

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 November 25, 2023

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-06403

**WINNEBAGO  
INDUSTRIES**  
**WINNEBAGO INDUSTRIES, INC.**

(Exact name of registrant as specified in its charter)

<b>Minnesota</b>			<b>42-0802678</b>
(State or other jurisdiction of incorporation or organization)			(I.R.S. Employer Identification No.)
<b>13200 Pioneer Trail</b>	<b>Eden Prairie</b>	<b>Minnesota</b>	<b>55347</b>
(Address of principal executive offices)			(Zip Code)
<b>952 - 829-8600</b>			
(Registrant's telephone number, including area code)			

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.50 par value per share	WGO	New York Stock Exchange

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

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

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

Large Accelerated Filer  Accelerated Filer  Non-accelerated Filer

Smaller Reporting Company  Emerging Growth Company

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

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

As of December 13, 2023, there were 29,237,891 shares of common stock, par value \$0.50 per share, outstanding.

**Winnebago Industries, Inc.**  
**Quarterly Report on Form 10-Q**  
**For the Quarterly Period Ended November 25, 2023**

**Table of Contents**

<b>PART I.</b>	<b><u>FINANCIAL INFORMATION</u></b>	<b><u>3</u></b>
<u>Item 1.</u>	<u>Consolidated Financial Statements</u>	<u>3</u>
	<u>Consolidated Statements of Income</u>	<u>3</u>
	<u>Consolidated Balance Sheets</u>	<u>4</u>
	<u>Consolidated Statements of Cash Flows</u>	<u>5</u>
	<u>Consolidated Statements of Changes in Shareholders' Equity</u>	<u>7</u>
	<u>Notes to Consolidated Financial Statements</u>	<u>8</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>20</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>27</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>	<u>27</u>
<b>PART II.</b>	<b><u>OTHER INFORMATION</u></b>	<b><u>28</u></b>
<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>28</u>
<u>Item 1A.</u>	<u>Risk Factors</u>	<u>28</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>28</u>
<u>Item 5.</u>	<u>Other Information</u>	<u>28</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>29</u>
<b><u>SIGNATURES</u></b>		<b><u>30</u></b>

**PART I. FINANCIAL INFORMATION****Item 1. Consolidated Financial Statements****Winnebago Industries, Inc.****Consolidated Statements of Income**  
**(Unaudited)**

(in millions, except per share data)	<b>Three Months Ended</b>	
	<b>November 25,</b>	<b>November 26,</b>
	<b>2023</b>	<b>2022</b>
Net revenues	\$ 763.0	\$ 952.2
Cost of goods sold	647.2	791.8
Gross profit	115.8	160.4
Selling, general, and administrative expenses	71.1	70.7
Amortization	5.6	3.8
Total operating expenses	76.7	74.5
Operating income	39.1	85.9
Interest expense, net	4.1	5.9
Non-operating loss	0.6	0.3
Income before income taxes	34.4	79.7
Provision for income taxes	8.6	19.5
Net income	\$ 25.8	\$ 60.2
<hr/>		
Earnings per common share:		
Basic	\$ 0.87	\$ 1.98
Diluted	\$ 0.78	\$ 1.73
<hr/>		
Weighted average common shares outstanding:		
Basic	29.6	30.4
Diluted	34.7	35.5

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

[Table of Contents](#)

**Winnebago Industries, Inc.**  
**Consolidated Balance Sheets**

	November 25, 2023	August 26, 2023
(in millions, except per share data)		
(Unaudited)		
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 219.6	\$ 309.9
Receivables, less allowance for credit losses (\$ 0.4 and \$ 0.4 , respectively)	187.6	178.5
Inventories, net	494.0	470.6
Prepaid expenses and other current assets	33.4	37.7
Total current assets	<u>934.6</u>	<u>996.7</u>
Property, plant, and equipment, net	331.1	327.3
Goodwill	514.5	514.5
Other intangible assets, net	496.4	502.0
Investment in life insurance	29.6	29.3
Operating lease assets	41.3	42.6
Other long-term assets	21.4	20.0
<b>Total assets</b>	<u><u>\$ 2,368.9</u></u>	<u><u>\$ 2,432.4</u></u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities		
Accounts payable	\$ 123.4	\$ 146.9
Accrued expenses:		
Accrued compensation	34.2	35.9
Product warranties	91.8	97.8
Self-insurance	23.1	23.3
Promotional	28.5	29.9
Accrued interest and dividends	7.8	13.7
Other current liabilities	38.5	48.5
Total current liabilities	<u>347.3</u>	<u>396.0</u>
Non-current liabilities		
Long-term debt, net	593.1	592.4
Deferred income tax liabilities, net	12.7	11.7
Unrecognized tax benefits	6.4	6.1
Long-term operating lease liabilities	40.5	42.0
Deferred compensation benefits, net of current portion	7.2	7.9
Other long-term liabilities	7.7	8.2
<b>Total liabilities</b>	<u><u>1,014.9</u></u>	<u><u>1,064.3</u></u>
Contingent liabilities and commitments (Note 11)		
Shareholders' equity:		
Preferred stock, par value \$ 0.01 : 10.0 shares authorized; zero shares issued and outstanding	—	—
Common stock, par value \$ 0.50 : 120.0 shares authorized; 51.8 shares issued	25.9	25.9
Additional paid-in capital	196.4	197.7
Retained earnings	1,773.6	1,747.8
Accumulated other comprehensive loss	( 0.4 )	( 0.4 )
Treasury stock, at cost: 22.6 and 22.0 shares, respectively	( 641.5 )	( 602.9 )
<b>Total shareholders' equity</b>	<u><u>1,354.0</u></u>	<u><u>1,368.1</u></u>
<b>Total liabilities and shareholders' equity</b>	<u><u>\$ 2,368.9</u></u>	<u><u>\$ 2,432.4</u></u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.



**Winnebago Industries, Inc.**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

(in millions)	Three Months Ended		
	November 25, 2023		November 26, 2022
	\$	\$	\$
<b>Operating activities</b>			
Net income	\$ 25.8	\$ 60.2	
Adjustments to reconcile net income to net cash (used in) provided by operating activities			
Depreciation	8.1	6.6	
Amortization	5.6	3.8	
Amortization of debt issuance costs	0.8	0.8	
Last in, first-out ("LIFO") expense	0.1	1.1	
Stock-based compensation	4.6	3.0	
Deferred income taxes	1.0	1.0	
Contingent consideration fair value adjustment	0.8	0.4	
Other, net	0.4	(0.2)	
Change in operating assets and liabilities, net of assets and liabilities acquired			
Receivables, net	(9.1)	51.2	
Inventories, net	(24.0)	(28.3)	
Prepaid expenses and other assets	(1.7)	6.9	
Accounts payable	(23.4)	(81.5)	
Income taxes and unrecognized tax benefits	8.7	19.1	
Accrued expenses and other liabilities	(19.1)	(14.2)	
<b>Net cash (used in) provided by operating activities</b>	<b>(21.4)</b>	<b>29.9</b>	
<b>Investing activities</b>			
Purchases of property, plant, and equipment	(11.8)	(27.8)	
Other, net	(2.9)	0.7	
<b>Net cash used in investing activities</b>	<b>(14.7)</b>	<b>(27.1)</b>	
<b>Financing activities</b>			
Borrowings on long-term debt	780.6	1,475.0	
Repayments on long-term debt	(780.6)	(1,475.0)	
Payments of cash dividends	(9.6)	(8.5)	
Payments for repurchases of common stock	(44.2)	(4.5)	
Other, net	(0.4)	(0.3)	
<b>Net cash used in financing activities</b>	<b>(54.2)</b>	<b>(13.3)</b>	
Net decrease in cash and cash equivalents	(90.3)	(10.5)	
Cash and cash equivalents at beginning of period	309.9	282.2	
<b>Cash and cash equivalents at end of period</b>	<b>\$ 219.6</b>	<b>\$ 271.7</b>	

