on sale of Collins. Income tax expense for the nine months ended July 31, 2023 was favorably impacted by \$1.0 million of net discrete tax benefit, primarily related to a federal provision-to-return adjustment.

The Company periodically evaluates its valuation allowance requirements as facts and circumstances change and may adjust its deferred tax asset valuation allowances accordingly. It is reasonably possible that the Company will either add to or reverse a portion of its existing deferred tax asset valuation allowances in the future. Such changes in the deferred tax asset valuation allowances will be reflected in the current operations through the Company's effective income tax rate.

The Company's liability for unrecognized tax benefits, including interest and penalties, was \$3.3 million as of July 31, 2024 and \$5.6 million as of October 31, 2023. The unrecognized tax benefits are presented in Other long-term liabilities in the Company's Condensed Unaudited Consolidated Balance Sheets as of July 31, 2024. The Company recognizes accrued interest and penalties related to unrecognized tax benefits in the provision for income taxes in its Condensed Unaudited Consolidated Statements of Income and Comprehensive Income.

The Company regularly assesses the likelihood of an adverse outcome resulting from examinations to determine the adequacy of its tax reserves. As of July 31, 2024, the Company believes that it is more likely than not that the tax positions it has taken will be sustained upon the resolution of its audits resulting in no material impact on its consolidated financial position and the results of operations and cash flows. However, the final determination with respect to any tax audits, and any related litigation, could be materially different from the Company's estimates and/or from its historical income tax provisions and income tax liabilities and could have a material effect on operating results and/or cash flows in the periods for which that determination is made. In addition, future period earnings may be adversely impacted by litigation costs, settlements, penalties, and/or interest assessments related to income tax examinations.

Note 13. Commitments and Contingencies

The Company is, from time to time, party to various legal proceedings, including product and general liability claims, arising out of the ordinary course of business. Assessments of legal proceedings can involve complex judgments about future events that may rely on estimates and assumptions. When assessing whether to record a liability related to legal proceedings, the Company adheres to the requirements of ASC 450, *Contingencies*, and other applicable guidance as necessary, and records liabilities in those instances where it can reasonably estimate the amount of the loss and when the loss is probable. When a range exists that is reasonably estimable and the loss is probable, the Company records an accrual in its financial statements equal to the most likely estimate of the loss, or the low end of the range, if there is no one best estimate. Additionally, these claims are generally covered by third-party insurance, which for some insurance policies are subject to a retention for which the Company is responsible.

Market Risks: The Company is contingently liable under bid, performance and specialty bonds issued by the Company's surety company and has open standby letters of credit issued by the Company's banks in favor of third parties as follows:

	July 31, 2024	October 31, 2023
Performance, bid and specialty bonds	\$ 648.8	\$ 603.2
Open standby letters of credit	14.7	15.9
Total	\$ 663.5	\$ 619.1

Chassis Contingent Liabilities: The Company obtains certain vehicle chassis from automobile manufacturers under converter pool agreements. These agreements generally provide that the manufacturer will supply chassis at the Company's various production facilities under the terms and conditions set forth in the agreement. The manufacturer does not transfer the certificate of origin to the Company upon delivery. Accordingly, the chassis are not owned by the Company when delivered, and therefore, are excluded from the Company's inventory. Upon being put into production, the Company owns the inventory and becomes obligated to pay the manufacturer for the chassis. Chassis are typically placed into production within 90 to 120 days of delivery to the Company. If the chassis are not placed into production within this timeframe, the Company generally purchases the chassis and records inventory, or the Company is obligated to begin paying an interest charge on this inventory until purchased. Such agreements are customary in the industries in which the Company operates and the Company's exposure to loss under such agreements is limited by the value of the vehicle chassis that would be resold to mitigate any losses. The Company's maximum contingent liability under such agreements was \$19.4 million and \$8.8 million as of July 31, 2024 and October 31, 2023, respectively.

From time to time, the Company's customers may provide their own vehicle chassis, at their sole discretion, in connection with specific vehicle orders. These vehicle chassis are stored at the Company's various production facilities until the related value-added work is completed and the finished unit is shipped back to the customer. The customer does not transfer the vehicle chassis certificate of origin to the Company. Accordingly, such chassis are not owned by the Company when delivered or throughout the production process, and are, therefore, excluded from the Company's inventory. The Company's maximum contingent liability related to these vehicle chassis was \$38.4 million and \$25.9 million as of July 31, 2024 and October 31, 2023, respectively. Losses incurred related to these arrangements have not been significant.

Repurchase Commitments: The Company has repurchase agreements with certain lending institutions. The repurchase commitments are on an individual unit basis with a term from the date it is financed by the lending institution through payment date by the dealer or other customer, generally not exceeding two years. The Company also repurchases inventory from dealers from time to time due to state law or regulatory requirements that require manufacturers to repurchase inventory if a dealership exits the business. The Company's maximum contingent liability under such agreements was \$381.0 million and \$490.1 million as of July 31, 2024, and October 31, 2023, respectively, which represents the gross value of all vehicles under repurchase agreements. Such agreements are customary in the industries in which the Company operates and the Company's exposure to loss under such agreements is limited by the resale value of the units which are required to be repurchased. Losses incurred under such arrangements have not been significant. The reserve for losses included in other liabilities on contracts outstanding as of July 31, 2024 and October 31, 2023 are immaterial.

Guarantee Arrangements: The Company is party to multiple agreements whereby it guaranteed an aggregate of \$22.9 million and \$27.2 million at July 31, 2024 and October 31, 2023, respectively, of indebtedness of others, including losses under loss pool agreements. The Company estimated that its maximum loss exposure under these contracts was \$4.0 million and \$5.4 million as of July 31, 2024 and October 31, 2023, respectively. Under the terms of these and various related agreements and upon the occurrence of certain events, the Company generally has the ability to, among other things, take possession of the underlying collateral. The guarantee arrangements are on an individual contract basis with a term from the date it is financed by the lending institution through payment date by the customer, generally not exceeding five years. While the Company does not expect to experience losses under these agreements that are materially in excess of the amounts reserved, it cannot provide any assurance that the financial condition of the third parties will not deteriorate resulting in the third party's inability to meet their obligations. Additionally, the Company cannot guarantee that the collateral underlying the agreements will be available or sufficient to avoid losses materially in excess of the amount reserved. The reserve for losses included in other liabilities on these guarantee arrangements as of July 31, 2024 and October 31, 2023 are immaterial.

