
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 **June 30, 2024**

or

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

For the transition period from _____ to _____

Commission File Number: **001-38424**

Lazydays Holdings, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

82-4183498

(State or Other Jurisdiction of
Incorporation or Organization)

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

4042 Park Oaks Blvd, Tampa, Florida

33610

(Address of Principal Executive Offices)

(Zip Code)

813-246-4999

(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock	GORV	Nasdaq Capital Market

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

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

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

There were 14,166,046 shares of common stock, par value \$0.0001, issued and outstanding as of August 14, 2024.

Lazydays Holdings, Inc.
Form 10-Q for the Quarter Ended June 30, 2024
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Part I – FINANCIAL INFORMATION

Item 1. Financial Statements

LAZYSAYS HOLDINGS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED) (In thousands except for share and per share data)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash	\$ 42,022	\$ 58,085
Receivables, net of allowance for doubtful accounts of \$479 and \$479	28,806	22,694
Inventories	314,382	456,087
Income tax receivable	6,675	7,416
Prepaid expenses and other	4,907	2,614
Total current assets	396,792	546,896
Property and equipment, net of accumulated depreciation of \$1,624 and \$46,098	272,297	265,726
Operating lease right-of-use assets	23,629	26,377
Intangible assets, net	76,477	80,546
Other assets	3,173	2,750
Deferred income tax asset	—	15,444
Total assets	\$ 772,368	\$ 937,739
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 17,064	\$ 15,144
Accrued expenses and other current liabilities	35,568	29,160
Floor plan notes payable, net of debt discount	330,967	446,783
Financing liability, current portion	2,588	2,473
Revolving line of credit, current portion	44,500	—
Long-term debt, current portion, net of debt discount	28,489	741
Related party debt, current portion, net of debt discount	42,749	400
Operating lease liability, current portion	4,625	5,276
Total current liabilities	506,550	499,977
Long-term liabilities:		
Financing liability, non-current portion, net of debt discount	91,509	91,401
Revolving line of credit, non-current portion	—	49,500
Long term debt, non-current portion, net of debt discount	—	28,075
Related party debt, non-current portion, net of debt discount	—	33,354
Operating lease liability, non-current portion	19,928	22,242
Deferred income tax liability	931	—
Warrant liabilities	5,244	—
Total liabilities	624,162	724,549
Commitments and contingencies - see Note 10		
Series A Convertible Preferred Stock; 600,000 shares, designated, issued, and outstanding; liquidation preference of \$60,000	60,208	56,193
Stockholders' Equity		
Preferred stock, \$0.0001 par value; 5,000,000 shares authorized	—	—
Common stock, \$0.0001 par value; 100,000,000 shares authorized; 17,578,268 and 17,477,019 shares issued and 14,166,046 and 14,064,797 shares outstanding	—	—
Additional paid-in capital	165,174	165,988
Treasury stock, at cost, 3,412,222 and 3,412,222 shares	(57,128)	(57,128)
Retained earnings	(20,048)	48,137
Total stockholders' equity	87,998	156,997
Total liabilities and stockholders' equity	\$ 772,368	\$ 937,739

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYPAY HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(In thousands except for share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues				
New vehicle retail	\$ 143,333	\$ 182,752	\$ 296,024	\$ 359,499
Pre-owned vehicle retail	60,908	90,991	140,484	175,766
Vehicle wholesale	3,268	1,716	9,517	3,424
Finance and insurance	16,041	17,742	34,370	34,623
Service, body and parts and other	15,144	15,179	28,885	30,724
Total revenues	238,694	308,380	509,280	604,036
Cost applicable to revenues				
New vehicle retail	130,138	158,144	277,193	311,475
Pre-owned vehicle retail	49,446	72,425	119,645	139,953
Vehicle wholesale	3,597	1,685	12,057	3,406
Finance and insurance	644	810	1,337	1,503
Service, body and parts and other	7,150	7,517	13,437	14,698
LIFO	315	76	441	1,387
Total cost applicable to revenues	191,290	240,657	424,110	472,422
Gross profit	47,404	67,723	85,170	131,614
Depreciation and amortization	4,956	4,459	10,417	8,862
Selling, general, and administrative expenses	50,966	50,480	99,852	104,012
(Loss) income from operations	(8,518)	12,784	(25,099)	18,740
Other income (expense):				
Floor plan interest expense	(5,708)	(5,835)	(13,384)	(11,366)
Other interest expense	(5,837)	(2,083)	(10,360)	(3,783)
Change in fair value of warrant liabilities	(337)	—	(337)	856
Total other expense, net	(11,882)	(7,918)	(24,081)	(14,293)
(Loss) income before income taxes	(20,400)	4,866	(49,180)	4,447
Income tax expense	(23,821)	(1,306)	(17,021)	(1,163)
Net (loss) income	(44,221)	3,560	(66,201)	3,284
Dividends on Series A Convertible Preferred Stock	(2,031)	(1,196)	(4,015)	(2,380)
Net (loss) income and comprehensive (loss) income attributable to common stock and participating securities	<u>\$ (46,252)</u>	<u>\$ 2,364</u>	<u>\$ (70,216)</u>	<u>\$ 904</u>
(Loss) income per share:				
Basic	\$ (3.22)	\$ 0.12	\$ (4.89)	\$ 0.05
Diluted	\$ (3.22)	\$ 0.12	\$ (4.89)	\$ —
Weighted average shares used for EPS calculations:				
Basic	14,374,897	14,181,659	14,371,787	13,066,607
Diluted	14,374,897	14,292,064	14,371,787	13,188,135

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(In thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance as of December 31, 2023	17,477	\$ —	3,412	\$ (57,128)	\$ 165,988	\$ 48,137	\$ 156,997
Stock-based compensation	—	—	—	—	509	—	509
Repurchase of treasury stock	—	—	—	—	—	—	—
Issuance of vested restricted stock units, net of shares withheld for taxes	8	—	—	—	—	—	—
Dividends on Series A preferred stock	—	—	—	—	—	(1,984)	(1,984)
Net loss	—	—	—	—	—	(21,980)	(21,980)
Balance as of March 31, 2024	17,485	—	3,412	(57,128)	166,497	24,173	133,542
Stock-based compensation	—	—	—	—	595	—	595
Repurchase of treasury stock	—	—	—	—	—	—	—
Issuance of vested restricted stock units, net of shares withheld for taxes	56	—	—	—	—	—	—
Shares issued pursuant to the Employee Stock Purchase Plan	37	—	—	—	113	—	113
Dividends on Series A preferred stock	—	—	—	—	(2,031)	—	(2,031)
Net loss	—	—	—	—	—	(44,221)	(44,221)
Balance as of June 30, 2024	17,578	\$ —	3,412	\$ (57,128)	\$ 165,174	\$ (20,048)	\$ 87,998

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(In thousands)

	Common Stock		Treasury Stock		Additional	Retained	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Earnings	Stockholders' Equity
Balance as of December 31, 2022	14,515	\$ —	3,403	\$ (57,019)	\$ 130,828	\$ 163,203	\$ 237,012
Stock-based compensation	—	—	—	—	797	—	797
Repurchase of treasury stock	—	—	9	(109)	—	—	(109)
Exercise of warrants and options	2,740	—	—	—	31,238	—	31,238
Disgorgement of short-swing profits	—	—	—	—	622	—	622
Dividends on Series A preferred stock	—	—	—	—	—	(1,184)	(1,184)
Net loss	—	—	—	—	—	(276)	(276)
Balance as of March 31, 2023	17,255	\$ —	3,412	\$ (57,128)	\$ 163,485	\$ 161,743	\$ 268,100
Stock-based compensation	—	—	—	—	842	—	842
Repurchase of treasury stock	—	—	—	—	—	—	—
Conversion of warrant, options and restricted stock units	46	—	—	—	—	—	—
Shares issued pursuant to the Employee Stock Purchase Plan	27	—	—	—	265	—	265
Dividends on Series A preferred stock	—	—	—	—	—	(1,197)	(1,197)
Net income	—	—	—	—	—	3,560	3,560
Balance as of June 30, 2023	17,328	\$ —	3,412	\$ (57,128)	\$ 164,592	\$ 164,106	\$ 271,570

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYSAYS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (In thousands)

	Six Months Ended June 30,	
	2024	2023
Operating Activities		
Net (loss) income	\$ (66,201)	\$ 3,284
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Stock-based compensation	1,104	1,639
Bad debt expense	76	9
Depreciation and amortization of property and equipment	6,346	5,195
Amortization of intangible assets	4,070	3,667
Amortization of debt discount	506	655
Non-cash operating lease (benefit) expense	(217)	93
Gain on sale of property and equipment	(2,950)	—
Deferred income taxes	16,375	(147)
Change in fair value of warrant liabilities	337	(856)
Impairment charges	—	538
Changes in operating assets and liabilities:		
Receivables	(6,188)	(3,424)
Inventories	141,705	(4,346)
Prepaid expenses and other	(2,293)	(2,712)
Income tax receivable/payable	744	1,239
Other assets	(424)	(390)
Accounts payable	1,920	3,744
Accrued expenses and other current liabilities	6,405	2,517
Total adjustments	167,516	7,421
Net cash provided by operating activities	101,315	10,705
Investing Activities		
Cash paid for acquisitions, net of cash received	—	(19,730)
Proceeds from sales of property and equipment	2,950	—
Purchases of property and equipment	(12,917)	(46,312)
Net cash used in investing activities	(9,967)	(66,042)
Financing Activities		
Net repayments under M&T bank floor plan	(114,824)	(44,293)
Principal (payments) borrowings on revolving line of credit	(5,000)	45,000
Principal payments on long-term debt	(111)	(13,286)
Proceeds from issuance of long-term debt and finance liabilities	15,223	1,384
Loan issuance costs	(2,812)	(821)
Payment of dividends on Series A preferred stock	—	(2,393)
Repurchase of Treasury Stock	—	(109)
Proceeds from shares issued pursuant to the Employee Stock Purchase Plan	113	265
Proceeds from exercise of warrants	—	30,543
Proceeds from exercise of stock options	—	911
Disgorgement of short-swing profits	—	622
Net cash (used in) provided by financing activities	(107,411)	17,823
Net decrease in cash	(16,063)	(37,514)
Cash, beginning of period	58,085	61,687
Cash, end of period	\$ 42,022	\$ 24,173

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED (UNAUDITED)
(In thousands)

	Six Months Ended June 30,	
	2024	2023
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest	\$ 17,700	\$ 2,672
Cash paid during the period for income taxes net of refunds received	—	4
Cash paid for amounts included in the measurement of lease liability:		
Operating cash outflows from operating leases	\$ 3,635	\$ 3,194
Non-cash investing and financing activities:		
Dividends accrued on Series A Preferred Stock	\$ 4,015	\$ 2,381
Warrants issued to Coliseum Capital Partners, L.P. and Blackwell Partners, LLC	4,907	—
Decrease in PIPE warrant liability due to expiration of warrants	—	50

See the accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1 – BUSINESS ORGANIZATION AND NATURE OF OPERATIONS

Lazydays RV Center, Inc., the operating subsidiary of Lazydays Holdings, Inc. ("Lazydays," "we," "us," "our," or the "Company") is a recreational vehicle ("RV") company engaged in managing and operating RV dealerships across the United States. Our operations primarily consist of selling and servicing new and pre-owned RVs, arranging financing and extended service contracts for vehicle sales through third-party financing sources and extended warranty providers, and selling related parts and accessories.