<b>Supplemental Disclosures</b>			
Income taxes paid (received), net	\$	—	\$ (1.3)
Interest paid		2.5	2.3
<b>Non-cash investing and financing activities</b>			
Capital expenditures in accounts payable	\$	2.9	\$ 4.1

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**Winnebago Industries, Inc.**

**Consolidated Statements of Changes in Shareholders' Equity**  
**(Unaudited)**

(in millions)	Three Months Ended November 25, 2023								
	Common Shares		Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)		Treasury Stock		Total Shareholders' Equity
	Number	Amount	Paid-In Capital	Retained Earnings	Comprehensive Income (Loss)	Number	Amount		
Balances at August 26, 2023	51.8	\$ 25.9	\$ 197.7	\$ 1,747.8	\$ ( 0.4 )	( 22.0 )	\$ ( 602.9 )	\$ 1,368.1	
Stock-based compensation	—	—	4.6	—	—	—	—	—	4.6
Issuance of stock for employee benefit and stock-based awards, net	—	—	( 5.6 )	—	—	0.1	5.6	—	
Repurchase of common stock	—	—	( 0.3 )	—	—	( 0.7 )	( 44.2 )	( 44.5 )	
Net income	—	—	—	25.8	—	—	—	—	25.8
Balances at November 25, 2023	51.8	\$ 25.9	\$ 196.4	\$ 1,773.6	\$ ( 0.4 )	( 22.6 )	\$ ( 641.5 )	\$ 1,354.0	
Three Months Ended November 26, 2022									
(in millions)	Common Shares		Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)		Treasury Stock		Total Shareholders' Equity
	Number	Amount	Paid-In Capital	Retained Earnings	Comprehensive Income (Loss)	Number	Amount		
Balances at August 27, 2022	51.8	\$ 25.9	\$ 256.3	\$ 1,537.5	\$ ( 0.5 )	( 21.5 )	\$ ( 556.2 )	\$ 1,263.0	
Adoption of Accounting Standards Update (ASU) 2020-06	—	—	( 62.0 )	29.0	—	—	—	( 33.0 )	
Stock-based compensation	—	—	3.0	—	—	—	—	—	3.0
Issuance of stock for employee benefit and stock-based awards, net	—	—	( 6.1 )	—	—	0.3	6.0	( 0.1 )	
Repurchase of common stock	—	—	—	—	—	( 0.1 )	( 4.5 )	( 4.5 )	
Net income	—	—	—	60.2	—	—	—	—	60.2
Balances at November 26, 2022	51.8	\$ 25.9	\$ 191.2	\$ 1,626.7	\$ ( 0.5 )	( 21.3 )	\$ ( 554.7 )	\$ 1,288.6	

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**Winnebago Industries, Inc.**

**Notes to Consolidated Financial Statements**

**(Unaudited)**

*(All amounts are in millions, except share and per share data, unless otherwise designated)*

**Note 1. Basis of Presentation**

The consolidated financial statements include the accounts of Winnebago Industries, Inc. and its wholly owned subsidiaries. Intercompany account balances and transactions have been eliminated in consolidation.

The use of the terms "Winnebago Industries," "Winnebago," "we," "our," and "us" in this Quarterly Report on Form 10-Q, unless the context otherwise requires, refers to Winnebago Industries, Inc. and its wholly owned subsidiaries.

The interim unaudited consolidated financial statements included herein are prepared pursuant to the rules and regulations of the United States ("U.S.") Securities and Exchange Commission ("SEC"). The information furnished in these consolidated financial statements includes normal recurring adjustments, unless noted otherwise in the Notes to Consolidated Financial Statements, and reflects all adjustments that are, in management's opinion, necessary for a fair presentation of such financial statements. The consolidated financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). GAAP requires us to make estimates and assumptions that affect amounts reported. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to SEC rules and regulations.

The consolidated financial statements included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 filed with the SEC. Interim results of operations are not necessarily indicative of the results to be expected for the full fiscal year ending August 31, 2024.

**Comprehensive Income**

Comprehensive income represents the change in stockholders' equity from transactions and other events and circumstances from sources other than shareholders. As of November 25, 2023 and November 26, 2022, the difference between comprehensive income and net income was not material.

**Subsequent Events**

In preparing the accompanying unaudited consolidated financial statements, we have evaluated subsequent events for potential recognition and disclosure through the date of this filing noting no material subsequent events except as disclosed in Note 13.

**Recently Issued Accounting Pronouncements**

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* which requires incremental disclosures about significant segment expenses regularly provided to the Chief Operating Decision Maker. The new guidance is effective for annual reporting periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We are currently evaluating the impact of the standard on our consolidated financial statements and related disclosures.

**Note 2. Business Combinations**

**Lithionics Battery, LLC**

On April 28, 2023, we purchased 100 % of the equity interests of Lithionics Battery, LLC and Lithionics LLC (collectively, "Lithionics"), a premier lithium-ion battery solutions provider to the recreational equipment and specialty vehicle markets. Pro forma results of operations for this acquisition have not been presented as the impact on our consolidated financial statements was not material.

Total transaction costs related to the Lithionics acquisition of \$ 3.1 million were expensed during the third quarter of Fiscal 2023. Transaction costs are included in selling, general and administrative expenses in the accompanying Consolidated Statements of Income.

**Note 3. Business Segments**

We have eight operating segments: 1) Grand Design towables, 2) Winnebago towables, 3) Winnebago motorhomes, 4) Newmar motorhomes, 5) Chris-Craft marine, 6) Barletta marine, 7) Winnebago specialty vehicles, and 8) Lithionics. Financial performance is evaluated based on each operating segment's Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), as defined below, which excludes certain corporate administration expenses and non-operating income and expense.

Our three reportable segments are: Towable RV (an aggregation of the Grand Design towables and the Winnebago towables operating segments); Motorhome RV (an aggregation of the Winnebago motorhomes and Newmar motorhomes operating segments); and Marine (an aggregation of the Chris-Craft marine and Barletta marine operating segments). Towable RV is comprised of non-motorized RV products that are generally towed by another vehicle, along with other related manufactured products and services. Motorhome RV is comprised of products that include a motorhome chassis, along with other related manufactured products and services. Marine is comprised of products that include boats, along with other related manufactured products and services.

The Corporate / All Other category includes the Winnebago specialty vehicles and Lithionics operating segments as well as certain corporate administration expenses related to the oversight of the enterprise, such as corporate leadership and administration costs.

Identifiable assets of the reportable segments exclude general corporate assets, which principally consist of cash and cash equivalents and certain deferred tax balances. The general corporate assets are included in the Corporate / All Other category.

Our Chief Executive Officer (the Chief Operating Decision Maker ("CODM")) regularly reviews consolidated financial results in their entirety and operating segment financial information through Adjusted EBITDA and has ultimate responsibility for enterprise decisions. Our CODM is responsible for allocating resources and assessing performance of the consolidated enterprise, reportable segments and between operating segments. Management of each operating segment has responsibility for operating decisions, allocating resources and assessing performance within their respective operating segment. The accounting policies of all reportable segments are the same as those described in Note 1 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023.

We monitor and evaluate operating performance of our reportable segments based on Adjusted EBITDA. We believe disclosing Adjusted EBITDA is useful to securities analysts, investors and other interested parties when evaluating companies in our industries. EBITDA is defined as net income before interest expense, provision for income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as net income before interest expense, provision for income taxes, depreciation and amortization expense, and other pretax adjustments made in order to present comparable results period over period. Examples of items excluded from Adjusted EBITDA include acquisition-related costs, contingent consideration fair value adjustment, and non-operating income or loss.