Other Matters:

Krystal Bus: In January 2023, the Company agreed, in principle, to settle a claim brought by a plaintiff who was injured as a passenger in an accident involving a shuttle bus that was manufactured by Krystal Bus prior to the Company's acquisition of certain assets related to that business. The Company did not admit to any liability on the merits of the claim, but deemed a settlement to be in its best interest based on the facts and circumstances of the claim, as they developed in the first quarter of fiscal year 2023. As a result, the Company recorded a loss of \$11.5 million in the first quarter of fiscal year 2023. The Company was also involved in additional lawsuits filed by plaintiffs who were passengers on the shuttle bus that was in the same accident. During the nine months ended July 31, 2023 the Company recorded an additional loss of \$2.2 million, based on a range of possible outcomes and the nature of their injuries. The losses associated with these claims are included within Selling, general and administrative expenses in the Company's Condensed Unaudited Consolidated Statements of Income and Comprehensive Income for the nine months ended July 31, 2023. Payments related to these settlements were subsequently made and there is no remaining liability associated with these cases. The Company is in the process of seeking reimbursement of the settlement payments; however, no loss recovery asset has been recorded as of July 31, 2024.

Note 14. Business Segment Information

During the first fiscal quarter of 2024, the Company formed the Specialty Vehicles Segment by combining the Fire & Emergency and Commercial segment businesses. Additionally, the Recreation segment was renamed Recreational Vehicles. As a result, the Company is now organized into two reportable segments, which is aligned with the chief operating decision maker's internal reporting structure and with the chief operating decision maker's process for making operating decisions, allocating capital and measuring performance. All segment information has been recast to conform to the new reportable segments. The Company's segments are as follows:

Specialty Vehicles: This segment includes Emergency One ("E-ONE"), Kovatch Mobile Equipment ("KME"), Ferrara, Spartan Emergency Response ("Spartan ER"), American Emergency Vehicles ("AEV"), Leader Emergency Vehicles ("Leader"), Horton Emergency Vehicles ("Horton"), REV Group Orlando, ENC, Capacity and LayMor. These businesses manufacture, market and distribute commercial and custom fire and emergency vehicles primarily for fire departments, airports, other governmental units, contractors, hospitals and other care providers in the United States and other countries, municipal transit buses primarily used for public transportation, trucks used in terminal type operations, i.e., rail yards, warehouses, rail terminals and shipping terminals/ports, and industrial sweepers for both the commercial and rental markets.

Recreational Vehicles: This segment includes REV Recreation Group, Renegade, Midwest, Lance and Goldshield Fiberglass, Inc., and their respective manufacturing facilities, service and parts divisions. REV Recreation Group primarily manufactures, markets and distributes Class A RVs in both gas and diesel models, and also distributes Class B and Class C RVs. Renegade primarily manufactures, markets and distributes Class C and "Super C" RVs. Midwest manufactures, markets and distributes Class B RVs and luxury vans. Lance manufactures, markets and distributes truck campers and towable campers. Goldshield manufactures, markets and distributes fiberglass reinforced molded parts to a diverse cross section of original equipment manufacturers and other commercial and industrial customers, including various components for REV Recreation Group's Fleetwood family of brands.

For purposes of measuring financial performance of its business segments, the Company does not allocate to individual business segments costs or items that are of a corporate nature. The caption "Corporate, Other & Elims" includes corporate expenses, results of insignificant operations, intersegment eliminations and income and expense not allocated to reportable segments.

Total assets of the business segments exclude general corporate assets, which principally consist of cash and cash equivalents, certain property, plant and equipment and certain other assets pertaining to corporate and other centralized activities.

Intersegment sales generally include amounts invoiced by a segment for work performed for another segment. Amounts are based on actual work performed and agreed-upon pricing which is intended to be reflective of the contribution made by the supplying business segment. All intersegment transactions have been eliminated in consolidation.

Selected financial information of the Company's segments is as follows:

	Specialty Vehicles	Recreational Vehicles	Corporate, Other & Elims	Consolidated
Net sales	\$ 432.1	\$ 147.4	\$ (0.1)	\$ 579.4
Depreciation and amortization	\$ 4.1	\$ 1.8	\$ 0.5	\$ 6.4
Capital expenditures	\$ 3.7	\$ 1.7	\$ 0.5	\$ 5.9
Total assets	\$ 868.2	\$ 388.7	\$ 77.8	\$ 1,334.7
Adjusted EBITDA	\$ 44.3	\$ 9.4	\$ (8.5)	

	Specialty Vehicles	Recreational Vehicles	Corporate, Other & Elims	Consolidated
Net sales	\$ 466.2	\$ 214.5	\$ (0.7)	\$ 680.0
Depreciation and amortization	\$ 4.0	\$ 1.7	\$ 0.6	\$ 6.3
Capital expenditures	\$ 6.1	\$ 1.4	\$ 1.6	\$ 9.1
Total assets	\$ 963.0	\$ 365.5	\$ 51.0	\$ 1,379.5
Adjusted EBITDA	\$ 29.7	\$ 18.4	\$ (8.7)	

	Specialty Vehicles	Recreational Vehicles	Corporate, Other & Elims	Consolidated
Net sales	\$ 1,286.7	\$ 496.5	\$ (0.9)	\$ 1,782.3
Depreciation and amortization	\$ 12.8	\$ 5.0	\$ 1.6	\$ 19.4
Capital expenditures	\$ 11.4	\$ 8.2	\$ 2.7	\$ 22.3
Total assets	\$ 868.2	\$ 388.7	\$ 77.8	\$ 1,334.7
Adjusted EBITDA	\$ 104.3	\$ 33.1	\$ (24.2)	

	Specialty Vehicles	Recreational Vehicles	Corporate, Other & Elims	Consolidated
Net sales	\$ 1,249.2	\$ 697.1	\$ (1.6)	\$ 1,944.7
Depreciation and amortization	\$ 11.7	\$ 6.3	\$ 1.7	\$ 19.7
Capital expenditures	\$ 12.7	\$ 4.5	\$ 2.5	\$ 19.7
Total assets	\$ 963.0	\$ 365.5	\$ 51.0	\$ 1,379.5
Adjusted EBITDA	\$ 55.2	\$ 71.9	\$ (24.5)	

In considering the financial performance of the business, the chief operating decision maker analyzes the primary financial performance measure of Adjusted EBITDA. Adjusted EBITDA is defined as net income or loss for the relevant period before depreciation and amortization, interest expense, and income taxes, as adjusted for items management believes are not indicative of the Company's ongoing operating performance. Adjusted EBITDA is not a measure defined by U.S. GAAP but is computed using amounts that are determined in accordance with U.S. GAAP. A reconciliation of this performance measure to net income is included below.

The Company believes Adjusted EBITDA is useful to investors and used by management for measuring profitability because the measure excludes the impact of certain items which management believes have less bearing on the Company's core operating performance, and allows for a more meaningful comparison of operating fundamentals between companies within its industries by eliminating the impact of capital structure and taxation differences between the companies. Additionally, Adjusted EBITDA is used by management to measure and report the Company's financial performance to the Company's Board of Directors, assists in providing a meaningful analysis of the Company's operating performance and is used as a measurement in incentive compensation for management.