As of June 30, 2024, we had 25 dealerships in the following locations:

Location	Number of Dealerships
Arizona	4
Colorado	3
Florida	3
Tennessee	3
Minnesota	2
Indiana	1
Iowa	1
Nevada	1
Ohio	1
Oklahoma	1
Oregon	1
Texas	1
Utah	1
Washington	1
Wisconsin	1

NOTE 2 – BASIS OF PRESENTATION AND CRITICAL ACCOUNTING POLICIES

Basis of Presentation

These Condensed Consolidated Financial Statements contain unaudited information as of June 30, 2024, and for the six months ended June 30, 2024 and 2023. The unaudited interim financial statements have been prepared pursuant to the rules and regulations for reporting on Form 10-Q. Accordingly, certain disclosures required by accounting principles generally accepted in the United States of America for annual financial statements are not included herein. In management's opinion, these unaudited financial statements reflect all adjustments (which include only normal recurring adjustments) necessary for a fair presentation of the information when read in conjunction with our 2023 audited Consolidated Financial Statements and the related notes thereto. The financial information as of December 31, 2023 is derived from our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 12, 2024. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the full year.

The Condensed Consolidated Financial Statements include the accounts of Lazydays Holdings, Inc. and Lazy Days RV Center, Inc. and its wholly owned subsidiaries. All significant inter-company accounts and transactions have been eliminated in consolidation.

Going Concern

Accounting Standards Codification (ASC) 205-40, *Presentation of Financial Statements – Going Concern*, requires management to evaluate an entity's ability to continue as a going concern for the twelve-month period following the date on which the financial statements are available for issuance. As a part of this evaluation, management may consider the potential mitigating impact of its plans that have not been fully implemented as of the issuance date if (a) it is probable that management's plans will be effectively implemented on a timely basis, and (b) it is probable that the plans, when implemented, will alleviate the relevant conditions or events that raise substantial doubt about the Company's ability to continue as a going concern for the twelve-month period after the issuance date. Such an evaluation indicated certain

negative conditions and events, described further below, that raise substantial doubt about the Company's ability to continue as a going concern.

The Company has experienced a decline in its operating performance driven primarily by the continued recreational vehicle industry slowdown and consumer uncertainty. As a result, as of June 30, 2024, the Company was not in compliance with certain financial covenants under the Second Amended and Restated Credit Agreement dated as of February 21, 2023 (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement") by and among LDRV Holdings Corp., as Borrower Representative, Manufacturers and Traders Trust Company, as Administrative Agent, and the other loan parties and lenders party thereto, including a minimum consolidated EBITDA covenant, but the Company has received temporary waivers from 100% of the lenders participating in the Credit Agreement (for the defaults at issue through August 30, 2024). Due to the reclassification of our long-term debt as a current liability, the Company was also not in compliance with the current ratio covenant. The Company is not certain as to when the industry will recover and anticipates that unit sales may continue to be well below long-term averages and therefore believes the potential exists that it may continue to not be in compliance with existing financial covenants under the Credit Agreement for the twelve-month period after the issuance date of the financial statements. If the Company is not in compliance with its covenants, absent a further waiver or amendment, it will be an event of default at the end of the waiver period that would give lenders the right, but not the obligation, to accelerate amounts outstanding. In that event, the Company may need to seek other sources of capital and there can be no assurances that the Company would be able to do so on acceptable terms.

As of June 30, 2024, and excluding the reclassification of long-term debt to current, the Company had \$ 27.7 million of working capital, which included \$ 42 million of cash on hand. In light of the recent industry challenges the Company has faced, it implemented cost reductions with estimated annual savings of \$30 million; is actively negotiating an amendment to its Credit Agreement; and is seeking to raise additional capital.

While management intends for both its cost cutting efforts and plans to enter into a new amendment to the Credit Agreement with covenants that the Company can satisfy and/or obtaining additional capital to alleviate the conditions or events that raise substantial doubt about its ability to continue as a going concern, these elements are not entirely within the Company's control. In addition, there is no guarantee that the cost reductions will continue to be achieved or have the full value of expected benefits, that such an amendment will be agreed or that additional capital will be available on terms acceptable to the Company or at all. As a result, there is substantial doubt regarding the Company's ability to continue as a going concern.

The accompanying unaudited financial statements have been prepared assuming the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and the satisfaction of liabilities in the normal course of business for one year following the issuance of these unaudited financial statements.

Critical Accounting Policies

Our critical accounting policies have not materially changed during the six months ended June 30, 2024 from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to the current period presentation. These reclassifications had no effect on the previously reported net income (loss).

NOTE 3 – NEW ACCOUNTING PRONOUNCEMENTS

Adopted Accounting Standards

ASU 2020-06

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. The update simplifies the accounting for convertible debt instruments and convertible preferred stock by reducing the number of accounting models and limiting the number of embedded conversion features separately recognized from the primary contract. The guidance also includes targeted improvements to the disclosures for convertible instruments and earnings per share. We adopted ASU 2020-06 effective January 1, 2024 and it did not have a material effect on our Condensed Consolidated Financial Statements.

Accounting Standards Not Yet Adopted**ASU 2023-09**

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures. This ASU requires enhanced jurisdictional and other disaggregated disclosures for the effective tax rate reconciliation and income taxes paid and is effective for fiscal years and interim periods beginning after December 15, 2024. The guidance is to be applied prospectively, although retrospective application is permitted. The impact of adoption of ASU 2023-09 is expected to impact disclosures only and not have a material impact on our Condensed Consolidated Financial Statements.

ASU 2023-07

In November 2023, the FASB issued ASU 2023-07, Improvements to Reportable Segment Disclosures. The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We are currently evaluating the effects of this ASU to our disclosures.

NOTE 4 – INVENTORIES

Vehicle and parts inventories are recorded at the lower of cost or net realizable value, with cost determined by the last-in, first-out ("LIFO") method. Cost includes purchase costs, reconditioning costs, dealer-installed accessories and freight. For vehicles accepted as trade-ins, the cost is the fair value of such pre-owned vehicles at the time of the trade-in. Other inventory includes parts and accessories, as well as retail travel and leisure specialty merchandise, and is recorded at the lower of cost or net realizable value with cost determined by LIFO method.

The current replacement costs of LIFO inventories exceeded their recorded values by \$25.0 million and \$24.6 million as of June 30, 2024 and December 31, 2023, respectively.

Inventories consist of the following:

<i>(In thousands)</i>	June 30, 2024	December 31, 2023
New recreational vehicles	\$ 289,702	\$ 385,001
Pre-owned recreational vehicles	41,034	86,517
Parts, accessories and other	8,662	9,144
	339,398	480,662
Less: excess of current cost over LIFO	(25,016)	(24,575)
Total	\$ 314,382	\$ 456,087

NOTE 5 – INTANGIBLE ASSETS

Intangible assets and related accumulated amortization were as follows:

(In thousands)	June 30, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Asset Value	Gross Carrying Amount	Accumulated Amortization	Net Asset Value
Amortizable intangible assets:						
Manufacturer relationships	\$ 71,849	\$ 30,565	\$ 41,284	\$ 71,849	\$ 26,968	\$ 44,881
Customer relationships	10,395	5,342	5,053	10,395	4,893	5,502
Non-compete agreements	230	190	40	230	167	63
	82,474	36,097	46,377	82,474	32,028	50,446
Non-amortizable intangible assets:						
Trade names and trademarks	30,100	—	30,100	30,100	—	30,100
Total	\$ 112,574	\$ 36,097	\$ 76,477	\$ 112,574	\$ 32,028	\$ 80,546

Amortization expense related to intangible assets was as follows:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Amortization expense	\$ 1,799	\$ 1,834	\$ 4,070	\$ 3,667

Future amortization of intangible assets is as follows:

(In thousands)	
Remainder of 2024	\$ 4,069
2025	7,499
2026	6,821
2027	6,510
2028	6,434
Thereafter	15,044
Total	\$ 46,377

NOTE 6 – LEASES

Financing Leases

We have operations at several properties that were previously sold and then leased back from the purchasers over a non-cancellable period of 20 years. The leases contain renewal options at lease termination, with three options to renew for 10 additional years each and contain a right of first offer in the event the property owner intends to sell any portion or all of the property to a third party. These rights and obligations constitute continuing involvement, which resulted in failed sale-leaseback (financing) accounting. The financing liabilities have implied interest rates ranging from 5.0% to 7.9% and have original expiration dates between June 1, 2025 and September 1, 2042. At the conclusion of the 20-year lease period, the financing liability residual will correspond to the carrying value of the land.

There were no significant financing lease additions or terminations during the six months ended June 30, 2024.

Operating Leases

We lease property, equipment and billboards throughout the United States primarily under operating leases. The related right-of-use ("ROU") assets for these operating leases are included in operating lease right-of-use assets. Leases with lease

terms of 12 months or less are expensed on a straight-line basis over the lease term and are not recorded in the Condensed Consolidated Balance Sheets.

Most leases include one or more options to renew, with renewal terms that can extend the lease term up to 50 years (some leases include multiple renewal periods). The exercise of lease renewal options is at our sole discretion. In addition, some of our lease agreements include rental payments adjusted periodically for inflation. Our lease agreements neither contain any residual value guarantees nor impose any significant restrictions or covenants.

There were no new significant operating lease additions or terminations during the six months ended June 30, 2024.

NOTE 7 – DEBT

M&T Financing Agreement

Our Senior Secured Credit Facility with M&T Bank provides a \$ 480 million Floor Plan Line of Credit and a \$ 50 million Revolving Credit Facility, both of which expire February 21, 2027.

On March 8, 2024, we entered into the First Amendment to the Second Amended and Restated Credit Agreement and Consent with M&T to waive and modify certain covenants. This included waiving the net leverage ratio from the fourth quarter of 2023 through the second quarter of 2024, the current ratio for the fourth quarter of 2023, and the fixed charge coverage ratio for the first and second quarters of 2024. Additionally, an additional tier was added to the definition of applicable margin of the M&T credit facilities, setting forth the applicable interest rates corresponding to a total net leverage ratio of $3.00 \leq X$. This new tier became applicable as of March 8, 2024.

On May 14, 2024, we entered into the Second Amendment to the Second Amended and Restated Credit Agreement and Consent (the "Second Amendment") with M&T to modify certain covenants through the first quarter of 2025, including those covenants that we were out of compliance with at March 31, 2024. As part of the Second Amendment, we agreed to pay down \$10 million on our Revolving Credit Facility by December 31, 2024. The Second Amendment also modified certain covenants, including the net leverage ratio, the current ratio and the fixed charged ratio. Additionally, the definition of applicable margin was modified, to set forth the applicable interest rates from May 14, 2024 through June 30, 2025.

As of June 30, 2024, we were not in compliance with all of the M&T Bank financing agreement covenants as we did not meet our minimum EBITDA requirement or current ratio requirement. However, we entered into a Limited Waiver with Respect to Credit Agreement with the lenders under the M&T Credit Agreement which temporarily waived these covenants. See [Note 2 - Basis of Presentation](#) to our Condensed Consolidated Financial Statements for additional information.