Financial information by reportable segment is as follows:

(in millions)	Three Months Ended	
	November 25, 2023	November 26, 2022
<b>Net Revenues</b>		
Towable RV	\$ 330.8	\$ 347.3
Motorhome RV	334.4	464.2
Marine	87.3	131.4
Corporate / All Other	10.5	9.3
Consolidated	\$ 763.0	\$ 952.2
<b>Adjusted EBITDA</b>		
Towable RV	\$ 33.1	\$ 36.3
Motorhome RV	21.3	50.3
Marine	7.2	18.5
Corporate / All Other	( 7.5 )	( 8.1 )
Consolidated	\$ 54.1	\$ 97.0
<b>Capital Expenditures</b>		
Towable RV	\$ 2.4	\$ 14.3
Motorhome RV	7.3	5.8
Marine	1.2	7.3
Corporate / All Other	0.9	0.4
Consolidated	\$ 11.8	\$ 27.8

(in millions)	November 25, 2023	August 26, 2023
<b>Assets</b>		
Towable RV	\$ 759.3	\$ 751.2
Motorhome RV	821.9	802.2
Marine	419.8	426.9
Corporate / All Other	367.9	452.1
Consolidated	<u>\$ 2,368.9</u>	<u>\$ 2,432.4</u>

Reconciliation of net income to consolidated Adjusted EBITDA is as follows:

(in millions)	<b>Three Months Ended</b>	
	November 25, 2023	November 26, 2022
Net income	\$ 25.8	\$ 60.2
Interest expense, net	4.1	5.9
Provision for income taxes	8.6	19.5
Depreciation	8.1	6.6
Amortization	5.6	3.8
EBITDA	52.2	96.0
Acquisition-related costs	1.3	0.6
Contingent consideration fair value adjustment	0.8	0.4
Non-operating income	(0.2)	—
Adjusted EBITDA	<u>\$ 54.1</u>	<u>\$ 97.0</u>

**Note 4. Investments and Fair Value Measurements**

In determining the fair value of financial assets and liabilities, we utilize market data or other assumptions that we believe market participants would use in pricing the asset or liability in the principal or most advantageous market and adjust for non-performance and/or other risks associated with us as well as counterparties, as appropriate. Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date:

*Level 1* — Unadjusted quoted prices which are available in active markets for identical assets or liabilities accessible at the measurement date.

*Level 2* — Inputs other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

*Level 3* — Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

**Assets and Liabilities that are Measured at Fair Value on a Recurring Basis**

Financial assets and liabilities measured at fair value on a recurring basis are as follows:

(in millions)	Fair Value at November 25, 2023	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Assets that fund deferred compensation</b>				
Domestic equity funds	\$ 1.8	\$ 1.8	\$ —	\$ —
International equity funds	\$ 0.1	\$ 0.1	\$ —	\$ —
Total assets at fair value	<u><u>\$ 1.9</u></u>	<u><u>\$ 1.9</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>
<b>Contingent consideration</b>				
Earnout liability	\$ 19.2	\$ —	\$ —	\$ 19.2
Total liabilities at fair value	<u><u>\$ 19.2</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 19.2</u></u>

(in millions)	Fair Value at August 26, 2023	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<b>Assets that fund deferred compensation</b>				
Domestic equity funds	\$ 1.7	\$ 1.7	\$ —	\$ —
International equity funds	\$ 0.1	\$ 0.1	\$ —	\$ —
Total assets at fair value	<u><u>\$ 1.8</u></u>	<u><u>\$ 1.8</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>
<b>Contingent consideration</b>				
Earnout liability	\$ 18.4	\$ —	\$ —	\$ 18.4
Total liabilities at fair value	<u><u>\$ 18.4</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 18.4</u></u>

**Assets that Fund Deferred Compensation**

Our assets that fund deferred compensation are marketable equity securities measured at fair value using quoted market prices and primarily consist of equity-based mutual funds. These securities, used to fund the Executive Deferred Compensation Plan, are classified as Level 1 as they are traded in an active market for which closing stock prices are readily available. Refer to Note 11 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 for additional information regarding these plans.

The proportion of the assets that will fund the deferred compensation payments within a year are included in prepaid expenses and other current assets on the Consolidated Balance Sheets. The remaining assets are classified as non-current and are included in other assets on the Consolidated Balance Sheets.

**Contingent Consideration**

Contingent consideration represents the earnout liability related to the Barletta acquisition and is valued using a probability-weighted scenario analysis of projected gross profit results and discounted at a risk-free rate. The contingent consideration is classified as Level 3. Actual gross profit results may differ significantly from those used in the estimate above, which may affect future payments. Changes in future payments will be reflected in future operating results as they occur. As of November 25, 2023 and August 26, 2023, the entire earnout liability was included in other current liabilities on the Consolidated Balance Sheets. Refer to Note 2 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 for additional information regarding the contingent consideration earnout provisions.

The following table provides a reconciliation of the beginning and ending balances of the contingent consideration:

(in millions)		Three Months Ended	
		November 25, 2023	November 26, 2022
Beginning fair value - contingent consideration		\$ 18.4	\$ 39.8
Fair value adjustments		0.8	0.4
Ending fair value - contingent consideration		<u><u>\$ 19.2</u></u>	<u><u>\$ 40.2</u></u>

**Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis**

Certain financial instruments are measured at fair value on a nonrecurring basis. These assets primarily include goodwill, intangible assets, property, plant and equipment, and right-of-use lease assets. These assets were originally recognized at amounts equal to the fair value determined at date of acquisition or purchase. If certain triggering events occur, or if an annual impairment test is required, we will evaluate the non-financial asset for impairment. If an impairment has occurred, the asset will be written down to its current estimated fair value. No impairments were recorded for non-financial assets in the three months ended November 25, 2023 or November 26, 2022.

**Assets and Liabilities Not Measured at Fair Value**

Certain financial instruments are not measured at fair value but are recorded at carrying amounts approximating fair value based on their short-term nature. These financial instruments include cash and cash equivalents, receivables, accounts payable, and other payables. If these instruments were measured at fair value in the financial statements, they would be classified as Level 1 in the fair value hierarchy.

Long-term debt is recorded at amortized cost but measured at fair value for disclosure purposes. The fair value of our long-term debt was determined using current quoted prices in active markets for our publicly traded debt obligations, which is classified as Level 1 in the fair value hierarchy. See Note 9 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q for the fair value of our long-term debt.

**Note 5. Inventories**

Inventories consist of the following:

(in millions)	November 25, 2023	August 26, 2023
Finished goods	\$ 64.0	\$ 53.0
Work-in-process	145.7	159.9
Raw materials	332.3	305.6
<b>Total</b>	<b>542.0</b>	<b>518.5</b>
Less: Excess of First-in, first-out ("FIFO") over LIFO cost	48.0	47.9
<b>Inventories, net</b>	<b>\$ 494.0</b>	<b>\$ 470.6</b>

Inventory valuation methods consist of the following:

(in millions)	November 25, 2023	August 26, 2023
LIFO basis	\$ 283.8	\$ 262.6
FIFO basis	258.2	255.9
<b>Total</b>	<b>\$ 542.0</b>	<b>\$ 518.5</b>

The above inventory value, before reduction for the LIFO reserve, approximates replacement cost at the respective dates.

## Note 6. Property, Plant, and Equipment

Property, plant, and equipment is stated at cost, net of accumulated depreciation, and consists of the following:

		November 25,	August 26,
		2023	2023
Buildings and building improvements		\$ 248.0	247.3
Machinery and equipment		163.2	159.3
Software		52.7	52.7
Transportation		7.2	7.2
Instruction in progress		55.9	49.3
Property, plant, and equipment, gross		\$ 541.6	530.4
Less: Accumulated depreciation		210.5	203.1
Property, plant, and equipment, net		\$ 331.1	327.3

Depreciation expense was \$ 8.1 million and \$ 6.6 million for the three months ended November 25, 2023 and November 26, 2022, respectively.

## Note 7. Goodwill and Intangible Assets

The carrying amount of goodwill by reportable segment is as follows:

(in millions)	Towable RV	Motorhome RV	Marine	Corporate / All Other	Total
Balances at November 25, 2023 and August 26, 2023 <sup>(1)</sup>	\$ 244.7	\$ 73.1	\$ 166.4	\$ 30.3	\$ 514.5

<sup>(1)</sup> There was no activity in the three months ended November 25, 2023.