Provided below is a reconciliation of segment Adjusted EBITDA to Net income:

	Three Months Ended July 31,		Nine Months Ended July 31,		2023
	2024	2023	2024	2023	
Specialty Vehicles Adjusted EBITDA	\$ 44.3	\$ 29.7	\$ 104.3	\$ 55.2	
Recreational Vehicles Adjusted EBITDA	9.4	18.4	33.1	71.9	
Corporate and Other Adjusted EBITDA	(8.5)	(8.7)	(24.2)	(24.5)	
Depreciation and amortization	(6.4)	(6.3)	(19.4)	(19.7)	
Interest expense, net	(7.6)	(7.3)	(21.0)	(21.9)	
Provision for income taxes	(4.4)	(3.5)	(68.5)	(4.2)	
Transaction expenses	—	(0.1)	(6.4)	(0.5)	
Sponsor expense reimbursement	—	—	(0.2)	(0.2)	
Restructuring	(4.7)	—	(9.2)	—	
Restructuring related charges	(1.7)	(1.9)	(7.8)	(10.5)	
Impairment charges	(1.9)	—	(14.5)	—	
Stock-based compensation expense	(1.9)	(3.5)	(7.8)	(11.0)	
Legal matters	—	(1.1)	(2.9)	(16.6)	
Gain (Loss) on sale of business	1.4	—	260.4	(1.1)	
Other items	—	(0.8)	—	(1.3)	
Net income	<u>\$ 18.0</u>	<u>\$ 14.9</u>	<u>\$ 215.9</u>	<u>\$ 15.6</u>	

Note 15. Shareholders' Equity

On June 1, 2023, the Company's Board of Directors approved a new share repurchase program that allowed the repurchase of up to \$175.0 million of the Company's outstanding common stock ("The 2023 Repurchase Program"). The 2023 Repurchase Program replaced the previous repurchase program. The 2023 Repurchase Program expires 24 months after the approval date and gives management flexibility to determine conditions under which the shares may be purchased, subject to certain limitations. During the three months ended July 31, 2024, the Company did not repurchase any shares. During the nine months ended July 31, 2024 the Company repurchased and retired 8,000,000 shares under this repurchase program at a total cost of \$126.1 million and at a price of approximately \$15.76 per share. The Company incurred approximately \$3.6 million in additional fees and excise taxes associated with the repurchase which has been included within the total cost of the share repurchase and recorded directly within equity. During the three and nine months ended July 31, 2023, the Company did not repurchase any shares.

For the three months ended July 31, 2024, the Company paid cash dividends of \$3.1 million. For the nine months ended July 31, 2024, the Company paid cash dividends of \$188.6 million, which included a special cash dividend of \$178.1 million.

Note 16. Subsequent Events

On August 29, 2024, the Company's Board of Directors declared a quarterly cash dividend in the amount of \$0.05 per share of common stock, which equates to a rate of \$0.20 per share of common stock on an annualized basis, payable on October 11, 2024 to shareholders of record on September 27, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This management's discussion and analysis should be read in conjunction with the Condensed Unaudited Consolidated Financial Statements contained in this Form 10-Q as well as the Management's Discussion and Analysis and Risk Factors and audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K filed on December 13, 2023.

Overview

REV Group companies are leading designers, manufacturers and distributors of specialty vehicles and related aftermarket parts and services. We serve a diversified customer base, primarily in the United States, through two segments: Specialty Vehicles and Recreational Vehicles. We provide customized vehicle solutions for applications, including essential needs for public services (ambulances, fire apparatus, and transit buses), commercial infrastructure (terminal trucks and industrial sweepers) and consumer leisure (recreational vehicles). Our diverse portfolio is made up of well-established principal vehicle brands, including many of the most recognizable names within their industry. Several of our brands pioneered their specialty vehicle product categories and date back more than 50 years.

Segments

We serve a diversified customer base primarily in the United States and Canada through the following segments:

Specialty Vehicles – The Specialty Vehicles segment includes E-ONE, KME, Ferrara, Spartan ER, AEV, Horton, Leader, REV Group Orlando, ENC, Capacity, and LayMor. These businesses manufacture, market and distribute commercial and custom fire and emergency vehicles primarily for fire departments, airports, other governmental units, contractors, hospitals and other care providers in the United States and other countries, municipal transit buses primarily used for public transportation, trucks used in terminal type operations, i.e., rail yards, warehouses, rail terminals and shipping terminals/ports and industrial sweepers for both the commercial and rental markets.

Recreational Vehicles – Our Recreational Vehicles segment serves the RV market through the following principal brands: American Coach, Fleetwood RV, Holiday Rambler, Renegade RV, Midwest Automotive Designs and Lance Camper. We believe our brand portfolio contains some of the longest standing, most recognized brands in the RV industry. Under these brands, REV provides a variety of highly recognized motorized and towable RV models such as: American Eagle, Bounder, Discovery LXE, Renegade Verona, Renegade XL, among others. Our products in the Recreational Vehicles segment include Class A motorized RVs (motorhomes built on a heavy-duty chassis with either diesel or gas engine configurations), Class C and "Super C" motorized RVs (motorhomes built on a van or commercial truck chassis), Class B RVs (motorhomes built out within a van chassis and high-end luxury van conversions), and towable travel trailers and truck campers. The Recreational Vehicles segment also includes Goldshield Fiberglass, which produces a wide range of custom molded fiberglass products for the Fleetwood family of brands, RV, and broader industrial markets.

Factors Affecting Our Performance

The primary factors affecting our results of operations include:

General Economic Conditions

Our business is impacted by the U.S. economic environment, employment levels, consumer confidence, municipal spending, municipal tax receipts, changes in interest rates and stability in securities markets around the world, among other factors. In particular, changes in the U.S. economic climate can impact demand in key end markets. In addition, we are susceptible to supply chain disruptions resulting from the impact of tariffs and global macro-economic factors which can have a dramatic effect, either directly or indirectly, on the availability, lead-times and costs associated with raw materials and parts.

RV purchases are discretionary in nature and therefore sensitive to the cost and availability of financing, consumer confidence, unemployment levels, levels of disposable income and changing levels of consumer home equity, among other factors. RV markets are affected by general U.S. and global economic conditions, which create risks that future economic downturns will reduce consumer demand and negatively impact our sales.

While less economically sensitive than the Recreational Vehicles segment, the Specialty Vehicles segment is also impacted by the overall economic environment. For example, local tax revenues are an important source of funding for fire and emergency response departments, and these products are typically a larger cost item for municipalities and their service life is relatively long, making the purchase more deferrable, which can result in reduced demand for our products. Volatility in tax revenues or availability of funds via budgetary appropriation can have a negative impact on the demand for these products.