At June 30, 2024, there was \$331.0 million outstanding on the Floor Plan Line of Credit at an interest rate of 7.9% and \$44.5 million outstanding on the Revolving Credit Facility at an interest rate of 8.8%.

Following the Second Amendment, the Floor Plan Line of Credit bears interest at: (a) 30-day SOFR plus an applicable margin of 1.90% to 2.55% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 0.90% to 1.55% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points. The Floor Plan Line of Credit is also subject to an annual unused commitment fee at 0.15% of the average daily unused portion of the Floor Plan.

The Revolving Credit Facility bears interest at: (a) 30-day SOFR plus an applicable margin of 2.15% to 3.40% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 1.15% to 2.40% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points.

The Revolving Credit Facility is also subject to a quarterly unused commitment fee at 0.15% of the average daily unused portion of the Revolving Credit Facility.

Borrowings under the M&T Financing Agreement are secured by a first priority lien on substantially all of our assets.

The Floor Plan Line of Credit consisted of the following:

<i>(In thousands)</i>	June 30, 2024	December 31, 2023
Floor plan notes payable, gross	\$ 331,733	\$ 447,647
Debt discount	(766)	(864)
Floor plan notes payable, net of debt discount	\$ 330,967	\$ 446,783

Other Long-Term Debt

Other outstanding long-term debt consisted of the following:

	June 30, 2024			December 31, 2023		
<i>(In thousands)</i>	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount
Term loan and mortgages	\$ 73,869	\$ (2,631)	\$ 71,238	\$ 64,870	\$ (2,300)	\$ 62,570
Less: current portion	73,869	(2,631)	71,238	1,141	—	1,141
Total	\$ —	\$ —	\$ —	\$ 63,729	\$ (2,300)	\$ 61,429

Mortgages

In July 2023, we entered into two mortgages for total proceeds of \$29.3 million secured by certain real estate assets at our Murfreesboro and Knoxville locations. The loans bear interest between 6.85% and 7.10% per annum and mature in July 2033.

Term Loan

On December 29, 2023, we entered into a \$50 million term loan (the "Loan") with Coliseum Holdings I, LLC as lender (the "Lender"). The Lender is an affiliate of Coliseum Capital Management, LLC ("Coliseum") and Christopher Shackelton. The Loan has a maturity date of December 29, 2026. Certain funds and accounts managed by Coliseum held 81% of Lazydays common stock (calculated as if the preferred stock has been converted into common stock) as of June 30, 2024 and is therefore considered a related party. The Loan bears interest at a rate of 12% per annum, payable monthly in cash on the outstanding loan balance. For any quarterly period during the Loan term, we have the option at the beginning of each quarter to make pay-in-kind elections, whereby the entire outstanding balance would be charged interest at 14% per annum and interest amounts will be added to the outstanding principal. The Loan is secured by certain of our assets. Issuance costs of \$2 million were recorded as debt discount and are being amortized over the term of the Loan to interest expense using the effective interest method. The Loan is carried at the outstanding principal balance, less debt issuance costs and is included in Related party debt, current portion and Related party debt, non-current portion, net of debt discount in our Condensed Consolidated Balance Sheets.

On May 15, 2024, we entered into a First Amendment to the Loan (the "Amendment"). The Amendment provides for an additional \$ 15 million mortgage loan (the "Advance"). As additional security for the Advance, we delivered to Coliseum an assignment of mortgage, leases and rents (and related security documents) for real property located in Fort Pierce, Florida.

In connection with the Advance, we issued warrants to clients of Coliseum Capital Management to purchase 2,000,000 shares of our common stock at a price of \$5.25 per share, subject to certain adjustments. The warrants may be exercised at any time on or after May 15, 2024 and until May 15, 2034.

Under the terms of the Loan, for any repayments and prepayments that occur prior to January 1, 2025, we will owe a prepayment penalty of 1% on the outstanding principal balance being repaid and a make whole premium equal to the remaining interest owed on such balance repaid from date of repayment through January 1, 2025. For repayments and

prepayments that occur after January 1, 2025 through maturity, we will owe a prepayment penalty of 2% on the outstanding principal balance being repaid.

The Loan contains certain reporting and compliance-related covenants. The Loan contains negative covenants, among other things, related to borrowing and events of default. It also includes certain non-financial covenants and covenants limiting our ability to dispose of assets, undergo a change in control, merge with, acquire stock, or make investments in other companies, in each case subject to certain exceptions. Upon the occurrence of an event of default, in addition to the lender being able to declare amounts outstanding under the Loan due and payable or foreclose on the collateral, the lender can elect to increase the interest rate by 7% per annum during the period of default. In addition, the Loan contains a cross default with M&T Bank. As of June 30, 2024, we were not in compliance with all of the M&T Bank financing agreement covenants as we did not meet our minimum EBITDA requirement or current ratio requirement. However, we entered into a Limited Waiver with Respect to Credit Agreement with the lenders under the M&T Credit Agreement which temporarily waived these covenants.

Future maturities of long-term debt are as follows:

(In thousands)

Remainder of 2024	\$	5,578
2025		771
2026		45,326
2027		886
2028		950
Thereafter		20,358
Total	\$	<u>73,869</u>

The above schedule reflects contractual maturities, but for financial reporting, the Revolving Line of Credit, long-term debt, and related party debt have been classified as current as described in Note 2 and Note 7 to the Condensed Consolidated Financial Statements.

NOTE 8 – REVENUE AND CONCENTRATIONS

Revenue Recognition

Revenue from the sale of vehicle contracts is recognized at a point in time on delivery, transfer of title, and completion of financing arrangements.

Revenue from the sale of parts, accessories, and related service is recognized as services and parts are delivered or as a customer approves elements of the completion of service.

We receive commissions from the sale of insurance and vehicle service contracts to customers. In addition, we arrange financing for customers through various financial institutions and receive commissions. We may be charged back ("charge-backs") for financing fees, insurance, or vehicle service contract commissions in the event of early termination of the contracts by our customers. The revenues from financing fees and commissions are recorded at the time of the sale of the vehicle and an allowance for future charge-backs is established based on historical operating results and the termination provision of the applicable contracts. The estimates for future chargebacks require judgment by management, and as a result, there is an element of risk associated with these revenue streams.

We have an accrual for charge-backs which totaled \$9.3 million and \$8.8 million at June 30, 2024 and December 31, 2023, respectively, and is included in Accrued expenses and other current liabilities in the accompanying Condensed Consolidated Balance Sheets.

Revenues by State

Revenues by state that generated 10% or more of total revenues were as follows (unaudited):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Florida	32 %	39 %	36 %	45 %
Tennessee	14 %	16 %	14 %	13 %
Colorado	10 %	*	*	*

*Less than 10%

These geographic concentrations increase the exposure to adverse developments related to competition, as well as economic, demographic, and weather conditions.

Supplier Concentrations

Suppliers representing 10% or more of our total RV and replacement parts purchases were as follows:

	Three Months Ended June 30,	
	2024	2023
Thor Industries, Inc.	41 %	39 %
Winnebago Industries, Inc.	31 %	34 %
Forest River, Inc.	21 %	24 %

We are subject to dealer agreements with each manufacturer. The manufacturer is entitled to terminate the dealer agreement if we are in material breach of the agreement's terms.

NOTE 9 – EARNINGS (LOSS) PER SHARE

We compute basic and diluted earnings (loss) per share ("EPS") by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period.

We are required in periods in which we have net income to calculate EPS using the two-class method. The two-class method is an earnings allocation formula that treats a participating security as having rights to earnings that otherwise would have been available to common stockholders but does not require the presentation of basic and diluted EPS for securities other than common stock. The two-class method is required because our Series A convertible preferred stock ("Series A Preferred Stock") has the right to receive dividends or dividend equivalents should we declare dividends on our common stock as if such holder of the Preferred Stock had been converted to common stock. Under the two-class method, earnings for the period are allocated to the common and preferred stockholders taking into consideration Series A preferred stockholders participation in dividends on an as converted basis. The weighted-average number of common and preferred shares outstanding during the period is then used to calculate basic EPS for each class of shares.

Diluted EPS is computed in the same manner as basic EPS except that the denominator is increased to include the number of contingently issuable share-based compensation awards that would have been outstanding unless those additional shares would have been anti-dilutive. Dilutive common stock equivalents include the dilutive effect of in-the-money stock equivalents, excluding any common stock equivalents if their effect would be anti-dilutive. For the diluted EPS calculation, the if-converted method is applied and compared to the two-class method and whichever method results in a more dilutive impact is utilized to calculate diluted EPS. In periods in which we have a net loss, all potentially dilutive common shares are considered anti-dilutive and thus are excluded from the calculation.

In periods in which we have a net loss, basic loss per share is calculated by dividing the loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. The two-class method is not used because the Preferred Stock does not participate in losses. As such, the net loss was attributed entirely to common stockholders.

The following table summarizes net loss attributable to common stockholders and participating securities used in the calculation of basic and diluted loss per common share:

(In thousands except share and per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Basic (loss) earnings per share:				
Net (loss) income attributable to common stock and participating securities used to calculate basic (loss) earnings per share	\$ (46,252)	\$ 2,364	\$ (70,216)	\$ 904
Weighted average common shares outstanding	14,074,540	13,881,302	14,071,430	12,766,250
Dilutive effect of pre-funded warrants	300,357	300,357	300,357	300,357
Weighted average shares outstanding for EPS	14,374,897	14,181,659	14,371,787	13,066,607
Basic (loss) earnings per share	<u>\$ (3.22)</u>	<u>\$ 0.12</u>	<u>\$ (4.89)</u>	<u>\$ 0.05</u>
Diluted (loss) earnings per share:				
Net (loss) income attributable to common stock and participating securities used to calculate diluted (loss) earnings per share	\$ (46,252)	\$ 2,364	\$ (70,216)	\$ 904
Weighted average common shares outstanding	14,074,540	13,881,302	14,071,430	12,766,250
Weighted average pre-funded warrants	300,357	300,357	300,357	300,357
Weighted average options	—	110,405	—	121,528
Weighted average shares outstanding for EPS	14,374,897	14,292,064	14,371,787	13,188,135
Diluted (loss) earnings per share	<u>\$ (3.22)</u>	<u>\$ 0.12</u>	<u>\$ (4.89)</u>	<u>\$ —</u>

The following common stock equivalent shares were excluded from the calculation of diluted loss per share since their impact would have been anti-dilutive for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Shares underlying warrants	2,000,000	—	2,000,000	—
Stock options	295,038	243,958	295,038	243,958
Restricted stock units	370,114	291,739	370,114	291,739
Shares issuable under the Employee Stock Purchase Plan	31,938	27,266	31,938	27,266
Share equivalents excluded from EPS	<u>2,697,090</u>	<u>562,963</u>	<u>2,697,090</u>	<u>562,963</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Lease Obligations

See [Note 6 - Leases](#) to our Condensed Consolidated Financial Statements for lease obligations.