Other intangible assets, net of accumulated amortization, consist of the following:

	November 25, 2023		
	(in millions)	Gross Carrying Amount	Accumulated Amortization
Indefinite-lived trade names	\$ 352.3	\$ —	\$ 352.3
Finite-lived trade name	4.1	0.3	3.8
Dealer networks/customer relationships	183.6	79.5	104.1
Backlog	43.6	42.7	0.9
Developed technology	38.3	3.2	35.1
Non-compete agreements	6.6	6.4	0.2
Other intangible assets	\$ 628.5	\$ 132.1	\$ 496.4

	August 26, 2023		
	(in millions)	Gross Carrying Amount	Accumulated Amortization
Indefinite-lived trade names	\$ 352.3	\$ —	\$ 352.3
Finite-lived trade name	4.1	0.2	3.9
Dealer networks/customer relationships	183.6	75.6	108.0
Backlog	43.6	42.5	1.1
Developed technology	38.3	1.8	36.5
Non-compete agreements	6.6	6.4	0.2
Other intangible assets	\$ 628.5	\$ 126.5	\$ 502.0

The weighted average remaining amortization period for intangible assets as of November 25, 2023 was approximately seven years.

Estimated future amortization expense related to finite-lived intangible assets is as follows:

(in millions)	Amortization
Remainder of Fiscal 2024	\$ 17.3
Fiscal 2025	22.1
Fiscal 2026	21.7
Fiscal 2027	21.7
Fiscal 2028	21.4
Fiscal 2029	15.5
Thereafter	24.4
Total amortization expense remaining	\$ 144.1

**Note 8. Product Warranties**

We provide certain service and warranty on our products. From time to time, we also voluntarily incur costs for certain warranty-type expenses occurring after the normal warranty period expires to help protect the reputation of our products and maintain the goodwill of our customers. Estimated costs related to product warranty are accrued at the time of sale and are based upon historical warranty and service claims experience. Adjustments are made to accruals as claim data and cost experience becomes available.

In addition to the costs associated with the contractual warranty coverage provided on products, we also occasionally incur costs as a result of additional service actions not covered by warranties, including product recalls and customer satisfaction actions. Although we estimate and reserve for the cost of these service actions when probable and estimable, there can be no assurance that expense levels will remain at current levels or such reserves will continue to be adequate.

Changes in the product warranty liability are as follows:

(in millions)	Three Months Ended	
	November 25, 2023	November 26, 2022
	2023	2022
Balance at beginning of period	\$ 97.8	\$ 127.9
Provision	18.4	18.1
Claims paid	( 24.4 )	( 23.8 )
Balance at end of period	\$ 91.8	\$ 122.2

**Note 9. Long-Term Debt**

Long-term debt consists of the following:

(in millions)	November 25, 2023	August 26, 2023
	2023	2023
ABL Credit Facility	\$ —	\$ —
Senior Secured Notes	300.0	300.0
Convertible Notes	300.0	300.0
Long-term debt, gross	600.0	600.0
Debt issuance costs, net	( 6.9 )	( 7.6 )
Long-term debt, net	\$ 593.1	\$ 592.4

**Credit Agreements**

On July 15, 2022, we amended and restated our asset-backed revolving credit agreement ("ABL Credit Facility") to, among other things, increase the commitments available from \$ 192.5 million to \$ 350.0 million and extend the maturity date from October 22, 2024 to July 15, 2027 (subject to certain factors which may accelerate the maturity date). The \$ 350.0 million credit facility is on a revolving basis, subject to availability under a borrowing base consisting of eligible accounts receivable and eligible inventory. The ABL Credit Facility is available for issuance of letters of credit to a specified limit of \$ 35.0 million. We pay a commitment fee of 0.25 % based on the average daily amount of the facility available, but unused during the most recent quarter. We can elect to base the interest rate on various rates plus specific spreads depending on the borrowing amount outstanding. If drawn, interest on ABL Credit Facility borrowings is at a floating rate based upon our election, either term SOFR or REVSOFR30 (as defined in the ABL

Credit Facility agreement), plus, in each case, a credit spread adjustment of 0.10 %, as well as an applicable spread between 1.25 % and 1.75 %, depending on the usage of the facility during the most recent quarter. Based on current usage, we would pay an applicable spread of 1.25 %. In connection with the amendment, we capitalized \$ 1.2 million of issuance costs that are being amortized over the five-year term of the ABL Credit Facility.

On July 8, 2020, we closed our private offering (the "Senior Secured Notes Offering") of \$ 300.0 million aggregate principal amount of 6.25 % Senior Secured Notes due 2028 (the "Senior Secured Notes"). The Senior Secured Notes were issued in accordance with an Indenture dated as of July 8, 2020 (the "Indenture"). The Senior Secured Notes will mature on July 15, 2028 unless earlier redeemed or repurchased. Interest on the Senior Secured Notes accrues starting July 8, 2020 and is payable semi-annually in arrears on January 15 and July 15 of each year, which began on January 15, 2021.

Debt issuance costs incurred and capitalized are amortized on a straight-line basis over the term of the associated debt agreement. If early principal payments are made on the Senior Secured Notes, a proportional amount of the unamortized debt issuance costs is expensed. As part of the Senior Secured Notes Offering, we capitalized \$ 7.5 million in debt issuance costs that are being amortized over the eight-year term of the agreement.

Refer to Note 9 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 for additional information regarding these credit agreements.

#### **Convertible Notes**

On November 1, 2019, we issued \$ 300.0 million in aggregate principal amount of 1.5 % unsecured convertible senior notes due 2025 ("Convertible Notes"). The net proceeds from the issuance of the Convertible Notes, after deducting the initial purchasers' transaction fees and offering expense payable by us, were approximately \$ 290.2 million. The Convertible Notes bear interest at the annual rate of 1.5 %, payable on April 1 and October 1 of each year, beginning on April 1, 2020, and will mature on April 1, 2025, unless earlier converted or repurchased by us.

The Convertible Notes will be convertible into cash, shares of our common stock or a combination thereof, at our election, at an initial conversion rate of 15.6906 shares of common stock per \$1,000 principal amount of Convertible Notes, which is equivalent to an initial conversion price of approximately \$ 63.73 per share, as adjusted pursuant to the terms of the indenture governing the Convertible Notes. The Convertible Notes may be converted at any time on or after October 1, 2024, until the close of business on the second scheduled trading day immediately preceding the maturity date.

The conversion rate of the Convertible Notes may be adjusted in certain circumstances, including in connection with a conversion of the Convertible Notes made following certain fundamental changes and under other circumstances set forth in the indenture. As of November 25, 2023, the conversion rate was 15.9923 shares of common stock per \$1,000 principal amount of Convertible Notes, which is equivalent to a conversion price of approximately \$ 62.53 . The difference between the initial conversion rate and the conversion rate as of November 25, 2023 is due to cash dividends that have been declared following the issuance of the Convertible Notes.

It is our current intent to settle all conversions of the Convertible Notes in cash. Our ability to cash settle may be limited depending on the stock price at the time of conversion.

Prior to the close of business on the business day immediately preceding October 1, 2024, the Convertible Notes will be convertible only under the following circumstances:

1. during any calendar quarter commencing after December 31, 2019 if the closing sale price of the common stock is more than 130 % of the applicable conversion price on each applicable trading day for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter;
2. during the 5 consecutive business day period after any 5 consecutive trading day period (the "measurement period") in which the trading price per \$1,000 principal amount of Convertible Notes for each trading day of the measurement period was less than 98 % of the product of the last reported sale price of the common stock and the conversion rate for the Convertible Notes on each such trading day; or
3. upon the occurrence of certain specified corporate events set forth in the indenture for the Convertible Notes.

We may not redeem the Convertible Notes at our option prior to the maturity date, and no sinking fund is provided for the Convertible Notes.

On October 29, 2019 and October 30, 2019, in connection with the offering of the Convertible Notes, we entered into privately negotiated convertible note hedge transactions (collectively, the "Hedge Transactions") that cover, subject to customary anti-dilution adjustments, the number of shares of our common stock that initially underlie the Convertible Notes.

## [Table of Contents](#)

On October 29, 2019 and October 30, 2019, we also entered into privately negotiated warrant transactions (collectively, the "Warrant Transactions" and, together with the Hedge Transactions, the "Call Spread Transactions"), whereby we sold warrants at a higher strike price relating to the same number of shares of our common stock that initially underlie the Convertible Notes, subject to customary anti-dilution adjustments.