Seasonality

In a typical year, our operating results are impacted by seasonality. Historically, the slowest sales volume quarter has been the first fiscal quarter when the purchasing seasons for vehicles, such as RVs, are the lowest due to the colder weather and the relatively long time until the summer vacation season. Our first fiscal quarter also has less working days to complete and ship units due to the number of holidays and related vacation taken by employees. Sales of our products have typically been higher in the second, third and fourth fiscal quarters (with the fourth fiscal quarter typically being the strongest) due to better weather, the vacation season, buying habits of RV dealers and end-users, and timing of government/municipal customer fiscal years. Our quarterly results of operations, cash flows, and liquidity are likely to be impacted by these seasonal patterns. Sales and earnings for other vehicles that we produce, such as essential emergency vehicles, are less seasonal, but fluctuations in sales of these vehicles can also be impacted by timing surrounding the fiscal years of municipalities and commercial customers, as well as the timing and amounts of multi-unit orders.

Impact of Acquisitions and Divestitures

We actively evaluate opportunities to improve and expand our business through targeted acquisitions that are consistent with our strategy. We also may dispose of certain components of our business that no longer fit within our overall strategy. Historically, a significant component of our growth has been through acquisitions of businesses. We typically incur upfront costs as we integrate acquired businesses and implement our operating philosophy at newly acquired companies, including consolidation of supplies and materials purchases, improvements to production processes, and other restructuring initiatives. The benefits of these integration efforts and divestiture activities may not positively impact our financial results until subsequent periods, if at all.

In the first quarter of fiscal year 2024, we sold Collins, and in the second quarter of fiscal year 2024 we sold certain assets of Fire RTC. Refer to Note 7, Divestiture Activities, of the Notes to the Condensed Unaudited Consolidated Financial Statements for further details.

Results of Operations

(\$ in millions)	Three Months Ended July 31,		Nine Months Ended July 31,	
	2024	2023	2024	2023
Net sales	\$ 579.4	\$ 680.0	\$ 1,782.3	\$ 1,944.7
Gross profit	78.3	80.2	218.5	220.6
Selling, general and administrative	42.6	53.9	148.1	174.1
Restructuring	4.7	—	9.2	—
Impairment charges	1.9	—	14.5	—
(Gain) Loss on sale of business	(1.4)	—	(260.4)	1.1
Provision for income taxes	4.4	3.5	68.5	4.2
Net income	18.0	14.9	215.9	15.6
 Net income per common share:				
Basic	\$ 0.35	\$ 0.25	\$ 3.96	\$ 0.27
Diluted	0.35	0.25	3.91	0.26
Dividends declared per common share	0.05	0.05	3.15	0.15
Adjusted EBITDA	\$ 45.2	\$ 39.4	\$ 113.2	\$ 102.6
Adjusted Net Income	24.8	20.9	60.4	48.8

Net Sales (\$ in millions)	Three Months Ended July 31,			Nine Months Ended July 31,		
	2024	Change	2023	2024	Change	2023
Net sales	\$ 579.4	-14.8 %	\$ 680.0	\$ 1,782.3	-8.4 %	\$ 1,944.7

Net Sales: Consolidated net sales decreased \$100.6 million for the three months ended July 31, 2024 compared to the prior year quarter. Excluding the impact of Collins, which was divested on January 26, 2024, net sales decreased \$54.7 million, or 8.6% compared to the prior year quarter. The decrease in net sales, excluding the impact of Collins, is primarily due to lower net sales in the Recreational Vehicles segment, partially offset by higher net sales within the Specialty Vehicles segment. The decrease within the Recreational Vehicles segment was primarily due to lower unit shipments and increased discounting. The increase within the Specialty Vehicles segment, excluding the impact of the Collins divestiture, was primarily due to price realization and increased shipments of fire apparatus, ambulance units, and municipal transit buses, partially offset by lower shipments of terminal trucks.

Consolidated net sales decreased \$162.4 million for the nine months ended July 31, 2024 compared to the prior year period. Excluding the impact of the Collins divestiture, net sales decreased \$69.6 million, or 3.8%, for the nine months ended July 31, 2024 compared to the prior year period. The decrease in net sales, excluding the impact of Collins, is primarily due to lower net sales in the Recreational Vehicles segment, partially offset by higher net sales within the Specialty Vehicles segment. The decrease within the Recreational Vehicles segment was primarily due to lower unit shipments and increased discounting. The increase within the Specialty Vehicles segment, excluding the impact of the Collins divestiture, was primarily due to price realization and increased shipments of fire apparatus and ambulance units, partially offset by lower shipments of terminal trucks.

Gross Profit (\$ in millions)	Three Months Ended July 31,			Nine Months Ended July 31,		
	2024	Change	2023	2024	Change	2023
Gross profit	\$ 78.3	-2.4 %	\$ 80.2	\$ 218.5	-1.0 %	\$ 220.6
% of net sales	13.5 %		11.8 %	12.3 %		11.3 %

Gross Profit: Consolidated gross profit decreased \$1.9 million for the three months ended July 31, 2024 compared to the prior year quarter. Excluding the impact of the Collins divestiture, gross profit increased \$8.6 million, or 12.3% compared to the prior year quarter. The increase in gross profit, excluding the impact of Collins, was primarily attributable to higher net sales and gross margin in the Specialty Vehicles segment, partially offset by lower net sales and gross margin within the Recreational Vehicles segment.

Consolidated gross profit decreased \$2.1 million for the nine months ended July 31, 2024 compared to the prior year period. Excluding the impact of the Collins divestiture, gross profit increased \$20.1 million, or 10.1%, for the nine months ended July 31, 2024 compared to the prior year period. The increase in gross profit, excluding the impact of Collins, was primarily attributable to higher net sales and gross margin in the Specialty Vehicles segment, partially offset by lower net sales and gross margin within the Recreational Vehicles segment.

Selling, General and Administrative (\$ in millions)	Three Months Ended July 31,			Nine Months Ended July 31,		
	2024	Change	2023	2024	Change	2023
Selling, general and administrative	\$ 42.6	-21.0 %	\$ 53.9	\$ 148.1	-14.9 %	\$ 174.1

Selling, General and Administrative: Consolidated selling, general and administrative ("SG&A") costs decreased \$11.3 million for the three months ended July 31, 2024 compared to the prior year quarter. The decrease in SG&A costs for the three months ended July 31, 2024 was primarily due to lower personnel and share-based compensation costs and SG&A attributable to Collins.

Consolidated SG&A costs decreased \$26.0 million for the nine months ended July 31, 2024 compared to the prior year period. The decrease in SG&A costs for the nine months ended July 31, 2024 was primarily due to a decrease in legal costs associated with the legal case described in Note 13, Commitments and Contingencies of the Notes to the Condensed Unaudited Consolidated Financial Statements, lower personnel and share-based compensation costs, and a decrease in SG&A attributable to Collins, partially offset by higher transaction expenses related to divestiture and capital market transactions.