Legal Proceedings

We are a party to multiple legal proceedings that arise in the ordinary course of business. We have certain insurance coverage and rights of indemnification. We do not believe that the ultimate resolution of these matters will have a material adverse effect on our business, results of operations, financial condition, or cash flows. However, the results of these matters cannot be predicted with certainty and an unfavorable resolution of one or more of these or other matters could have a material adverse effect on our business, results of operations, financial condition, or cash flows.

We record legal expenses as incurred in our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

NOTE 11 – PREFERRED STOCK

Our Series A Preferred Stock is cumulative redeemable convertible preferred stock. Accordingly, it is classified as temporary equity and is shown net of issuance costs and the fair value of warrants issued in conjunction with the issuance of the Series A Preferred Stock.

On May 15, 2024, in connection with the issuance of warrants and pursuant to the Company's Certificate of Designations of Series A Convertible Preferred Stock, because the Company issued and sold warrants at a price less than the prior \$10.0625 conversion price of the Company's Series A Convertible Preferred Stock (the "Preferred Stock"), the conversion price of the Preferred Stock was adjusted to \$9.65 per share. After this adjustment to the conversion price of the Preferred Stock and taking into account accrued dividends on the Preferred Stock as of May 15, 2024, the currently outstanding 600,000 shares of the Preferred Stock would convert into a total of 6,651,198 shares of Common Stock (adjusted from 5,962,733 as of on the original issue date of the Preferred Stock and adjusted from 6,378,540 as of immediately prior to the issuance of such warrants after taking into account such accrued dividends).

We did not declare a dividend payment on the Series A Preferred Stock totaling \$ 2.0 million for the quarter ended June 30, 2024. As a result, the amount was added to the carrying amount of the Series A Preferred Stock and the dividend rate is currently at 13% until such dividends are paid. Total undeclared and unpaid dividends were \$5.2 million at June 30, 2024.

NOTE 12 – STOCK-BASED COMPENSATION

Stock-based compensation expense is included in Selling, general and administrative expense on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

We recognized stock-based compensation expense as follows:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation	\$ 595	\$ 842	\$ 1,104	\$ 1,639

2018 Long-Term Incentive Equity Plan

Our 2018 Long-Term Incentive Equity Plan, as amended (the "2018 Plan") provides for awards of options, stock appreciation rights, restricted stock, restricted stock units, warrants or other securities which may be convertible, exercisable or exchangeable for or into our common stock. As of June 30, 2024, there were 832,860 shares of common stock available to be issued under the 2018 Plan.

2019 Employee Stock Purchase Plan

We reserved a total of 900,000 shares of our common stock for purchase by participants in our 2019 Employee Stock Purchase Plan (the "ESPP"). Participants in the ESPP may purchase shares of our common stock at a purchase price which will not be less than the lesser of 85% of the fair value per share of our common stock on the first day of the purchase period or the last day of the purchase period. As of June 30, 2024, 570,999 shares remained available for future issuance.

ESPP activity for the six months ended June 30, 2024 was as follows:

Shares purchased pursuant to the ESPP	37,295
Weighted average per share price of shares purchased	\$ 3.03
Weighted average per share discount from market value for shares purchased	\$ 0.53
Stock-based compensation related to ESPP	\$ 112,855

Stock Options

Stock option activity was as follows:

	Shares Underlying Options	Weighted Average Per Share Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (In Thousands)
Options outstanding at December 31, 2023	376,940	\$ 11.21	1.91 years	\$ (1,566)
Cancelled or terminated	(81,902)	8.83		
Options outstanding at June 30, 2024	295,038	11.87	2.78 years	(2,312)
Options outstanding and vested at June 30, 2024	253,626	11.78	1.15 years	(2,997)

Restricted Stock Units

Restricted stock unit activity was as follows:

	Number of Restricted Stock Units	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2023	238,275	\$ 13.35
Granted	211,926	4.31
Vested	(65,055)	10.97
Forfeited	(15,032)	11.86
Outstanding at June 30, 2024	370,114	8.67

Warrants

In connection with the Advance on our Coliseum Loan as discussed in [Note 7 - Debt](#), we issued warrants to clients of Coliseum Capital Management as follows:

	Shares Underlying Warrants	Weighted Average Exercise Price
Warrants outstanding December 31, 2023	—	\$ —
Granted	2,000,000	\$ 5.25
Warrants outstanding June 30, 2024	2,000,000	\$ 5.25

Prefunded Warrants

As of June 30, 2024, there were 300,357 perpetual non-redeemable prefunded warrants outstanding with an exercise price of \$ 0.01 per share. There was no activity during the six months ended June 30, 2024.

Unrecognized Stock-Based Compensation

As of June 30, 2024, unrecognized stock-based compensation costs for unvested awards was approximately \$ 49 thousand, which is expected to be recognized over a weighted average period of 1.7 years.

NOTE 13 – RELATED PARTY

We have a \$50 million term loan outstanding with Coliseum, a related party, with a maturity date of December 29, 2026. See [Note 7 - Debt](#) to our Condensed Consolidated Financial Statements for additional information.

NOTE 14 – SUBSEQUENT EVENTS

On July 30, 2024, the Company entered into a Limited Waiver with Respect to Credit Agreement with the lenders under the M&T Credit Agreement to temporarily waive the covenants we were not in compliance with as of June 30, 2024. See [Note 2 - Basis of Presentation](#) to our Condensed Consolidated Financial Statements for additional information.

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

The following should be read together with our financial statements and related notes included in Part I, Item 1 of this Form 10-Q, as well as our 2023 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 12, 2024.

Disclosure Regarding Forward Looking Statements

Certain statements in this Quarterly Report on Form 10-Q (including but not limited to this Item 2 – “Management's Discussion and Analysis of Financial Condition and Results of Operations”) constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, reflecting our or our management team's expectations, hopes, beliefs, intentions, strategies, estimates, and assumptions concerning events and financial trends that may affect our future financial condition or results of operations. All statements other than statements of historical facts included in this Quarterly Report on Form 10-Q, are “forward-looking” statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate” or “continue” or the negative of such words or variations of such words and similar expressions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements, and we can give no assurance that such forward-looking statements will prove to be correct. Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, or “cautionary statements,” include, but are not limited to:

- Future market conditions and industry trends, including anticipated national new recreational vehicle (“RV”) wholesale shipments;
- Changes in U.S. or global economic and political conditions or outbreaks of war;
- Changes in expected operating results, such as store performance, selling, general and administrative expenses (“SG&A”) as a percentage of gross profit and all projections;
- Our recent history of losses and our ability to continue as a going concern;
- Our ability to obtain further waivers or amendments to our Credit Agreement
- Our ability to procure and manage inventory levels to reflect consumer demand;
- Our ability to find accretive acquisitions;
- Changes in the planned integration, success and growth of acquired dealerships and greenfield locations;
- Changes in our expected liquidity from our cash, availability under our credit facility and unfinanced real estate;
- Compliance with financial and restrictive covenants under our credit facility and other debt agreements;
- Changes in our anticipated levels of capital expenditures in the future;
- The repurchase of shares under our share repurchase program;
- Our ability to secure additional funds through equity or financing transactions on terms acceptable to the Company;
- Dilution related to our outstanding warrants, options and rights; and,
- Our business strategies for customer retention, growth, market position, financial results and risk management.

Non-GAAP Financial Measures

This Quarterly Report on Form 10-Q contains adjusted net cash provided by operating activities, a non-GAAP financial measure. Adjusted net cash provided by operating activities is defined as GAAP net cash provided by operating activities adjusted for net (repayments) borrowings on floor plan notes payable. Non-GAAP measures do not have definitions under GAAP and may be defined differently by and not comparable to similarly titled measures used by other companies. As a result, we review any non-GAAP financial measures in connection with a review of the most directly comparable measures calculated in accordance with GAAP. We caution you not to place undue reliance on such non-GAAP measures, but also to consider them with the most directly comparable GAAP measures. As required by Securities Exchange Commission (“SEC”) rules, we have reconciled this measure to the most directly comparable GAAP measure reported in this Quarterly Report on Form 10-Q. We believe the non-GAAP financial measure we present improves the transparency of our disclosures; provides a meaningful presentation of our results from core business operations because items are excluded that are not related to core business operations and other non-cash items; and improves the period-to-period comparability of our results from core business operations. This presentation should not be considered an alternative to a GAAP measure.

Overview

Lazydays has been a prominent player in the RV industry since our inception in 1976. We operate recreational vehicle dealerships and offer a comprehensive portfolio of products and services for RV owners and outdoor enthusiasts. We generate revenue by providing RV owners and outdoor enthusiasts a full spectrum of products: RV sales, RV repair and services, financing and insurance products, third-party protection plans, and after-market parts and accessories.

We operate 25 dealerships in 15 states. Based on industry research and management's estimates, we believe we operate the world's largest RV dealership, measured in terms of on-site inventory, located on approximately 126 acres outside Tampa, Florida. With a strategic approach to rapid expansion, we are growing our network through acquisitions and new store openings. See [Note 1 - Business Organization and Nature of Operations](#) to our Condensed Consolidated Financial Statements for additional information.

Lazydays offers one of the largest selections of leading RV brands in the nation, featuring more than 3,900 new and pre-owned RVs. We have more than 400 service bays, and each location has an RV parts and accessories store. We employ approximately 1,500 people at our 25 dealership locations. Our locations are staffed with knowledgeable local team members, providing customers access to extensive RV expertise. We believe our locations are strategically located and, based on information collected by us from reports prepared by Statistical Surveys, account for a significant portion of new RV units sold on an annual basis in the U.S. Our dealerships attract customers from all states except Hawaii.

We attract new customers primarily through Lazydays dealership locations as well as digital and traditional marketing efforts. Once we acquire customers, those customers become part of our customer database where we use customer relationship management tools and analytics to actively engage, market and sell our products and services.

In January 2024, we launched a complete rebranding effort with new websites, logos, fonts and colors, as well as a new stock symbol ("GORV"). We believe these rebranding efforts will enhance our digital retail experience, particularly on mobile devices, which account for over 80% of our website traffic.