The Hedge Transactions and the Warrant Transactions are separate transactions, in each case, and are not part of the terms of the Convertible Notes and will not affect any holder's rights under the Convertible Notes. Holders of the Convertible Notes will not have any rights with respect to the Call Spread Transactions.

Refer to Note 9 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 for additional information regarding the Convertible Notes and the Call Spread Transactions.

### *Accounting Treatment of the Convertible Notes and Related Hedge Transactions and Warrant Transactions*

The Convertible Notes are accounted for as a single liability measured at amortized cost. Interest expense, representing the amortization of the \$ 9.8 million of debt issuance costs as well as the contractual interest expense is amortized using an effective interest rate of 2.1 % over the term of the Convertible Notes. We recorded \$ 1.6 million of interest expense during the three months ended November 25, 2023 and the three months ended November 26, 2022.

The net cost incurred in connection with the Call Spread Transactions was \$ 11.2 million. These transactions are classified as equity and are not remeasured each reporting period.

### **Fair Value and Future Maturities**

As of November 25, 2023 and August 26, 2023, the fair value of long-term debt, gross, was \$ 643.8 million and \$ 640.2 million, respectively. The fair value of the Convertible Notes was \$ 357.1 million and \$ 349.0 million as of November 25, 2023 and August 26, 2023, respectively. We are in compliance with all of our financial debt covenants as of November 25, 2023.

Aggregate contractual maturities of debt in future fiscal years are as follows:

(in millions)	Amount
Remainder of Fiscal 2024	\$ —
Fiscal 2025	300.0
Fiscal 2026	—
Fiscal 2027	—
Fiscal 2028	300.0
Fiscal 2029	—
<b>Total Senior Secured Notes and Convertible Notes</b>	<b>\$ 600.0</b>

### **Note 10. Employee and Retiree Benefits**

Deferred compensation liabilities are as follows:

(in millions)	November 25, 2023	August 26, 2023
Non-qualified deferred compensation	\$ 5.9	\$ 6.7
Supplemental executive retirement plan	1.2	1.2
Executive deferred compensation plan	1.9	1.8
Total deferred compensation benefits	9.0	9.7
Less: current portion <sup>(1)</sup>	1.8	1.8
Deferred compensation benefits, net of current portion	\$ 7.2	\$ 7.9

<sup>(1)</sup> Included in accrued compensation on the Consolidated Balance Sheets.

### **Note 11. Contingent Liabilities and Commitments**

#### **Repurchase Commitments**

Generally, manufacturers in the same industries as us enter into repurchase agreements with lending institutions which have provided wholesale floorplan financing to dealers. Most dealers are financed on a "floorplan" basis under which a bank or finance company lends the dealer all, or substantially all, of the purchase price, collateralized by a security interest in the units purchased.

Our repurchase agreements generally provide that, in the event of default by the dealer on the agreement to pay the lending institution, we will repurchase the financed merchandise. The terms of these agreements, which generally can last up to 24 months, provide that our liability will be the lesser of remaining principal owed by the dealer to the lending institution, or dealer invoice less periodic reductions based on the time since the date of the original invoice. Our liability cannot exceed 100 % of the dealer invoice. In certain instances, we also repurchase inventory from dealers due to state law or regulatory requirements that govern voluntary or involuntary relationship terminations. Although laws vary from state to state, some states have laws in place that require manufacturers of recreational vehicles or boats to repurchase current inventory if a dealership exits the business. The total contingent liability on all of our repurchase agreements was approximately \$ 1,857.3 million and \$ 1,816.7 million at November 25, 2023 and August 26, 2023, respectively.

Our loss reserve for repurchase commitments contains uncertainties because the calculation requires management to make assumptions and apply judgment regarding a number of factors. Our risk of loss related to these repurchase commitments is significantly reduced by the potential resale value of any products that are subject to repurchase and is spread over numerous dealers and lenders. The aggregate contingent liability related to our repurchase agreements represents all financed dealer inventory at the period-end reporting date subject to a repurchase agreement, net of the greater of periodic reductions per the agreement or dealer principal payments. Based on these repurchase agreements and our historical loss experience, an associated loss reserve is established, which is included in other current liabilities on the Consolidated Balance Sheets. Our repurchase accrual was \$ 1.2 million and \$ 1.3 million at November 25, 2023 and August 26, 2023, respectively. Repurchase risk is affected by the credit worthiness of our dealer network. We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions used to establish the loss reserve for repurchase commitments.

There was no material activity related to repurchase agreements during the three months ended November 25, 2023 and November 26, 2022.

#### Litigation

We are involved in various legal proceedings which are considered ordinary and routine litigation incidental to the business, some of which are covered in whole or in part by insurance. While we believe the ultimate disposition of litigation will not have a material adverse effect on our financial position, results of operations or liquidity, the possibility exists that such litigation may have an impact on our results for a particular reporting period in which litigation effects become probable and reasonably estimable. Though we do not believe there is a reasonable likelihood that there will be a material change related to these matters, litigation is subject to inherent uncertainties and our view of these matters may change in the future.

#### Note 12. Revenue

All operating revenue is generated from contracts with customers. Our primary revenue source is generated through the sale of manufactured towable RV units, motorhome RV units and marine units to our independent dealer network (our customers). The following table disaggregates revenue by reportable segment and product category:

(in millions)	Three Months Ended	
	November 25, 2023	November 26, 2022
<b>Net Revenues</b>		
Towable RV		
Fifth Wheel	\$ 162.9	\$ 187.7
Travel Trailer	158.0	148.3
Other <sup>(1)</sup>	9.9	11.3
Total Towable RV	330.8	347.3
Motorhome RV		
Class A	164.9	231.1
Class B	72.3	146.9
Class C and Other <sup>(1)</sup>	97.2	86.2
Total Motorhome RV	334.4	464.2
Marine	87.3	131.4
Corporate / All Other <sup>(2)</sup>	10.5	9.3
Consolidated Net Revenues	\$ 763.0	\$ 952.2

(1) Relates to parts, accessories, services, and other miscellaneous revenue.

(2) Relates to units, parts, accessories, and services associated with Winnebago specialty vehicles. In addition, this activity also includes Lithionics battery sales, including the related systems and accessories, that are sold directly to external customers.

We do not have material contract assets or liabilities. Allowances for uncollectible receivables are established based on historical collection trends, write-off history, consideration of current conditions and expectations for future economic conditions.

**Concentration of Risk**

No single dealer organization accounted for more than 10% of net revenue for the three months ended November 25, 2023 or November 26, 2022.

**Note 13. Stock-Based Compensation**

On December 14, 2023, our shareholders approved the Amended and Restated 2019 Omnibus Incentive Plan ("Restated Plan") as detailed in our Proxy Statement for the 2023 Annual Meeting of Shareholders. The Restated Plan continues to allow us to grant or issue non-qualified stock options, incentive stock options, share awards, and other equity compensation to key employees and to non-employee directors. The number of shares of our Common Stock that may be awarded and issued under the Restated Plan is 2.4 million, plus the shares still available under the 2019 Omnibus Incentive Plan ("2019 Plan") and the shares subject to any awards outstanding under the 2014 Omnibus Equity, Performance Award, and Incentive Compensation Plan ("2014 Plan"). Until such time, however, awards under the 2014 Plan that are outstanding on December 14, 2023 will continue to be subject to the terms of the 2014 Plan, as applicable. Shares remaining available for future awards under the 2014 Plan were not carried over into the Restated Plan.

Stock-based compensation expense was \$ 4.6 million and \$ 3.0 million for the three months ended November 25, 2023 and November 26, 2022, respectively. Compensation expense is recognized over the requisite service or performance period of the award, unless accelerated by certain retirement eligibility provisions.

**Note 14. Income Taxes**

Our effective tax rate was 24.9 % and 24.5 % for the three months ended November 25, 2023 and November 26, 2022, respectively. The increase in tax rate for the three months ended November 25, 2023 compared to the three months ended November 26, 2022 was driven primarily by a net unfavorable impact of stock activity in the current year, partially offset by an increase in tax credits year-over-year over a lower pre-tax book income base.