Restructuring (\$ in millions)	Three Months Ended July 31,			Nine Months Ended July 31,		
	2024	Change	2023	2024	Change	2023
Restructuring	\$ 4.7	100.0 %	\$ —	\$ 9.2	100.0 %	\$ —

Restructuring: Consolidated restructuring costs were \$4.7 million for the three months ended July 31, 2024 and \$9.2 million for the nine months ended July 31, 2024. These restructuring costs were due to costs associated with the discontinuation of manufacturing operations at the Company's ENC facility, as announced in the first quarter of fiscal year 2024.

Impairment Charges (in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Impairment charges	\$ 1.9	100.0%	\$ —	\$ 14.5	100.0%	\$ —

Impairment Charges: Consolidated impairment charges were \$1.9 million for the three months ended July 31, 2024 and \$14.5 million for the nine months ended July 31, 2024. The impairment charges for the three months ended July 31, 2024 were related to the impairment of an indefinite-lived trade name included within the Recreational Vehicles segment. The impairment charges for the nine months ended July 31, 2024 were primarily related to the impairment of an indefinite-lived trade name and certain property, plant, and equipment due to the discontinuation of manufacturing operations at the Company's ENC facility, as announced in the first quarter of fiscal year 2024.

(Gain) Loss on sale of business (\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
(Gain) Loss on sale of business	\$ (1.4)	100.0%	\$ —	\$ (260.4)	N/M	\$ 1.1

(Gain) Loss on Sale of Business: Consolidated gain on sale of business was \$1.4 million for the three months ended July 31, 2024. The gain on sale of business was due to the final working capital adjustment related to the sale of Collins.

Consolidated gain on sale of business was \$260.4 million for the nine months ended July 31, 2024. The gain on sale of business was due to the sale of the Collins and Fire RTC businesses which occurred in the first half of fiscal year 2024. The loss on sale of business was due to the sale of non-core businesses within the Specialty Vehicles segment in the second quarter of fiscal year 2023.

Provision for income taxes (\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Provision for income taxes	\$ 4.4	25.7%	\$ 3.5	\$ 68.5	N/M	\$ 4.2

Income Taxes: Consolidated income tax expense was \$4.4 million for the three months ended July 31, 2024, or 19.6% of pre-tax income, compared to \$3.5 million of expense, or 19.0% of pre-tax income, for the three months ended July 31, 2023. Income tax expense for the three months ended July 31, 2024 and July 31, 2023 was favorably impacted by net discrete tax benefits of \$0.9 and \$1.1 million, respectively, primarily related to a federal provision-to-return adjustment.

Consolidated income tax expense was \$68.5 million for the nine months ended July 31, 2024, or 24.1% of pre-tax income, compared to \$4.2 million of expense, or 21.2% of pretax income, for the nine months ended July 31, 2023. Income tax expense for the nine months ended July 31, 2024 was unfavorably impacted by \$61.3 million of net discrete tax expense, primarily related to gain on sale of Collins. Income tax expense for the nine months ended July 31, 2023 was favorably impacted by \$1.0 million of net discrete tax benefit primarily related to a federal provision-to-return adjustment.

Net income (\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Net income	\$ 18.0	20.8%	\$ 14.9	\$ 215.9	N/M	\$ 15.6

Net income: Consolidated net income increased \$3.1 million for the three months ended July 31, 2024 compared to the prior year quarter primarily due to the factors detailed above.

Consolidated net income increased \$200.3 million for the nine months ended July 31, 2024 compared to the prior year period primarily due to the factors detailed above.

Adjusted EBITDA (\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Adjusted EBITDA	\$ 45.2	14.7%	\$ 39.4	\$ 113.2	10.3%	\$ 102.6

Consolidated Adjusted EBITDA increased \$5.8 million for the three months ended July 31, 2024 compared to the prior year quarter. Excluding the impact of the Collins divestiture, Adjusted EBITDA increased \$15.0 million, or 49.7% compared to the prior year quarter. The increase was primarily due to the higher contribution from the Specialty Vehicles segment, partially offset by lower results in the Recreational Vehicles segment.

Consolidated Adjusted EBITDA increased \$10.6 million for the nine months ended July 31, 2024 compared to the prior year period. Excluding the impact of the Collins divestiture, Adjusted EBITDA increased \$30.0 million, or 36.1%, for the nine months ended July 31, 2024 compared to the prior year period. The increase is primarily due to an increase in Adjusted EBITDA in the Specialty Vehicles segment, partially offset by a decrease in Adjusted EBITDA in the Recreational Vehicles segment.

Adjusted Net Income (\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Adjusted Net Income	\$ 24.8	18.7%	\$ 20.9	\$ 60.4	23.8%	\$ 48.8

Consolidated Adjusted Net Income increased \$3.9 million for the three months ended July 31, 2024 compared to the prior year quarter, primarily due to an increase in Adjusted Net Income in the Specialty Vehicles segment, partially offset by a decrease in Adjusted Net Income in the Recreational Vehicles segment.

Consolidated Adjusted Net Income increased \$11.6 million for the nine months ended July 31, 2024 compared to the prior year period, primarily due to an increase in Adjusted Net Income in the Specialty Vehicles segment, partially offset by a decrease in Adjusted Net Income in the Recreational Vehicles segment.

Refer to Adjusted EBITDA and Adjusted Net Income section of "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Quarterly Report on Form 10-Q for a reconciliation of Net income to Adjusted EBITDA and Adjusted Net Income.

Specialty Vehicles Segment

(\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Net sales	\$ 432.1	-7.3%	\$ 466.2	\$ 1,286.7	3.0%	\$ 1,249.2
Adjusted EBITDA	44.3	49.2%	29.7	104.3	88.9%	55.2
Adjusted EBITDA % of net sales	10.3%		6.4%		8.1%	
						4.4%

Specialty Vehicles segment net sales decreased \$34.1 million for the three months ended July 31, 2024 compared to the prior year quarter. Excluding the impact of the Collins divestiture, net sales increased \$11.8 million, or 2.8% compared to the prior year quarter. The increase in net sales was primarily due to price realization and increased shipments of fire apparatus, ambulance units, and municipal transit buses, partially offset by lower shipments of terminal trucks.

Specialty Vehicles segment net sales increased \$37.5 million for the nine months ended July 31, 2024 compared to the prior year period. Excluding the impact of the Collins divestiture, net sales increased \$130.3 million, or 11.3%, for the nine months ended July 31, 2024 compared to the prior year period. The increase in net sales was primarily due to price realization and increased shipments of fire apparatus and ambulance units, partially offset by lower shipments of terminal trucks.

Specialty Vehicles segment Adjusted EBITDA increased \$14.6 million for the three months ended July 31, 2024 compared to the prior year quarter. Excluding the impact of the Collins divestiture, Adjusted EBITDA increased \$23.8 million, or 116.1% compared to the prior year quarter. The increase was primarily related to price realization, higher sales volume of fire apparatus, ambulance units, and improved performance in the municipal transit bus business, partially offset by lower sales volume of terminal trucks.