Results of Operations

(In thousands, except per vehicle data)	Three Months Ended June 30,			
	2024	2023	Variance	
Revenue				
New vehicle retail	\$ 143,333	\$ 182,752	\$ (39,419)	(21.6)%
Pre-owned vehicle retail	60,908	90,991	(30,083)	(33.1)%
Vehicle wholesale	3,268	1,716	1,552	90.4 %
Finance and insurance	16,041	17,742	(1,701)	(9.6)%
Service, body and parts and other	15,144	15,179	(35)	(0.2)%
Total revenue	<u>\$ 238,694</u>	<u>\$ 308,380</u>	<u>\$ (69,686)</u>	<u>(22.6)%</u>
Gross profit				
New vehicle retail	\$ 13,195	\$ 24,608	\$ (11,413)	(46.4)%
Pre-owned vehicle retail	11,462	18,566	(7,104)	(38.3)%
Vehicle wholesale	(329)	31	(360)	NM
Finance and insurance	15,397	16,932	(1,535)	(9.1)%
Service, body and parts and other	7,994	7,662	332	4.3 %
LIFO	(315)	(76)	(239)	314.5 %
Total gross profit	<u>\$ 47,404</u>	<u>\$ 67,723</u>	<u>\$ (20,319)</u>	<u>(30.0)%</u>
Gross profit margins				
New vehicle retail	9.2 %	13.5 %	(430) bps	
Pre-owned vehicle retail	18.8 %	20.4 %	(160) bps	
Vehicle wholesale	(10.1)%	1.8 %	NM	
Finance and insurance	96.0 %	95.4 %	60 bps	
Service, body and parts and other	52.8 %	50.5 %	230 bps	
Total gross profit margin	19.9 %	22.0 %	(210) bps	
Total gross profit margin (excluding LIFO)	20.0 %	22.0 %	(200) bps	
Retail units sold				
New vehicle retail	2,036	1,979	57	2.9 %
Pre-owned vehicle retail	1,149	1,388	(239)	(17.2)%
Total retail units sold	<u>3,185</u>	<u>3,367</u>	<u>(182)</u>	<u>(5.4)%</u>
Average selling price per retail unit				
New vehicle retail	\$ 70,458	\$ 92,346	\$ (21,888)	(23.7)%
Pre-owned vehicle retail	53,009	65,555	(12,546)	(19.1)%
Average gross profit per retail unit (excluding LIFO)				
New vehicle retail	\$ 6,412	\$ 12,552	\$ (6,140)	(48.9)%
Pre-owned vehicle retail	9,976	13,461	(3,485)	(25.9)%
Finance and insurance	5,084	5,029	55	1.1 %
F&I per unit	\$ 4,834	\$ 5,029	\$ (195)	(3.9)%

*NM - not meaningful

	Six Months Ended June 30,			
(In thousands, except per vehicle data)	2024	2023	Variance	
Revenues				
New vehicle retail	\$ 296,024	\$ 359,499	\$ (63,475)	(17.7)%
Pre-owned vehicle retail	140,484	175,766	(35,282)	(20.1)%
Vehicle wholesale	9,517	3,424	6,093	NM
Finance and insurance	34,370	34,623	(253)	(0.7)%
Service, body and parts and other	28,885	30,724	(1,839)	(6.0)%
Total revenues	<u>\$ 509,280</u>	<u>\$ 604,036</u>	<u>\$ (94,756)</u>	<u>(15.7)%</u>
Gross profit				
New vehicle retail	\$ 18,831	\$ 48,024	\$ (29,193)	(60.8)%
Pre-owned vehicle retail	20,839	35,813	(14,974)	(41.8)%
Vehicle wholesale	(2,540)	18	(2,558)	NM
Finance and insurance	33,033	33,120	(87)	(0.3)%
Service, body and parts and other	15,448	16,026	(578)	(3.6)%
LIFO	(441)	(1,387)	946	(68.2)%
Total gross profit	<u>\$ 85,170</u>	<u>\$ 131,614</u>	<u>\$ (46,444)</u>	<u>(35.3)%</u>
Gross profit margins				
New vehicle retail	6.4 %	13.4 %	(700) bps	
Pre-owned vehicle retail	14.8 %	20.4 %	(560) bps	
Vehicle wholesale	(26.7)%	0.5 %	NM	
Finance and insurance	96.1 %	95.7 %	40 bps	
Service, body and parts and other	53.5 %	52.2 %	130 bps	
Total gross profit margin	16.7 %	21.8 %	(510) bps	
Total gross profit margin (excluding LIFO)	16.8 %	22.0 %	(520) bps	
Retail units sold				
New vehicle retail	4,091	3,959	132	3.3 %
Pre-owned vehicle retail	<u>2,616</u>	<u>2,692</u>	<u>(76)</u>	<u>(2.8)%</u>
Total retail units sold	<u>6,707</u>	<u>6,651</u>	<u>56</u>	<u>0.8 %</u>
Average selling price per retail unit				
New vehicle retail	\$ 72,389	\$ 90,806	\$ (18,417)	(20.3)%
Pre-owned vehicle retail	53,702	65,292	(11,590)	(17.8)%
Average gross profit per retail unit (excluding LIFO)				
New vehicle retail	\$ 4,569	\$ 12,189	\$ (7,620)	(62.5)%
Pre-owned vehicle retail	7,966	13,347	(5,381)	(40.3)%
Finance and insurance	5,044	4,980	64	1.3 %
F&I per unit	\$ 4,925	\$ 4,980	\$ (55)	(1.1)%

*NM - not meaningful

Same Store Results of Operations

We believe that same store comparisons are an important indicator of our financial performance. Same store measures demonstrate our ability to grow operations in our existing locations.

Same store measures reflect results for stores that were operating in each comparison period, and only include the months when operations occurred in both periods. For example, a store acquired in May 2023 would be included in same store operating data beginning in June 2024, after its first complete comparable month of operations. The first quarter operating results for the same store comparisons would include results for that store in only the month of June for both comparable periods.

	Three Months Ended June 30,				
(\$ in thousands, except per vehicle data)	2024	2023	Variance		
Revenues					
New vehicle retail	\$ 120,041	\$ 172,156	\$ (52,115)	(30.3) %	
Pre-owned vehicle retail	50,041	86,900	(36,859)	(42.4) %	
Vehicle wholesale	2,857	1,591	1,266	79.6%	
Finance and insurance	13,741	16,930	(3,189)	(18.8) %	
Service, body and parts and other	12,617	14,371	(1,754)	(12.2) %	
Total revenues	<u>\$ 199,297</u>	<u>\$ 291,948</u>	<u>\$ (92,651)</u>	<u>(31.7) %</u>	
Gross profit					
New vehicle retail	\$ 10,194	\$ 23,250	\$ (13,056)	(56.2) %	
Pre-owned vehicle retail	9,077	17,771	(8,694)	(48.9) %	
Vehicle wholesale	(312)	31	(343)	NM	
Finance and insurance	13,187	16,146	(2,959)	(18.3) %	
Service, body and parts and other	6,530	6,883	(353)	(5.1) %	
LIFO	(316)	(76)	(240)	315.8%	
Total gross profit	<u>\$ 38,360</u>	<u>\$ 64,005</u>	<u>\$ (25,645)</u>	<u>(40.1) %</u>	
Gross profit margins					
New vehicle retail	8.5 %	13.5 %	(500) bps		
Pre-owned vehicle retail	18.1 %	20.4 %	(230) bps		
Vehicle wholesale	(10.9)%	1.9 %	NM		
Finance and insurance	96.0 %	95.4 %	60 bps		
Service, body and parts and other	51.8 %	47.9 %	390 bps		
Total gross profit margin	19.2 %	21.9 %	(270) bps		
Total gross profit margin (excluding LIFO)	19.4 %	21.9 %	(250) bps		
Retail units sold					
New vehicle retail	1,556	1,834	(278)	(15.2) %	
Pre-owned vehicle retail	901	1,300	(399)	(30.7) %	
Total retail units sold	<u>2,457</u>	<u>3,134</u>	<u>(677)</u>	<u>(21.6) %</u>	
Average selling price per retail unit					
New vehicle retail	\$ 77,147	\$ 93,580	\$ (16,433)	(17.6) %	
Pre-owned vehicle retail	55,539	66,342	(10,803)	(16.3) %	
Average gross profit per retail unit (excluding LIFO)					
New vehicle retail	\$ 6,552	\$ 12,744	\$ (6,192)	(48.6) %	
Pre-owned vehicle retail	10,075	13,566	(3,491)	(25.7) %	
Finance and insurance	5,367	5,020	347	6.9 %	
F&I per unit	\$ 5,367	\$ 5,152	\$ 215	4.2 %	

*NM - not meaningful

	Six Months Ended June 30,			
(In thousands, except per vehicle data)	2024	2023	Variance	
Revenues				
New vehicle retail	\$ 250,866	\$ 341,930	\$ (91,064)	(26.6)%
Pre-owned vehicle retail	116,756	168,425	(51,669)	(30.7)%
Vehicle wholesale	7,903	3,249	4,654	143.2 %
Finance and insurance	29,280	33,283	(4,003)	(12.0)%
Service, body and parts and other	24,482	29,136	(4,654)	(16.0)%
Total revenues	<u>\$ 429,287</u>	<u>\$ 576,023</u>	<u>\$ (146,736)</u>	<u>(25.5)%</u>
Gross profit				
New vehicle retail	\$ 15,091	\$ 45,730	\$ (30,639)	(67.0)%
Pre-owned vehicle retail	16,806	34,328	(17,522)	(51.0)%
Vehicle wholesale	(1,838)	15	(1,853)	NM
Finance and insurance	28,120	31,827	(3,707)	(11.6)%
Service, body and parts and other	13,039	14,882	(1,843)	(12.4)%
LIFO	(441)	(1,387)	946	(68.2)%
Total gross profit	<u>\$ 70,777</u>	<u>\$ 125,395</u>	<u>\$ (54,618)</u>	<u>(43.6)%</u>
Gross profit margins				
New vehicle retail	6.0 %	13.4 %	(740) bps	
Pre-owned vehicle retail	14.4 %	20.4 %	(600) bps	
Vehicle wholesale	(23.3)%	0.5 %	NM	
Finance and insurance	96.0 %	95.6 %	40 bps	
Service, body and parts and other	53.3 %	51.1 %	220 bps	
Total gross profit margin	16.5 %	21.8 %	(530) bps	
Total gross profit margin (excluding LIFO)	16.6 %	22.0 %	(540) bps	
Retail units sold				
New vehicle retail	3,192	3,707	(515)	(13.9)%
Pre-owned vehicle retail	2,092	2,530	(438)	(17.3)%
Total retail units sold	<u>5,284</u>	<u>6,237</u>	<u>(953)</u>	<u>(15.3)%</u>
Average selling price per retail unit				
New vehicle retail	\$ 78,592	\$ 92,406	\$ (13,814)	(14.9)%
Pre-owned vehicle retail	55,811	66,016	(10,205)	(15.5)%
Average gross profit per retail unit (excluding LIFO)				
New vehicle retail	\$ 4,728	\$ 12,438	\$ (7,710)	(62.0)%
Pre-owned vehicle retail	8,033	13,465	(5,432)	(40.3)%
Finance and insurance	5,322	5,013	309	6.2 %
F&I per unit	\$ 5,322	\$ 5,103	\$ 219	4.3 %

*NM - not meaningful

Revenue and Gross Margin Discussion

New Vehicles Retail

We offer a comprehensive selection of new RVs across a wide range of price points, classes and floor plans, from entry level travel trailers to Class A motorhomes at our dealership locations and on our website. We have strong strategic alliances with leading RV manufacturers. The core brands that we sell, representing 93% of the new vehicles that we sold during the quarter ended June 30, 2024, are manufactured by Thor Industries, Inc., Winnebago Industries, Inc., and Forest River, Inc.

Under our business strategy, we believe that our new RV sales create incremental profit opportunities by providing used RV inventory through trade-ins, arranging of third-party financing, RV service and insurance contracts, future resale of trade-ins and parts and service work.

New vehicle revenue decreased \$39.4 million, or 21.6%, in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to a 23.7% decrease in average selling price per retail unit, offset by a 2.9% increase in new vehicle retail units sold.

New vehicle revenue decreased \$63.5 million, or 17.7%, in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to a 20.3% decrease in average selling price per retail unit, offset by a 3.3% increase in new vehicle retail units sold.