As of November 25, 2023, \$ 3.2 million of U.S. federal income taxes receivable was included in prepaid expenses and other current assets on the Consolidated Balance Sheets. Comparatively, as of August 26, 2023, \$ 10.7 million of U.S. federal income taxes receivable was included in prepaid expenses and other current assets on the Consolidated Balance Sheets.

We file a U.S. Federal tax return, as well as returns in various international and state jurisdictions. As of November 25, 2023, our Federal returns from Fiscal 2020 to present are subject to review by the Internal Revenue Service. With limited exceptions, state returns from Fiscal 2019 to present continue to be subject to review by state taxing jurisdictions. We are currently under review by certain U.S. state tax authorities for Fiscal 2019 through Fiscal 2021. We believe we have adequately reserved for our exposure to potential additional payments for uncertain tax positions in our liability for unrecognized tax benefits.

**Note 15. Earnings Per Share**

Basic and diluted earnings per share are calculated as follows:

(in millions, except per share data)	Three Months Ended	
	November 25, 2023	November 26, 2022
<b>Earnings per share - basic</b>		
Net income	\$ 25.8	\$ 60.2
Weighted average common shares outstanding	29.6	30.4
Basic earnings per common share <sup>(1)</sup>	\$ 0.87	\$ 1.98
<b>Earnings per share - diluted</b>		
Net income	\$ 25.8	\$ 60.2
Interest expense on convertible notes, net of tax	1.2	1.2
Diluted net income	\$ 27.0	\$ 61.4
Weighted average common shares outstanding	29.6	30.4
Dilutive impact of stock compensation awards	0.3	0.4
Dilutive impact of convertible notes	4.8	4.7
Weighted average common shares outstanding, assuming dilution	34.7	35.5
Anti-dilutive securities excluded from weighted average common shares outstanding, assuming dilution	0.1	0.1
Diluted earnings per common share <sup>(1)</sup>	\$ 0.78	\$ 1.73

<sup>(1)</sup> Earnings per share amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

The dilutive effect of stock compensation awards was determined using the treasury stock method while the dilutive impact of the Convertible Notes was determined using the if-converted method. Under the treasury stock method, shares associated with certain anti-dilutive securities have been excluded from the diluted weighted average shares outstanding calculation because the exercise of those options would lead to a net reduction in common shares outstanding or anti-dilution. Under the if-converted method, the Convertible Notes are assumed to be converted into common stock at the beginning of the reporting period, and the resulting shares are included in the denominator of the calculation. In addition, interest charges, net of any income tax effects are added back to the numerator of the calculation.

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

The terms "Winnebago," "we," "us," and "our," unless the context otherwise requires, refer to Winnebago Industries, Inc. and its wholly-owned subsidiaries.

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of management on our financial condition, results of operations, liquidity, and certain other factors that may affect our future results. Unless otherwise noted, transactions and other factors significantly impacting our financial condition, results of operations and liquidity are discussed in order of magnitude.

Our MD&A should be read in conjunction with the Consolidated Financial Statements and related Notes included in Item 1 of Part I of this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 (including the information presented therein under Risk Factors), as well as our reports on Forms 10-Q and 8-K and other publicly available information. All amounts herein are unaudited. All amounts are in millions, except share and per share data, unless otherwise noted.

### **Overview**

Winnebago Industries, Inc. is one of the leading North American manufacturers of recreation vehicles ("RVs") and marine products with a diversified portfolio used primarily in leisure travel and outdoor recreational activities. We also design and manufacture advanced battery solutions that deliver "house power," supporting internal electrical features and appliances for a variety of outdoor products including RVs, boats, specialty and other low-speed vehicles, as well as other industrial applications. We produce our motorhome RV units in Iowa and Indiana; our towable RV units in Indiana; our marine units in Indiana and Florida; and our battery solutions in Florida. We distribute our RV and marine products primarily through independent dealers across the U.S. and Canada, who then retail the products to the end consumer. We also distribute our marine products internationally through independent dealers, who then retail the products to the end consumer. Our battery solutions are primarily sold to customers in the U.S.

### **Known Trends and Uncertainties**

Our business continues to be challenged by macroeconomic conditions impacting retail consumers and our dealers, such as inflation and elevated interest rates. These factors have contributed to lower consumer spending and reduced short-term demand for large discretionary products such as RVs and marine products. In response, our dealers continue to exercise caution when managing stocking levels. In the first quarter of Fiscal 2024, these trends resulted in decreased sales due to declines in unit volume. We anticipate that as consumer demand stabilizes, dealers will exhibit a willingness to maintain inventory levels in the second half of Fiscal 2024, consistent with a one-for-one retail-to-wholesale ordering pattern. We continue to produce and ship in accordance with dealer demand as evidenced and requested by dealer orders.

Despite the current economic uncertainty, we believe in the long-term health of consumer demand for RV and marine products.

### **Non-GAAP Financial Measures**

This MD&A includes financial information prepared in accordance with generally accepted accounting principles ("GAAP"), as well as certain adjusted or non-GAAP financial measures such as EBITDA and Adjusted EBITDA. EBITDA is defined as net income before interest expense, provision for income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as net income before interest expense, provision for income taxes, depreciation and amortization expense, and other pretax adjustments made in order to present comparable results from period to period.

These non-GAAP financial measures, which are not calculated or presented in accordance with GAAP, have been provided as information supplemental and in addition to the financial measures presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented herein. The non-GAAP financial measures presented may differ from similar measures used by other companies.

Included in "Results of Operations" below for three months ended November 25, 2023 compared to the comparable prior year period is a reconciliation of EBITDA and Adjusted EBITDA from net income, the most directly comparable GAAP measure. We have included these non-GAAP performance measures as a comparable measure to illustrate the effect of non-recurring transactions that occurred during the reported periods and to improve comparability of our results from period to period. We believe Adjusted EBITDA provides meaningful supplemental information about our operating performance as this measure excludes amounts from net income that we do not consider part of our core operating results when assessing our performance. Examples of items excluded from Adjusted EBITDA include acquisition-related costs, contingent consideration fair value adjustment, and non-operating income or loss.

Management uses these non-GAAP financial measures (a) to evaluate our historical and prospective financial performance and trends as well as our performance relative to competitors and peers; (b) to measure operational profitability on a consistent basis; (c) in presentations to the members of our Board of Directors to enable our Board of Directors to have the same measurement basis of operating performance as used by management in their assessment of performance and in forecasting; (d) to evaluate

potential acquisitions; and (e) to ensure compliance with covenants and restricted activities under the terms of our ABL Credit Facility and outstanding notes, as further described in Note 9 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q. We believe these non-GAAP financial measures are frequently used by securities analysts, investors and other interested parties to evaluate companies in the industry.

**Results of Operations - Three Months Ended November 25, 2023 Compared to Three Months Ended November 26, 2022**

**Consolidated Performance Summary**

The following is an analysis of changes in key items included in the Consolidated Statements of Income for the three months ended November 25, 2023 compared to the three months ended November 26, 2022:

(\$ in millions, except per share data)	Three Months Ended					
	November 25,		November 26,		\$ Change <sup>(1)</sup>	% Change <sup>(1)</sup>
	2023	% of Revenues <sup>(1)</sup>	2022	% of Revenues <sup>(1)</sup>		
Net revenues	\$ 763.0	100.0 %	\$ 952.2	100.0 %	\$ (189.2)	(19.9) %
Cost of goods sold	647.2	84.8 %	791.8	83.2 %	(144.6)	(18.3) %
Gross profit	115.8	15.2 %	160.4	16.8 %	(44.6)	(27.8) %
Selling, general, and administrative expenses	71.1	9.3 %	70.7	7.4 %	0.4	0.6 %
Amortization	5.6	0.7 %	3.8	0.4 %	1.8	47.6 %
Total operating expenses	76.7	10.1 %	74.5	7.8 %	2.2	3.0 %
Operating income	39.1	5.1 %	85.9	9.0 %	(46.8)	(54.5) %
Interest expense, net	4.1	0.5 %	5.9	0.6 %	(1.8)	(30.9) %
Non-operating loss	0.6	0.1 %	0.3	— %	0.3	110.8 %
Income before income taxes	34.4	4.5 %	79.7	8.4 %	(45.3)	(56.8) %
Provision for income taxes	8.6	1.1 %	19.5	2.0 %	(10.9)	(56.0) %
Net income	\$ 25.8	3.4 %	\$ 60.2	6.3 %	\$ (34.4)	(57.1) %
Diluted earnings per share	\$ 0.78		\$ 1.73		\$ (0.95)	(54.9) %
Diluted weighted average shares outstanding	34.7		35.5		(0.8)	(2.3) %

<sup>(1)</sup> Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided. In addition, percentages may not add in total due to rounding.