Specialty Vehicles segment Adjusted EBITDA increased \$49.1 million for the nine months ended July 31, 2024 compared to the prior year period. Excluding the impact of the Collins divestiture, Adjusted EBITDA increased \$68.5 million, or 191.3%, for the nine months ended July 31, 2024 compared to the prior year period. The increase was primarily related to price realization and increased shipments of fire apparatus and ambulance units, partially offset by inflationary pressures and lower shipments of terminal trucks.

Recreational Vehicles segment

(\$ in millions)	Three Months Ended July 31, Change			Nine Months Ended July 31, Change		
	2024	2023	2024	2023		
Net sales	\$ 147.4	-31.3%	\$ 214.5	\$ 496.5	-28.8%	\$ 697.1
Adjusted EBITDA	9.4	-48.9%	18.4	33.1	-54.0%	71.9
Adjusted EBITDA % of net sales	6.4%		8.6%		6.7%	
						10.3%

Recreational Vehicles segment net sales decreased \$67.1 million for the three months ended July 31, 2024 compared to the prior year quarter. The decrease was primarily due to decreased unit shipments and increased discounting.

Recreational Vehicles segment net sales decreased \$200.6 million for the nine months ended July 31, 2024 compared to the prior year period. The decrease was primarily due to decreased unit shipments and increased discounting.

Recreational Vehicles segment Adjusted EBITDA decreased \$9.0 million for the three months ended July 31, 2024 compared to the prior year quarter. The decrease was primarily due to lower unit shipments, increased discounting, and inflationary pressures, partially offset by cost reduction actions.

Recreational Vehicles segment Adjusted EBITDA decreased \$38.8 million for the nine months ended July 31, 2024 compared to the prior year period. The decrease was primarily due to lower unit shipments, increased discounting, and inflationary pressures, partially offset by cost reduction actions.

Backlog

Backlog represents orders received from dealers or directly from end customers. The following table presents a summary of our backlog by segment:

(\$ in millions)	July 31, 2024	April 30, 2024	January 31, 2024	July 31, 2023
Specialty Vehicles	\$ 4,114.4	\$ 4,064.4	\$ 3,864.1	\$ 3,728.2
Recreational Vehicles	240.3	274.7	376.7	408.6
Total Backlog	\$ 4,354.7	\$ 4,339.1	\$ 4,240.8	\$ 4,136.8

Orders from our dealers and end customers are evidenced by a contract or firm purchase order or, in the case of the Recreational Vehicles segment, a reserved production slot. These orders are reported in our backlog at the aggregate selling prices, net of discounts or allowances. Orders included in the Recreational Vehicles segment backlog generally can be cancelled or postponed at the option of the dealer at any time without penalty. As a result, backlog in this segment may not necessarily be an accurate measure of future sales.

As of July 31, 2024, our backlog was \$4,354.7 million compared to \$4,136.8 million as of July 31, 2023, including \$257.1 million related to Collins. Excluding the impact of the Collins divestiture, backlog increased \$475.0 million compared to the prior year quarter. The increase in consolidated backlog was due to an increase within the Specialty Vehicles segment, partially offset by a decrease within the Recreational Vehicles segment. The increase in Specialty Vehicles segment backlog was primarily the result of continued demand and strong order intake for fire apparatus and ambulance units, along with pricing actions, partially offset by a decrease in backlog related to the wind down of municipal transit operations, increased unit shipments, and lower order intake for terminal truck units. The decrease in Recreational Vehicles segment backlog was primarily the result of lower order intake in certain product categories, unit shipments against backlog, and order cancelations.

Liquidity and Capital Resources

General

Our primary requirements for liquidity and capital are working capital, the improvement and expansion of existing manufacturing facilities, debt service payments and general corporate needs. Historically, these cash requirements have been met through cash provided by operating activities and borrowings under our ABL credit facility.

We believe that our sources of liquidity and capital will be sufficient to finance our continued operations and growth strategy. However, we cannot assure that cash provided by operating activities and borrowings under the current revolving credit facility will be sufficient to meet our future needs. If we are unable to generate sufficient cash flows from operations in the future, and if availability under the 2021 ABL Facility is not sufficient due to the size of our borrowing base or other external factors, we may have to obtain additional financing. If additional capital is obtained by issuing equity, the interests of our existing stockholders will be diluted. If we incur additional indebtedness, that indebtedness may contain financial and other covenants that may significantly restrict our operations or may involve higher overall interest rates. We cannot assure that we will be able to obtain refinancing or additional financing on favorable terms or at all.

Cash Flow

The following table shows summary cash flows for the nine months ended July 31, 2024 and July 31, 2023:

(\$ in millions)	Nine Months Ended July 31,	
	2024	2023
Net cash (used in) provided by operating activities	\$ (15.2)	\$ 73.4
Net cash provided by (used in) investing activities	301.8	(18.0)
Net cash used in financing activities	(257.4)	(64.8)
Net increase (decrease) in cash and cash equivalents	\$ 29.2	\$ (9.4)

Net Cash (Used in) Provided by Operating Activities

Net cash used in operating activities for the nine months ended July 31, 2024 was \$15.2 million and was primarily related to the income tax payments associated with the sale of Collins and lower receipts of customer advances, partially offset by higher collections of accounts receivable. Net cash provided by operating activities for the nine months ended July 31, 2023 was \$73.4 million and was primarily related to higher receipts of customer advances, timing of accounts payable payments, and net income recognized during the period, partially offset by an increase in inventories and the payment of a legal settlement.

Net Cash Provided by (Used in) Investing Activities

Net cash provided by investing activities for the nine months ended July 31, 2024 was \$301.8 million and was related to the cash received in connection with the sale of Collins and Fire RTC, partially offset by cash paid for capital expenditures. Net cash used in investing activities for the nine months ended July 31, 2023 was \$18.0 million and was primarily related to the cash paid for capital expenditures, partially offset by cash received in connection with the sales of certain assets, the sale of a business within the Specialty Vehicles segment and proceeds from the sale of a Company investment.

Net Cash Used in Financing Activities

Net cash used in financing activities for the nine months ended July 31, 2024 was \$257.4 million, which primarily consisted of share repurchases of \$126.1 million and dividends paid of \$188.6 million, partially offset by net proceeds from our 2021 ABL Facility of \$65.0 million. Net cash used in financing activities for the nine months ended July 31, 2023 was \$64.8 million, which primarily consisted of payments made on the revolving credit facility of \$51.0 million, dividends paid of \$9.1 million, and payment of payroll taxes on vested share-based compensation awards of \$4.7 million.

Dividends

Subject to legally available funds and the discretion of our board of directors, we expect to pay a quarterly cash dividend at the rate of \$0.05 per share on our common stock. For the three months ended July 31, 2024, we paid cash dividends of \$3.1 million. For the nine months ended July 31, 2024, we paid cash dividends of \$188.6 million, which included a special cash dividend of \$178.1 million.