The decreases in average selling price per retail unit were primarily due to heavy discounting of 2023 model year units. The increases in units sold were primarily due to acquisitions and new store openings since June 30, 2023.

New vehicle gross profit decreased \$11.4 million, or 46.4%, in the quarter ended June 30, 2024 compared to the same period in 2023 primarily due to the above mentioned factors impacting new vehicle revenue. New vehicle gross margin decreased 430 basis points primarily due to compression from the higher cost per new unit sold and the lower average selling price of new vehicles.

New vehicle gross profit decreased \$29.2 million, or 60.8%, in the six months ended June 30, 2024 compared to the same period in 2023 primarily due to the above mentioned factors impacting new vehicle revenue. New vehicle gross margin decreased 700 basis points primarily due to compression from the higher cost per new unit sold and the lower average selling price of new vehicles.

On a same store basis, new vehicle retail revenue decreased \$52.1 million, or 30.3%, in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to a 15.2% decrease in retail units sold and a 17.6% decrease in average selling prices per retail unit.

On a same store basis, new vehicle retail revenue decreased \$91.1 million, or 26.6%, in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to an 13.9% decrease in retail units sold and a 14.9% decrease in average selling prices per retail unit.

On a same store basis, new vehicle retail gross profits decreased \$13.1 million, or 56.2%, in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to a 15.2% decrease in units sold and a 500 basis point decrease in gross margins.

On a same store basis, new vehicle retail gross profits decreased \$30.6 million, or 67.0%, in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to a 13.9% decrease in units sold and a 740 basis point decrease in gross margins.

During the second quarter of 2024 we sold through substantially all of our 2022 and 2023 model year inventory. As of June 30, 2024, approximately 10% of our inventory was 2025 model year, 78% was 2024 model year, and 11% was 2023 model year.

Pre-Owned Vehicles Retail

Pre-owned vehicle retail sales are a strategic focus for growth. Our pre-owned vehicle operations provide an opportunity to generate sales to customers unable or unwilling to purchase a new vehicle, to sell models other than the store's new vehicle models, access additional pre-owned vehicle inventory through trade-ins and increase sales from finance and insurance

products. We sell a comprehensive selection of pre-owned RVs at our dealership locations. We have established a goal to reach a pre-owned to new ratio of 1:1. Strategies to achieve this target include procuring additional pre-owned RV inventory direct from consumers and selling deeper into the pre-owned RV spectrum. We achieved a pre-owned to new ratio of 0.6:1 in the quarter ended June 30, 2024.

Pre-owned vehicle retail revenue decreased \$30.1 million, or 33.1%, in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to a 17.2% decrease in retail units sold and a 19.1% decrease in average selling price per retail unit.

Pre-owned vehicle retail revenue decreased \$35.3 million, or 20.1%, in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to a 2.8% decrease in retail units sold and a 17.8% decrease in average selling price per retail unit.

The decreases in retail units sold and average selling price per unit were primarily due to a contracting market and high interest rate environment which may affect financing for customers.

Pre-owned vehicle retail gross profit decreased \$7.1 million, or 38.3%, in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to an 160 basis point decline in gross margins and 17.2% decrease in units sold.

Pre-owned vehicle retail gross profit decreased \$15.0 million, or 41.8%, in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to an 560 basis point decline in gross margins and a 2.8% decrease in units sold.

The used vehicle market has experienced pricing pressures from the discounting of new vehicle units.

On a same store basis, pre-owned vehicle retail revenue decreased \$36.9 million, or 42.4%, in the quarter ended June 30, 2024 compared to the same period in 2023 due to a 16.3% decrease in average selling prices and a 30.7% decrease in retail units sold.

On a same store basis, pre-owned vehicle retail revenue decreased \$51.7 million, or 30.7%, in the six months ended June 30, 2024 compared to the same period in 2023 due to a 15.5% decrease in average selling prices and a 17.3% decrease in retail units sold.

On a same store basis, pre-owned vehicle retail gross profits decreased \$8.7 million, or 48.9% in the quarter ended June 30, 2024 compared to the same period in 2023 due primarily to the decrease in units sold and an 230 basis point decrease in gross margins.

On a same store basis, pre-owned vehicle retail gross profits decreased \$17.5 million, or 51.0% in the six months ended June 30, 2024 compared to the same period in 2023 due primarily to the decrease in units sold and a 600 basis point decrease in gross margins.

Finance and Insurance

We believe that arranging timely financing is an important part of providing access to the RV lifestyle and we attempt to arrange financing for every vehicle we sell. We also offer related products such as extended warranties, insurance contracts and other maintenance products.

Finance and insurance ("F&I") revenues decreased \$1.7 million, or 9.6%, in the quarter ended June 30, 2024 compared to the same period in 2023 primarily due to a decrease in total retail units sold of 5.4%.

F&I revenues decreased \$0.3 million, or 0.7%, in the six months ended June 30, 2024 compared to the same period in 2023 primarily due to a 1.1% decrease in F&I per unit.

On a same store basis, F&I revenues decreased \$3.2 million, or 18.8%, in the quarter ended June 30, 2024 compared to the same period in 2023 primarily due to a 21.6% decrease in units sold, partially offset by a 4.2% increase in F&I per unit.

On a same store basis, F&I revenues decreased \$4.0 million, or 12.0%, in the six months ended June 30, 2024 compared to the same period in 2023 primarily due to a 15.3% decrease in units sold, partially offset by a 4.3% increase in F&I per unit.

F&I per unit increased primarily as a result of increased finance and extended warranty penetration. Finance penetration increased to 75% for the quarter ended June 30, 2024, compared to 62% for the same period in 2023 and extended warranty penetration increased to 52% compared to 46% for the same period in 2023.

For the six months ended June 30, 2024, finance penetration was 69% compared to 61% for the same period in 2023 and extended warranty penetration was 49% compared to 45% for the same period in 2023.

Certain information regarding our F&I operations was as follows:

	Three Months Ended June 30,					
	2024	2023			Variance	
Overall						
F&I per unit	\$ 4,834	\$ 5,029	\$	(195)		(3.9)%
Same Store						
F&I per unit	\$ 5,367	\$ 5,152	\$	215		4.2 %
	Six Months Ended June 30,					
	2024	2023			Variance	
Overall						
F&I per unit	\$ 4,925	\$ 4,980	\$	(55)		(1.1)%
Same Store						
F&I per unit	\$ 5,322	\$ 5,103	\$	219		4.3 %

Service, Body and Parts and Other

With approximately 400 service bays, we provide onsite general RV maintenance and repair services at all of our dealership locations. We employ over 300 highly skilled technicians, many of them certified by the Recreational Vehicle Industry Association ("RVIA") or the National RV Dealers Association ("RVDA") and we are equipped to offer comprehensive services and perform Original Equipment Manufacturer ("OEM") warranty repairs for most RV components. Earnings from service, body and parts and other have historically been more resilient during economic downturns, when owners have tended to hold and repair their existing RVs rather than buy a new one.

Service, body and parts and other is a strategic area of focus and area of opportunity to grow additional earnings.

Our service, body and parts and other revenue decreased 0.2% and our gross profit increased 4.3% during the quarter ended June 30, 2024 compared to the same period in 2023.

Our service, body and parts and other revenue and gross profit decreased 6.0% and 3.6%, respectively, during the six months ended June 30, 2024 compared to the same period in 2023.

Our same store service, body and parts and other revenue decreased 12.2% and our gross profit decreased 5.1% during the quarter ended June 30, 2024 compared to the same period in 2023.

Our same store service, body and parts and other revenue decreased 16.0% and our gross profit decreased 12.4% during the six months ended June 30, 2024 compared to the same period in 2023.

The decreases in service, body and parts and other revenue both overall and on a same store basis were primarily due to lower demand, offset by an increase in gross profit for the quarter ended June 30, 2024 due to lower costs associated with service, body and parts and other.

Depreciation and Amortization

Depreciation and amortization was as follows:

(\$ in thousands)	Three Months Ended June 30,		Variance	
	2024	2023	\$	%
Depreciation and amortization	\$ 4,956	\$ 4,459	\$ 497	11.1 %

(\$ in thousands)	Six Months Ended June 30,		Variance	
	2024	2023	\$	%
Depreciation and amortization	\$ 10,417	\$ 8,862	\$ 1,555	17.5 %

The increases in Depreciation and amortization were primarily related to the increase in Property and equipment as a result of acquisitions, improvements in existing dealerships, and the opening of new stores.

Selling, General and Administrative

Selling, general and administrative ("SG&A") expenses consist primarily of wage-related expenses, selling expenses related to commissions and advertising, lease expenses, corporate overhead expenses, transaction costs, and stock-based compensation expense, and do not include depreciation and amortization expense.

SG&A expense was as follows:

(\$ in thousands)	Three Months Ended June 30,		Variance	
	2024	2023	\$	%
SG&A expense	\$ 50,966	\$ 50,480	\$ 486	1.0 %
SG&A as percentage of gross profit	107.5 %	74.5 %	3,300 bps	

(\$ in thousands)	Six Months Ended June 30,		Variance	
	2024	2023	\$	%
SG&A expense	\$ 99,852	\$ 104,012	\$ (4,160)	(4.0)%
SG&A as percentage of gross profit	117.2 %	79.0 %	3,821 bps	

SG&A for the three months ended June 30, 2024 was relatively flat over the same period of 2023 primarily related to increased marketing expense offset by reduced headcount and lower commissions paid due to decreases in average selling prices and gross profit per unit.

The decrease in SG&A for the six months ended June 30, 2024, was primarily related to reduced headcount and lower commissions paid due to the decreases in average selling price and gross profit per retail unit.

The increases in SG&A as a percentage of gross profit were primarily related to lower gross profit.

Stock-based compensation was as follows:

(\$ in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation	\$ 595	\$ 842	\$ 1,104	\$ 1,639

The decreases in stock-based compensation were primarily due to fewer awards granted and vested during the periods.

Floor Plan Interest Expense

Floor plan interest expense was as follows:

(\$ in thousands)	Three Months Ended June 30,		Variance	
	2024	2023	\$	%
Floor plan interest expense	\$ 5,708	\$ 5,835	\$ (127)	(2.2)%

(\$ in thousands)	Six Months Ended June 30,		Variance	
	2024	2023	\$	%
Floor plan interest expense	\$ 13,384	\$ 11,366	\$ 2,018	17.8 %

The decrease in Floor plan interest expense for the three months ended June 30, 2024 was primarily due to a lower average principal balance compared to the same period in 2023. The increase in Floor plan interest expense for the six months ended June 30, 2024 was primarily due to increases in the average floor plan borrowing rate.

Other Interest Expense

Other interest expense was as follows:

(\$ in thousands)	Three Months Ended June 30,		Variance	
	2024	2023	\$	%
Other interest expense	\$ 5,837	\$ 2,083	\$ 3,754	180.2 %

(\$ in thousands)	Six Months Ended June 30,		Variance	
	2024	2023	\$	%
Other interest expense	\$ 10,360	\$ 3,783	\$ 6,577	173.9 %

The increases in other interest expense were primarily due to higher average principal balances from borrowings on our real estate facilities. See [Note 7 - Debt](#) to our Condensed Consolidated Financial Statements for additional information.