Net revenues decreased primarily due to lower unit sales related to market conditions, product mix, and higher discounts and allowances compared to prior year, partially offset by carryover price increases related to higher motorized chassis costs.

Gross profit as a percentage of revenue decreased primarily due to volume deleverage and higher discounts and allowances compared to prior year.

Operating expenses increased primarily due to increased amortization related to Lithionics intangible assets and strategic investments, partially offset by lower incentive and volume-based compensation related to performance.

Interest expense, net decreased primarily due to higher interest income on short-term investments as a result of increased interest rates.

Our effective tax rate increased primarily due to a net unfavorable impact of stock activity in the current year, partially offset by an increase in tax credits year-over-year over a lower pre-tax book income base.

**Non-GAAP Reconciliation**

The following table reconciles net income to consolidated EBITDA and Adjusted EBITDA for the three months ended November 25, 2023 and November 26, 2022:

(in millions)	<b>Three Months Ended</b>	
	<b>November 25, 2023</b>	<b>November 26, 2022</b>
Net income	\$ 25.8	\$ 60.2
Interest expense, net	4.1	5.9
Provision for income taxes	8.6	19.5
Depreciation	8.1	6.6
Amortization	5.6	3.8
EBITDA	52.2	96.0
Acquisition-related costs	1.3	0.6
Contingent consideration fair value adjustment	0.8	0.4
Non-operating income	(0.2)	—
Adjusted EBITDA	\$ 54.1	\$ 97.0

**Reportable Segment Performance Summary**

**Towable RV**

The following is an analysis of key changes in our Towable RV segment for the three months ended November 25, 2023 compared to the three months ended November 26, 2022:

(in millions, except ASP and units)	Three Months Ended					
	November 25, 2023		November 26, 2022			
					\$ Change <sup>(1)</sup>	% Change <sup>(1)</sup>
Net revenues	\$ 330.8		\$ 347.3		\$ (16.5)	(4.8) %
Adjusted EBITDA	33.1	10.0 %	36.3	10.5 %	(3.2)	(8.8) %
Average Selling Price ("ASP") <sup>(2)</sup>	\$ 42,072		\$ 48,173		\$ (6,101)	(12.7) %
Three Months Ended						
Unit deliveries	November 25, 2023		November 26, 2022		Unit Change	
	Product Mix <sup>(3)</sup>		Product Mix <sup>(3)</sup>		Unit Change	% Change
Travel trailer	5,381	68.6 %	4,650	64.7 %	731	15.7 %
Fifth wheel	2,465	31.4 %	2,541	35.3 %	(76)	(3.0) %
Total Towable RV	7,846	100.0 %	7,191	100.0 %	655	9.1 %
November 25, 2023		November 26, 2022		Change <sup>(1)</sup>	% Change <sup>(1)</sup>	
<b>Backlog<sup>(4)</sup></b>						
Units	5,290		10,441		(5,151)	(49.3) %
Dollars	\$ 199.8		\$ 434.0		\$ (234.3)	(54.0) %
<b>Dealer Inventory</b>						
Units	16,667		20,576		(3,909)	(19.0) %

<sup>(1)</sup> Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

<sup>(2)</sup> ASP excludes off-invoice dealer incentives.

<sup>(3)</sup> Percentages may not add due to rounding differences.

<sup>(4)</sup> Our backlog includes all accepted orders from dealers which generally have been requested to be shipped within the next six months. Orders in backlog generally can be cancelled or postponed at the option of the dealer at any time without penalty; therefore, backlog may not necessarily be an accurate measure of future sales.

Net revenues decreased primarily due to a reduction in average selling price per unit related to product mix and targeted price reductions, partially offset by unit volume growth.

Adjusted EBITDA margin decreased primarily due to deleverage and new product start-up costs.

Backlog decreased due to continued softness in market conditions and a cautious dealer network.

[Table of Contents](#)

**Motorhome RV**

The following is an analysis of key changes in our Motorhome RV segment for the three months ended November 25, 2023 compared to the three months ended November 26, 2022:

(in millions, except ASP and units)	Three Months Ended					
	November 25, 2023		November 26, 2022		\$ Change <sup>(1)</sup>	% Change <sup>(1)</sup>
	% of Revenues <sup>(1)</sup>	2023	% of Revenues <sup>(1)</sup>	2022		
Net revenues	\$ 334.4		\$ 464.2		\$ (129.8)	(28.0) %
Adjusted EBITDA	21.3	6.4 %	50.3	10.8 %	(28.9)	(57.6) %
ASP <sup>(2)</sup>	\$ 195,120		\$ 182,386		\$ 12,734	7.0 %
Three Months Ended						
Unit deliveries	November 25, 2023		November 26, 2022		Unit Change	% Change
	2023	Product Mix <sup>(3)</sup>	2022	Product Mix <sup>(3)</sup>		
Class A	481	27.9 %	693	27.6 %	(212)	(30.6) %
Class B	691	40.2 %	1,322	52.7 %	(631)	(47.7) %
Class C	549	31.9 %	493	19.7 %	56	11.4 %
Total Motorhome RV	<u>1,721</u>	<u>100.0 %</u>	<u>2,508</u>	<u>100.0 %</u>	<u>(787)</u>	<u>(31.4) %</u>
Backlog <sup>(4)</sup>	November 25, 2023		November 26, 2022		Change <sup>(1)</sup>	% Change <sup>(1)</sup>
	2023	Units	2022	Units		
Units	3,200		10,089		(6,889)	(68.3) %
Dollars	\$ 545.3		\$ 1,596.0		\$ (1,050.7)	(65.8) %
Dealer Inventory						
Units	4,224		4,234		(10)	(0.2) %

(1) Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

(2) ASP excludes off-invoice dealer incentives.

(3) Percentages may not add due to rounding differences.

(4) Our backlog includes all accepted orders from dealers which generally have been requested to be shipped within the next six months. Orders in backlog generally can be cancelled or postponed at the option of the dealer at any time without penalty; therefore, backlog may not necessarily be an accurate measure of future sales.

Net revenues decreased primarily due to a decline in unit volume related to market conditions and higher levels of discounts and allowances compared to prior year, partially offset by product mix and price increases related to higher motorized chassis costs.

Adjusted EBITDA margin decreased due to volume deleverage, higher discounts and allowances, and operational efficiency challenges.

Backlog decreased due to continued softness in market conditions and a cautious dealer network.

[Table of Contents](#)

*Marine*

The following is an analysis of key changes in our Marine segment for the three months ended November 25, 2023 compared to the three months ended November 26, 2022:

(in millions, except ASP and units)	Three Months Ended					
	November 25, 2023		November 26, 2022		\$ Change <sup>(1)</sup>	
	% of Revenues <sup>(1)</sup>	% of Revenues <sup>(1)</sup>	% of Revenues <sup>(1)</sup>	% Change <sup>(1)</sup>		
Net revenues	\$ 87.3		\$ 131.4		\$ (44.0)	(33.5) %
Adjusted EBITDA	7.2	8.2 %	18.5	14.1 %	(11.3)	(61.0) %
ASP <sup>(2)</sup>	\$ 81,113		\$ 78,957		\$ 2,156	2.7 %

  

Unit deliveries	Three Months Ended					
	November 25, 2023		November 26, 2022		Unit Change	
						% Change
Boats	1,118		1,700		(582)	(34.2) %

  

Backlog <sup>(3)</sup>	Three Months Ended					
	November 25, 2023		November 26, 2022		Change <sup>(1)</sup>	
						% Change <sup>(1)</sup>
Units	1,897		3,633		(1,736)	(47.8) %
Dollars	\$ 140.4		\$ 318.5		\$ (178.1)	(55.9) %

  

Dealer Inventory <sup>(4)</sup>	Three Months Ended					
	Units					
Units	3,767		3,182		585	18.4 %

(1) Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

(2) ASP excludes off-invoice dealer incentives.