Our dividend policy has certain risks and limitations, particularly with respect to liquidity, and we may not pay dividends according to our policy, or at all. We cannot assure that we will declare dividends or have sufficient funds to pay dividends on our common stock in the future.

Share Repurchases

During the three months ended July 31, 2024, the Company did not repurchase any shares. During the nine months ended July 31, 2024 the Company repurchased and retired 8,000,000 shares under the 2023 Share Repurchase Program at a cost of \$126.1 million and at a price of approximately \$15.76 per share, excluding fees and excise taxes.

ABL Facility

On April 13, 2021, the Company entered into the 2021 ABL Facility, a \$550.0 million revolving credit agreement, with a syndicate of lenders. The 2021 ABL Facility provides for revolving loans and letters of credit in an aggregate amount of up to \$550.0 million. The total credit facility is subject to a \$30.0 million sublimit for swing line loans and a \$35.0 million sublimit for letters of credit (plus up to an additional \$20.0 million of letters of credit at the issuing bank's discretion), along with certain borrowing base and other customary restrictions as defined in the 2021 ABL Agreement. The 2021 ABL Agreement allows for incremental facilities in an aggregate amount of up to \$100.0 million, plus the excess, if any, of the borrowing base then in effect over total commitments then in effect. Any such incremental facilities are subject to receiving additional commitments from lenders and certain other customary conditions. The ABL Facility matures on April 13, 2026. We may prepay principal, in whole or in part, at any time without penalty.

On November 1, 2022, the Company amended the ABL Facility to transition from the Eurodollar based benchmark rates to the Secured Overnight Financing Rate ("SOFR"). The transition from the Eurodollar rate to SOFR did not have a material impact on the Company's results of operations. On February 7, 2024, the Company entered into an Amendment No. 2 (the "ABL Facility Amendment") to the 2021 ABL Facility. The ABL Facility Amendment revised the definition of fixed charges under the 2021 ABL Facility to exclude a special cash dividend, which was declared in the first quarter of fiscal year 2024 and paid in the second quarter of fiscal year 2024.

We were in compliance with all financial covenants under the ABL Agreement as of July 31, 2024. As of July 31, 2024, the Company's availability under the ABL Facility was \$261.8 million.

Refer to Note 9, Long-Term Debt, of the Notes to the Condensed Unaudited Consolidated Financial Statements for further details.

Adjusted EBITDA and Adjusted Net Income

In considering the financial performance of the business, management analyzes the primary financial performance measures of Adjusted EBITDA and Adjusted Net Income. Adjusted EBITDA is defined as net income or net loss for the relevant period before depreciation and amortization, interest expense, income taxes, and other items described below that we believe are not indicative of our ongoing operating performance. Adjusted Net Income is defined as net income or net loss, as adjusted for certain items described below that we believe are not indicative of our ongoing operating performance.

We believe Adjusted EBITDA and Adjusted Net Income are useful to investors because these performance measures are used by our management and the Company's Board of Directors for measuring and reporting the Company's financial performance and as a measurement in incentive compensation for management. These measures exclude the impact of certain items which we believe have less bearing on our core operating performance because they are items that are not needed or available to the Company's managers in the daily activities of their businesses. We believe that the core operations of our business are those which can be affected by our management in a particular period through their resource allocation decisions that affect the underlying performance of our operations conducted during that period. We also believe that decisions utilizing Adjusted EBITDA and Adjusted Net Income allow for a more meaningful comparison of operating fundamentals between companies within our markets by eliminating the impact of capital structure and taxation differences between the companies.

To determine Adjusted EBITDA, we adjust net income or net loss for the following items: non-cash depreciation and amortization, interest expense, income taxes and other items as described below. Stock-based compensation expense and sponsor expense reimbursement are excluded from both Adjusted Net Income and Adjusted EBITDA because they represent expenses which cannot be impacted by our business managers. Stock-based compensation expense also reflects a cost which may obscure trends in our underlying vehicle businesses for a given period, due to the timing and nature of the equity awards. We also adjust for exceptional items, which are determined to be those that in management's judgment are not indicative of our ongoing operating performance and need to be disclosed by virtue of their size, nature or incidence, and include non-cash items and items settled in cash. In determining whether an event or transaction is exceptional, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

Adjusted EBITDA and Adjusted Net Income have limitations as analytical tools. They are not presentations made in accordance with U.S. GAAP, are not measures of financial condition and should not be considered as an alternative to net income or net loss for the period determined in accordance with U.S. GAAP. The most directly comparable U.S. GAAP measure to Adjusted EBITDA and Adjusted Net Income is net income or net loss for the relevant period. Adjusted EBITDA and Adjusted Net Income are not necessarily comparable to similarly titled measures used by other companies. As a result, this performance measure should not be considered in isolation from, or as a substitute analysis for, our results of operations as determined in accordance with U.S. GAAP. Moreover, such measures do not reflect:

- our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- changes in, or cash requirements for, our working capital needs;
- the cash requirements necessary to service interest or principal payments on our debt;
- the cash requirements to pay our taxes.

The following table reconciles Net income to Adjusted EBITDA for the periods presented:

(\$ in millions)	Three Months Ended July 31,		Nine Months Ended July 31,		2024	2023
	2024	2023	2024	2023		
Net income	\$ 18.0	\$ 14.9	\$ 215.9	\$ 15.6		
Depreciation and amortization	6.4	6.3	19.4	19.7		
Interest expense, net	7.6	7.3	21.0	21.9		
Provision for income taxes	4.4	3.5	68.5	4.2		
EBITDA	36.4	32.0	324.8	61.4		
Transaction expenses(a)	—	0.1	6.4	0.5		
Sponsor expense reimbursement(b)	—	—	0.2	0.2		
Restructuring (c)	4.7	—	9.2	—		
Restructuring related charges(d)	1.7	1.9	7.8	10.5		
Impairment charges(e)	1.9	—	14.5	—		
Stock-based compensation expense(f)	1.9	3.5	7.8	11.0		
Legal matters(g)	—	1.1	2.9	16.6		
(Gain) Loss on sale of business(h)	(1.4)	—	(260.4)	1.1		
Other items (i)	—	0.8	—	1.3		
Adjusted EBITDA	\$ 45.2	\$ 39.4	\$ 113.2	\$ 102.6		

The following table reconciles Net income to Adjusted Net Income for the periods presented:

(\$ in millions)	Three Months Ended July 31,		Nine Months Ended July 31,		2024	2023
	2024	2023	2024	2023		
Net income	\$ 18.0	\$ 14.9	\$ 215.9	\$ 15.6		
Amortization of intangible assets	0.5	0.6	1.7	3.0		
Transaction expenses(a)	—	0.1	6.4	0.5		
Sponsor expense reimbursement(b)	—	—	0.2	0.2		
Restructuring (c)	4.7	—	9.2	—		
Restructuring related charges(d)	1.7	1.9	7.8	10.5		
Impairment charges(e)	1.9	—	14.5	—		
Stock-based compensation expense(f)	1.9	3.5	7.8	11.0		
Legal matters(g)	—	1.1	2.9	16.6		
(Gain) Loss on sale of business(h)	(1.4)	—	(260.4)	1.1		
Other items(i)	—	0.8	—	1.3		
Income tax effect of adjustments(j)	(2.5)	(2.0)	54.4	(11.0)		
Adjusted Net Income	\$ 24.8	\$ 20.9	\$ 60.4	\$ 48.8		

(a)Reflects costs incurred in connection with business acquisitions, dispositions, and capital market transactions. Transaction expenses for the nine months ended July 31, 2024 include costs incurred in connection with the Offerings and expenses that were incurred in connection with the sale of Collins and Fire RTC, which consist primarily of success bonuses and legal and accounting expenses.