Income Tax Expense

Income tax expense was as follows:

(\$ in thousands)	Three Months Ended June 30,		Variance	
	2024	2023	\$	%
Income tax expense	\$ (23,821)	\$ (1,306)	\$ (22,515)	NM
Effective tax rate	(116.8)%	(26.8)%		

(\$ in thousands)	Six Months Ended June 30,		Variance	
	2024	2023	\$	%
Income tax expense	\$ (17,021)	\$ (1,163)	\$ (15,858)	NM
Effective tax rate	(34.6)%	(26.2)%		

*NM - not meaningful

The tax expense differs from the statutory rate primarily due to the establishment of a valuation allowance during the three months ended June 30, 2024.

Liquidity and Capital Resources

Our principal needs for liquidity and capital resources are for capital expenditures and working capital as well as for growth through acquisitions and greenfielding. We have historically satisfied our liquidity needs through cash flows from operations, borrowings under our credit facilities as well as sale-leaseback arrangements. In addition to these sources of

liquidity, potential sources to fund our business strategy include financing of owned real estate, construction loans, and proceeds from debt or equity offerings. We evaluate all of these options and may select one or more of them depending upon overall capital needs and the availability and cost of capital, although no assurances can be provided that these capital sources will be available in sufficient amounts or with terms acceptable to us.

As of June 30, 2024, we were not in compliance with all of the M&T Bank financing agreement covenants as we did not meet our minimum EBITDA requirement or current ratio requirement. However, we entered into a Limited Waiver with Respect to Credit Agreement with the lenders under the Credit Agreement which temporarily waived these covenants. The Company is not certain as to when the industry will recover and anticipates that unit sales may continue to be well below long-term averages and therefore believes the potential exists that it may continue to not be in compliance with existing financial covenants under the Credit Agreement for the twelve-month period after the issuance date of the financial statements. If the Company is not in compliance with its covenants, absent a further waiver, it will be an event of default that would give lenders the right, but not the obligation, to accelerate amounts outstanding. In that event, the Company may need to seek other sources of capital and there can be no assurances that the Company would be able to do so on acceptable terms.

As of June 30, 2024, we had cash of \$42.0 million and our revolver was fully drawn. As of August 14, 2024, we hold approximately \$126.5 million of real estate financed under our mortgage facility that we estimate could provide approximately \$45 million of additional liquidity at an estimated 75% loan to value as we refinance these properties.

Cash Flow Summary

<i>(In thousands)</i>	Six Months Ended June 30,	
	2024	2023
Net (loss) income	\$ (66,201)	\$ 3,284
Non-cash adjustments	25,647	10,793
Changes in operating assets and liabilities	141,869	(3,372)
Net cash provided by operating activities	101,315	10,705
Net cash used in investing activities	(9,967)	(66,042)
Net cash (used in) provided by financing activities	(107,411)	17,823
Net decrease in cash	<u>\$ (16,063)</u>	<u>\$ (37,514)</u>

Operating Activities

Inventories are the most significant component of our cash flow from operations. As of June 30, 2024, our new vehicle days' supply was 203 days which was 177 days less than our days' supply as of December 31, 2023. As of June 30, 2024, our days' supply of pre-owned vehicles was 91 days, which was 41 days less than our days' supply at December 31, 2023. We calculate days' supply of inventory based on current inventory levels and a 90-day historical cost of sales level. We continue to focus on managing our unit mix and maintaining appropriate levels of new and pre-owned vehicle inventory.

Borrowings from and repayments to the M&T Floor Plan Line of Credit related to our new vehicle inventory floor plan financing are presented as financing activities. Additionally, the cash paid for inventory purchased as part of an acquisition is presented as an investing activity, while the subsequent flooring of the new inventory is included in our floor plan payable cash activities.

To better understand the impact of these items, adjusted net cash provided by operating activities, a non-GAAP financial measure, is presented below:

(In thousands)	Six Months Ended June 30,		Variance
	2024	2023	\$
Net cash provided by operating activities, as reported	\$ 101,315	\$ 10,705	\$ 90,610
Net repayments on floor plan notes payable	(114,824)	(44,293)	(70,531)
Minus borrowings on floor plan notes payable associated with acquired new inventory	—	(4,271)	4,271
Plus net increase to floor plan offset account	—	40,000	(40,000)
Net cash (used in) provided by operating activities, as adjusted	\$ (13,509)	\$ 2,141	\$ (15,650)

Investing Activities

During the six months ended June 30, 2024, we used \$12.9 million for the purchase of property and equipment, primarily related to improvements in existing dealerships.

Financing Activities

During the six months ended June 30, 2024, significant financing activities included net repayments under our M&T Bank Floor Plan credit facility of \$114.8 million, borrowings under revolving line of credit of \$5.0 million, proceeds from issuance of long-term debt and finance liabilities of \$15.2 million, loan issuance costs of \$2.8 million and \$0.1 million used for repayments on long-term debt.

M&T Financing Agreement

Our Senior Secured Credit Facility with M&T Bank provides a \$480 million Floor Plan Line of Credit and a \$50 million Revolving Credit Facility both of which expire February 21, 2027.

On March 8, 2024, we entered into the First Amendment to the Second Amended and Restated Credit Agreement and Consent with M&T to waive and modify certain covenants. This included waiving the net leverage ratio from the fourth quarter of 2023 through the second quarter of 2024, the current ratio for the fourth quarter of 2023, and the fixed charge coverage ratio for the first and second quarters of 2024. Additionally, an additional tier was added to the definition of applicable margin of the M&T credit facilities, setting forth the applicable interest rates corresponding to a total net leverage ratio of $3.00 \leq X$. This new tier is applicable as of March 8, 2024.

On May 14, 2024, we entered into the Second Amendment to the Second Amended and Restated Credit Agreement and Consent (the "Second Amendment") with M&T to waive certain covenants. As part of the Second Amendment, we agreed to pay down \$10 million on our Revolving Credit Facility by December 31, 2024. The Second Amendment also modified certain covenants, including the net leverage ratio, the current ratio and the fixed charge coverage ratio. Additionally, the definition of applicable margin was modified, to set forth the applicable interest rates from May 14, 2024 through June 30, 2025.

As of June 30, 2024, we were not in compliance with all of the M&T Bank financing agreement covenants as we did not meet our minimum EBITDA requirement or current ratio requirement. However, we entered into a Limited Waiver with Respect to Credit Agreement with the lenders under the M&T Credit Agreement which temporarily waived these covenants.

At June 30, 2024, there was \$331 million outstanding on the Floor Plan Line of Credit at an interest rate of 7.93% and \$44.5 million outstanding on the Revolving Credit Facility at an interest rate of 8.83%. We were in compliance with all financial and restrictive covenants at June 30, 2024.

Following the Second Amendment, the Floor Plan Line of Credit bears interest at: (a) 30-day SOFR plus an applicable margin of 1.90% to 2.55% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 0.90% to 1.55% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 1 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 1 Basis Points. The Floor Plan Line of Credit is also subject to an annual unused commitment fee at 0.15% of the average daily unused portion of the Floor Plan.

The Revolving Credit Facility bears interest at: (a) 30-day SOFR plus an applicable margin of 2.15% to 3.40% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 1.15% to 2.40% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating

rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 1 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 1 Basis Points. The Revolving Credit Facility is also subject to a quarterly unused commitment fee at 0.15% of the average daily unused portion of the Revolving Credit Facility.

Borrowings under M&T Financing Agreement are secured by a first priority lien on substantially all of our assets other than real estate.

The M&T Floor Plan Line of Credit consisted of the following:

<i>(In thousands)</i>	June 30, 2024	December 31, 2023
Floor plan notes payable, gross	\$ 331,733	\$ 447,647
Debt discount	(766)	(864)
Floor plan notes payable, net of debt discount	\$ 330,967	\$ 446,783

Other Long-Term Debt

Other outstanding long-term debt consisted of the following:

	June 30, 2024			December 31, 2023		
<i>(In thousands)</i>	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount
Term loan and mortgages	\$ 73,869	\$ (2,631)	\$ 71,238	\$ 64,870	\$ (2,300)	\$ 62,570
Less: current portion	73,869	(2,631)	71,238	1,141	—	1,141
Total	\$ —	\$ —	\$ —	\$ 63,729	\$ (2,300)	\$ 61,429

Mortgages

In July 2023, we entered into two mortgages for total proceeds of \$29.3 million secured by certain real estate assets at our Murfreesboro and Knoxville locations. The loans bear interest between 6.85% and 7.10% per annum and mature in July 2033.

Term Loan

On December 29, 2023, we entered into a \$50 million term loan (the "Loan") with Coliseum Holdings I, LLC as lender (the "Lender"). The Lender is an affiliate of Coliseum Capital Management, LLC ("Coliseum") and Christopher Shackelton. The Loan has a maturity date of December 29, 2026. Certain funds and accounts managed by Coliseum held 81.0% of Lazydays common stock (calculated as if the preferred stock has been converted into common stock) as of June 30, 2024 and is therefore considered a related party. The Loan bears interest at a rate of 12% per annum, payable monthly in cash on the outstanding loan balance. For any quarterly period during the Loan term, we have the option at the beginning of each quarter to make pay-in-kind elections, whereby the entire outstanding balance would be charged interest at 14% per annum and interest amounts will be added to the outstanding principal. The Loan is secured by certain of our assets. Issuance costs of \$2 million were recorded as debt discount and are being amortized over the term of the Loan to interest expense using the effective interest method. The Loan is carried at the outstanding principal balance, less debt issuance costs.

On May 15, 2024, we increased the Loan by an additional \$15 million (the "Advance"). The terms of the Advance are substantially similar to the terms on the Loan, and the Advance is secured by the inclusion of another dealership facility in the collateral.

Under the terms of the Loan, for any repayments and prepayments that occur prior to January 1, 2025, we will owe a prepayment penalty of 1% on the outstanding principal balance being repaid and a make whole premium equal to the remaining interest owed on such balance repaid from date of repayment through January 1, 2025. For repayments and prepayments that occur after January 1, 2025 through maturity, we will owe a prepayment penalty of 2% on the outstanding principal balance being repaid.

The Loan contains certain reporting and compliance-related covenants. The Loan contains negative covenants, among other things, related to borrowing and events of default. It also includes certain non-financial covenants and covenants limiting our ability to dispose of assets, undergo a change in control, merge with, acquire stock, or make investments in other

companies, in each case subject to certain exceptions. Upon the occurrence of an event of default, in addition to the lender being able to declare amounts outstanding under the Loan due and payable or foreclose on the collateral, the lender can elect to increase the interest rate by 7% per annum during the period of default. In addition, the Loan contains a cross default with M&T Bank. As of June 30, 2024, we were not in compliance with all of the M&T Bank financing agreement covenants as we did not meet our minimum trailing twelve-month EBITDA requirement, however because the Company received a waiver under the Credit Agreement, there is no event of default on the Loan for the period ended June 30, 2024.

Future maturities of long-term debt are as follows:

(In thousands)

Remainder of 2024	\$	5,578
2025		771
2026		45,326
2027		886
2028		950
Thereafter		20,358
Total	\$	73,869

The above schedule reflects contractual maturities, but for financial reporting, the Revolving Line of Credit, long-term debt, and related party debt have been classified as current as described in Note 2 and Note 7 to the Condensed Consolidated Financial Statements.