(b)Reflects the reimbursement of expenses to our former Sponsor.

(c)Reflects restructuring costs incurred in connection with the discontinuation of manufacturing operations at the Company's ENC facility.

(d)Reflects costs that are directly attributable to restructuring activities that do not meet the definition of, or qualify as, restructuring costs under ASC 420, *Exit or Disposal Cost Obligations*. Restructuring related charges for the three and nine months ended July 31, 2024, which consist primarily of inventory charges, were incurred in connection with the discontinuation of manufacturing operations at the Company's ENC facility. Restructuring related charges for the three and nine months ended July 31, 2023, primarily consist of costs associated with a reduction in force impacting corporate employees and production inefficiencies related to the transition of KME branded fire apparatus production to other facilities within the Specialty Vehicles segment.

(e)The impairment charges for the three months ended July 31, 2024 were related to the impairment of an indefinite-lived trade name included within the Recreational Vehicles segment. The impairment charges for the nine months ended July 31, 2024 were primarily related to the impairment of an indefinite-lived trade name and certain property, plant, and equipment due to the discontinuation of manufacturing operations at the Company's ENC facility.

(f)Reflects expenses associated with the vesting of equity awards, including employer payroll taxes, net of forfeitures.

(g)Reflects costs incurred to litigate and settle legal claims which are outside the normal course of business.

(h)Gain on sale of business for the three months ended July 31, 2024 reflects the final working capital adjustment related to the sale of Collins. Gain on sale of business for the nine months ended July 31, 2024 reflects the pre-tax gain recognized in connection with the sale of Collins and Fire RTC. Loss on sale of business for the three and nine months ended July 31, 2023 reflects the pre-tax loss recognized in connection with the sale of non-core businesses within the Specialty Vehicles segment.

(i)Reflects a loss on the sale of a Company investment.

(j)Income tax effect of adjustments using estimated tax rates.

Off-Balance Sheet Arrangements

We have not created, and are not party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business. We do not have any off-balance sheet arrangements or relationships with entities that are not consolidated into or disclosed in our consolidated financial statements that have, or are reasonably likely to have, a material current or future effect on our financial condition, revenues, expenses, results of operations, liquidity, capital expenditures and capital resources. In addition, we do not engage in trading activities involving non-exchange traded contracts. Refer to Note 13, Commitments and Contingencies, of the Notes to Condensed Unaudited Consolidated Financial Statements for additional discussion.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates, assumptions and judgments that affect amounts reported in the consolidated financial statements and accompanying notes. Our disclosures of critical accounting policies are reported in our Annual Report on Form 10-K for the fiscal year ended October 31, 2023.

Recent Accounting Pronouncements

Refer to Note 1 of the Notes to Condensed Unaudited Consolidated Financial Statements for a discussion of the impact on our financial statements of new accounting standards.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no material changes in our exposure to interest rate risk, foreign exchange risk and commodity price risk from the information provided in our Annual Report on Form 10-K filed on December 13, 2023.

Item 4. Controls and Procedures.

We maintain "disclosure controls and procedures", as such term is defined under Exchange Act Rule 13a-15(e), that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, our 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 our management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have carried out an evaluation, as of the end of the period covered by this report, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of July 31, 2024.

During the quarter ended July 31, 2024, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION**Item 1. Legal Proceedings**

For a description of our legal proceedings, refer to Note 13, Commitments and Contingencies, of the Notes to Condensed Unaudited Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Information about our risk factors is disclosed in "Item 1A. Risk Factors", in our Annual Report on Form 10-K. There have been no material changes in our risk factors from those disclosed in the Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds*Common stock repurchases*

There were no purchases of common stock made by the Company during the third quarter of fiscal year 2024.

Dividend Policy

Subject to legally available funds and the discretion of our board of directors, we may or may not pay a quarterly cash dividend in the future on our common stock. During the third quarter of fiscal year 2024, the Company paid cash dividends of \$3.1 million. Our ability to pay dividends is dependent on our 2021 ABL Facility and board of directors approval. See our Annual Report on Form 10-K on "Item 1A. Risk Factors—Risks Related to Legal, Regulatory and Compliance Matters—We cannot assure that we will continue to declare dividends or have sufficient funds to pay dividends on our common stock."

Item 6. Exhibits.

Exhibit Number	Description
31.1*	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (formatted in iXBRL and contained within Exhibit 101)

* Filed herewith.

SIGNATURES

Pursuant to the requirements 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.

REV GROUP, INC.

Date: September 4, 2024

By: */s/* **Mark A. Skonieczny**
Mark A. Skonieczny
President and Chief Executive Officer
(Principal Executive Officer)

Date: September 4, 2024

By: */s/* **Amy A. Campbell**
Amy A. Campbell
Chief Financial Officer
(Principal Financial Officer)

Date: September 4, 2024

By: */s/* **Joseph F. LaDue**
Joseph F. LaDue
Chief Accounting Officer
(Principal Accounting Officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14 AND 15d-14, AS ADOPTED PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT OF 2002

I, Mark A. Skonieczny, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of REV Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer 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 the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 4, 2024

By: /s/ Mark A. Skonieczny
Mark A. Skonieczny
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14 AND 15d-14, AS ADOPTED PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT OF 2002

I, Amy A. Campbell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of REV Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer 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 the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 4, 2024

By: /s/ Amy A. Campbell

Amy A. Campbell
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

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

In connection with the Quarterly Report of REV Group, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 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.

A signed original of this written statement has been provided to REV Group, Inc. and will be retained by REV Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: September 4, 2024

By: /s/ Mark A. Skonieczny
Mark A. Skonieczny
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

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

In connection with the Quarterly Report of REV Group, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 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.

A signed original of this written statement has been provided to REV Group, Inc. and will be retained by REV Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: September 4, 2024

By:

/s/ Amy A. Campbell

Amy A. Campbell

Chief Financial Officer

(Principal Financial Officer)