Industry Trends

We monitor industry conditions in the RV market using a number of resources including its own performance tracking and modeling. We also consider monthly wholesale shipment data as reported by the RV Industry Association ("RVIA"), which is typically issued on a one-month lag and represents manufacturers' North American RV production and delivery to dealers. According to the RV Industry Association's survey of manufacturers, total wholesale shipments of new RVs for the six months ended June 30, 2024 were 85,941 units, compared to 78,600 units for the same period in 2023, an increase of 9.3%.

In June 2024, RVIA issued a revised forecast for calendar year 2024 and 2025 wholesale unit shipments. The new forecast projects 2024 RV wholesale shipments to range between 329,900 to 359,100 units with a median of 344,000 units. Additional growth is expected through 2025 with wholesale shipments increasing to a range of 374,200 to 408,600 with a median of 391,400 units.

We believe that retail consumer interest remains high due to an ongoing interest in the RV lifestyle. While we anticipate that near-term demand will be influenced by many factors, including consumer confidence and the level of consumer spending on discretionary products, we believe future retail demand over the longer term will exceed historical, pre-pandemic levels as consumers continue to value the perceived benefits offered by the RV lifestyle.

Inflation

During the six months ended June 30, 2024, we experienced the impact of inflation on our operations, particularly with the increased cost of new vehicles. The price risk relating to new vehicles includes the cost from the manufacturer, as well as freight and logistics costs. Each of these costs have been impacted, to differing degrees, by factors such as high demand for product, supply chain disruptions, labor shortages, and increased fuel costs.

Inflationary factors, such as increases to our product and overhead costs, may adversely affect our operating results if the selling prices of our products and services do not increase proportionately with those increased costs or if demand for our products and services declines as a result of price increases to address inflationary costs. We finance substantially all of our new vehicle inventory and certain of our used vehicle inventory through revolving floor plan arrangements. Inflationary increases in the costs of new and/or used vehicles financed through the revolving floor plan arrangement result in an increase in the outstanding principal balance of the revolving floor plan arrangement. Additionally, our leases require us to pay taxes, maintenance, repairs, insurance and utilities, all of which are generally subject to inflationary increases. Further, the cost of remodeling acquired RV dealership locations and constructing new RV dealership locations is subject to

inflationary increases in the costs of labor and material, which results in higher rent expense on new RV dealership locations. Finally, our credit agreements include interest rates that vary based on various benchmarks. Such rates have historically increased during periods of increasing inflation.

Cyclicality

Unit sales of RV vehicles historically have been cyclical, fluctuating with general economic cycles. During economic downturns the RV retailing industry tends to experience similar periods of decline and recession as the general economy. We believe that the industry is influenced by general economic conditions and particularly by consumer confidence, the level of personal discretionary spending, fuel prices, interest rates and credit availability.

Seasonality and Effects of Weather

Our operations generally experience modestly higher volumes of vehicle sales in the first half of each year due in part to consumer buying trends and the hospitable warm climate during the winter months at our Florida and Arizona locations. In addition, the northern locations in Colorado, Tennessee, Minnesota, Indiana, Oregon, Washington and Wisconsin generally experience modestly higher vehicle sales during the spring months.

Our largest RV dealership is located near Tampa, Florida, which is in close proximity to the Gulf of Mexico. A severe weather event, such as a hurricane, could cause severe damage to property and inventory and decrease the traffic to our dealerships. Although we believe that we have adequate insurance coverage, if we were to experience a catastrophic loss, we may exceed our policy limits and/or may have difficulty obtaining similar insurance coverage in the future.

Critical Accounting Policies and Estimates

There have been no material changes in the critical accounting policies and use of estimates described in our 2023 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 12, 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information requested by this Item 3 is not applicable as we have elected scaled disclosure requirements available to smaller reporting companies with respect to this Item 3.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) or our internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of the controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error and mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of effectiveness of controls and procedures to future periods are subject to the risk that the controls and procedures may become inadequate because of changes in conditions, or that the degree of compliance with the controls and procedures may have deteriorated.

In accordance with Rule 13a-15(b) of the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation was carried out under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures. Based on that evaluation, and due to the previously identified material weakness in our internal control over financial reporting that is described below, which is still being remediated, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of June 30, 2024.

As previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024, we previously identified a material weakness related to ineffective design and implementation of Information Technology General Controls ("ITGC") in the area of user access, program change management and security administration that are relevant to the preparation of the financial statements. Primarily, we did not design and maintain controls to ensure (a) access provisioned matched the access requested, (b) user access reviews were performed with complete and accurate data, (c) changes to internally developed applications were approved prior to deployment to production and (d) security administration was appropriately maintained. As a result, our related process-level IT dependent manual and automated controls that rely on the affected ITGCs, or information from IT systems with affected ITGCs, were also deemed ineffective. Additionally, management identified a material weakness in our internal control over financial reporting that existed due to turnover of certain accounting positions during the fourth quarter of 2023 which resulted in the lack of sufficient documentation to support the effective performance of our internal control over financial reporting. These material weaknesses did not result in any identified misstatements to our financial statements, and there were no changes to previously released financial results.

Notwithstanding the previously identified material weaknesses, which continues to be remediated, management, including our Chief Executive Officer and Chief Financial Officer, believes the Unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with U.S. GAAP.

Ongoing Remediation Efforts to Address the Previously Identified Material Weaknesses

Management has enhanced, and will continue to enhance, the risk assessment process and design and implementation of internal control over financial reporting. The remediation measures to correct the previously identified material weaknesses include enhancing the design and implementation of existing controls and creating new controls as needed to address identified risks and providing additional training to personnel including the appropriate level of documentation to be maintained to support internal controls over financial reporting. The previously identified material weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

Other than with respect to the remediation efforts described above in connection with the previously identified material weaknesses, there were no changes in our internal controls over financial reporting during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1A. Risk Factors

The information in this Form 10-Q should be read in conjunction with the risk factors and information disclosed in our 2023 Annual Report on Form 10-K, which was filed with the SEC on March 12, 2024. There have been no material changes to the primary risks related to our business and securities as described in our 2023 Annual Report on Form 10-K, under “Risk Factors” in Item 1A.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Issuer Purchases of Equity Securities

We repurchased the following shares of our common stock during the quarter ended June 30, 2024:

Period	Total Number of Shares Purchased ⁽²⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
April 1 - April 30, 2024	—	\$ —	—	\$ 63,370,543
May 1 - May 31, 2024	—	—	—	63,370,543
June 1 - June 30, 2024	9,322	3.87	—	63,370,543
	<u>9,322</u>	<u>3.87</u>	<u>—</u>	

⁽¹⁾ On September 13, 2021, our Board of Directors authorized the repurchase of up to \$25 million of our common stock through December 31, 2024. On December 15, 2022, our Board of Directors authorized the repurchase of up to an additional \$50 million of our common stock through December 31, 2024. These shares may be purchased from time-to-time in the open market at prevailing prices, in privately negotiated transactions or through block trades.

⁽²⁾ All of the shares repurchased in the quarter ended June 30, 2024 were related to tax withholding upon the vesting of RSUs and none related to our repurchase authorization.

Unregistered Sales of Equity Securities

As partial consideration for the Advance (as defined above), we issued warrants (the “Warrants”) to purchase in the aggregate up to 2,000,000 shares of our common stock, to Coliseum Capital Partners, L.P. and Blackwell Partners LLC – Series A (each, a “Holder”), each an advisory client of Coliseum Capital Management, LLC, an affiliate of the Lender (as defined above). Each Warrant may be exercised to purchase Common Stock for \$5.25 per share at any time on or after May 15, 2024 and until 5:00 p.m. (New York City time) on May 15, 2034. The warrants have not been exercised and there has been no proceeds received for them. The Warrants are not registered under the Securities Act and were offered pursuant to an exemption from the registration requirements of the Securities Act provided in Section 4(a)(2) thereof.

Item 5. Other Information

During the second quarter of 2024, none of our officers or directors adopted or terminated any “Rule 10b5-1 trading arrangement” or any “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

3.1	Amended and Restated Certificate of Incorporation of Lazydays Holdings, Inc., including the Certificate of Designations of Series A Convertible Preferred Stock (filed as Exhibit 3.1 to the Current Report on Form 8-K filed on June 3, 2022 and incorporated herein by reference).
3.2	Amended and Restated Bylaws of Lazydays Holdings, Inc., effective January 25, 2023 (filed as Exhibit 3.1 to the Current Report on Form 8-K filed on January 27, 2023 and incorporated herein by reference).
10.1	Second Amendment, dated May 14, 2024, to Second Amended and Restated Credit Agreement and Consent between LDRV Holdings Corp. and Manufacturers and Traders Trust Company (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on May 17, 2024 and incorporated herein by reference).
10.2	First Amendment to Loan Agreement, dated as of May 15, 2024, by and among LD Real Estate, LLC, Lazydays RV of Ohio, LLC, Airstream of Knoxville at Lazydays RV, LLC, Lone Star Acquisition LLC, Lazydays Land of Phoenix, LLC, the guarantors party thereto and Coliseum Holdings I, LLC (filed as Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on May 15, 2024 and incorporated herein by reference).
10.3	Registration Rights Agreement, dated May 15, 2024, between Lazydays Holdings, Inc. and the investors named therein (filed as Exhibit 10.3 to the Quarterly Report on Form 10-Q filed on May 15, 2024 and incorporated herein by reference).
10.4	Common Stock Purchase Warrant (Coliseum Capital Partners, L.P.) (filed as Exhibit 10.4 to the Quarterly Report on Form 10-Q filed on May 15, 2024 and incorporated herein by reference).
10.5	Common Stock Purchase Warrant (Blackwell Partners, LLC - Series A) (filed as Exhibit 10.5 to the Quarterly Report on Form 10-Q filed on May 15, 2024 and incorporated herein by reference).
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended
32.1**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer)
32.2**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer)
101*	The following financial statements from the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2024, formatted in inline XBRL, include: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Income, (iii) Condensed Consolidated Statements of Stockholders' Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) the Notes to the Condensed Consolidated Financial Statements.
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101)

* Filed herewith

** Furnished herewith

Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act or the Exchange Act, except as otherwise stated in any such filing.

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.

Lazydays Holdings, Inc.

Date: August 14, 2024

/s/ Kelly A. Porter

Kelly A. Porter

Chief Financial Officer

Principal Financial and Accounting Officer

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, John F. North III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Lazydays Holdings, 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.

Date: August 14, 2024

/s/ JOHN F. NORTH III

John F. North III

Chief Executive Officer

CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Kelly A. Porter certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Lazydays Holdings, 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.

Date: August 14, 2024

/s/ KELLY A. PORTER

Kelly A. Porter

Chief Financial Officer

**CERTIFICATION 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 on Form 10-Q of Lazydays Holdings, Inc. (the "Company") for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John F. North III, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JOHN F. NORTH III

John F. North III

Chief Executive Officer

Date: August 14, 2024

**CERTIFICATION 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 on Form 10-Q of Lazydays Holdings, Inc. (the "Company") for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kelly A. Porter, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ KELLY A. PORTER

Kelly A. Porter

Chief Financial Officer

Date: August 14, 2024