(3) Our backlog includes all accepted orders from dealers which generally have been requested to be shipped within the next six months. Orders in backlog generally can be cancelled or postponed at the option of the dealer at any time without penalty; therefore, backlog may not necessarily be an accurate measure of future sales.

(4) Due to the nature of the Marine industry, this amount includes a higher proportion of retail sold units than our other segments.

Net revenues decreased primarily due to a decline in unit volume related to market conditions and higher discounts and allowances, partially offset by carryover price increases.

Adjusted EBITDA margin decreased due to volume deleverage and higher discounts and allowances compared to prior year.

Backlog decreased primarily driven by cautious dealer sentiment related to rising inventory levels.

**Analysis of Financial Condition, Liquidity, and Resources**

**Cash Flows**

The following table summarizes our cash flows from operations:

(in millions)	Three Months Ended	
	November 25, 2023	November 26, 2022
<b>Total cash provided by (used in):</b>		
Operating activities	\$ (21.4)	\$ 29.9
Investing activities	(14.7)	(27.1)
Financing activities	(54.2)	(13.3)
<b>Net decrease in cash and cash equivalents</b>	<b>\$ (90.3)</b>	<b>\$ (10.5)</b>

**Operating Activities**

During the three months ended November 25, 2023, net cash used in operating activities was \$21.4 million compared to net cash provided by operating activities of \$29.9 million in the same period last year. The decrease in operating cash flow is primarily driven by changes in accounts receivable due to timing of invoicing/collections and lower profitability adjusted for non-cash items, partially offset by favorable changes in accounts payable due to timing of payments.

[Table of Contents](#)

*Investing Activities*

Cash used in investing activities decreased primarily due to elevated purchases in the first three months of Fiscal 2023 to support operational expansion and organic growth.

*Financing Activities*

Cash used in financing activities increased primarily due to \$44.2 million of stock repurchases in the first three months of Fiscal 2024 compared to \$4.5 million in the first three months of Fiscal 2023.

**Debt and Capital**

We maintain a \$350.0 million asset-based revolving credit facility ("ABL Credit Facility") with a maturity date of July 15, 2027 subject to certain factors which may accelerate the maturity date. As of November 25, 2023, we had no borrowings against the ABL Credit Facility.

As of November 25, 2023, we had \$219.6 million in cash and cash equivalents and \$350.0 million in unused ABL Credit Facility. Our cash and cash equivalent balances consist of high quality, short-term money market instruments.

We believe cash flow from operations, existing lines of credit, and access to debt and capital markets will be sufficient to meet our current liquidity needs, and we have committed liquidity and cash reserves in excess of our anticipated funding requirements. We evaluate the financial stability of the counterparties for the Convertible Notes, the Senior Secured Notes, and the ABL Credit Facility, and will continue to monitor counterparty risk on an on-going basis.

**Working Capital**

Working capital at November 25, 2023 and August 26, 2023 was \$587.3 million and \$600.7 million, respectively. We currently expect cash on hand, funds generated from operations, and the borrowing available under our ABL Credit Facility to be sufficient to cover both short-term and long-term operating requirements.

**Share Repurchases**

We repurchase our common stock and pay dividends pursuant to programs approved by our Board of Directors. Our long-term capital allocation strategy is to first fund operations and investments in growth, maintain a debt leverage ratio within our targeted zone, maintain reasonable liquidity, and then return excess cash over time to shareholders through dividends and share repurchases.

On August 17, 2022, our Board of Directors authorized a new share repurchase program in the amount of \$350.0 million with no time restriction on the authorization, which took effect immediately and replaced the prior program. In the three months ended November 25, 2023, we repurchased approximately 671,000 shares of our own common stock at a cost of \$40.0 million under this authorization, and approximately 73,000 shares at a cost of \$4.2 million to satisfy tax obligations on employee equity awards vested. We continually evaluate if share repurchases reflect a prudent use of our capital and, subject to compliance with our ABL Credit Facility and Senior Secured Notes, we may purchase shares in the future. As of November 25, 2023, we have \$260.0 million remaining on our Board approved repurchase authorization.

On December 15, 2023, our Board of Directors approved a quarterly cash dividend of \$0.31 per share payable on January 26, 2024, to common stockholders of record at the close of business on January 12, 2024.

**Contractual Obligations and Commercial Commitments**

There have been no material changes in our contractual obligations since the end of Fiscal 2023. See our Annual Report on Form 10-K for the fiscal year ended August 26, 2023 for additional information regarding our contractual obligations and commercial commitments.

**Critical Accounting Estimates**

We describe our critical accounting policies in Note 1 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023. We discuss our critical accounting estimates in Item 7 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023. There have been no material changes to our critical accounting policies or critical accounting estimates since the end of Fiscal 2023.

**Recently Issued Accounting Pronouncements**

For a summary of recently issued applicable accounting pronouncements, see Note 1 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q.

#### **Safe Harbor Statement Under the Private Securities Litigation Reform Act**

Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), provide a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their companies. With the exception of historical information, the matters discussed in this Quarterly Report on Form 10-Q are forward-looking statements and may be identified by the use of words such as "anticipate," "assume," "believe," "estimate," "expect," "guidance," "intend," "outlook," "plan," "project," and other words and terms of similar meaning. Such statements reflect our current views and estimates with respect to future market conditions, company performance and financial results, operational investments, business prospects, new strategies, the competitive environment, and other events. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the potential results discussed in such forward-looking statements. Readers should review Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023, and Item 1A of Part II of this Quarterly Report on Form 10-Q, for a description of important factors that could cause our actual results to differ materially from those contemplated by the forward-looking statements made in this Quarterly Report on Form 10-Q. Among the factors that could cause actual results and outcomes to differ materially from those contained in such forward-looking statements are the following:

- General economic uncertainty in key markets and a worsening of domestic and global economic conditions or low levels of economic growth.
- Availability of financing for RV and marine dealers.
- Competition and new product introductions by competitors.
- Ability to innovate and commercialize new products.
- Ability to manage our inventory to meet demand.
- Risk related to cyclical and seasonality of our business.
- Risk related to independent dealers.
- Risk related to dealer consolidation or the loss of a significant dealer.
- Significant increase in repurchase obligations.
- Ability to retain relationships with our suppliers and obtain components.
- Business or production disruptions.
- Inadequate management of dealer inventory levels.
- Increased material and component costs, including availability and price of fuel and other raw materials.
- Ability to integrate mergers and acquisitions.
- Ability to attract and retain qualified personnel and changes in market compensation rates.
- Exposure to warranty claims.
- Ability to protect our information technology systems from data security, cyberattacks, and network disruption risks and the ability to successfully upgrade and evolve our information technology systems.
- Ability to retain brand reputation and related exposure to product liability claims.
- Governmental regulation, including for climate change.
- Increased attention to environmental, social, and governance ("ESG") matters, and our ability to meet our commitments.
- Impairment of goodwill and trade names.
- Risks related to our Convertible and Senior Secured Notes, including our ability to satisfy our obligations under these notes.

We caution that the foregoing list of important factors is not complete. Any forward-looking statements speak only as of the date they are made, and we assume no obligation to update any forward-looking statement that we may make.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

The assets we maintain to fund deferred compensation have market risk, but we maintain a corresponding liability for these assets. The market risk is therefore borne by the participants in the deferred compensation program.

##### **Interest rate risk**

The ABL Credit Facility, which is our only floating rate debt instrument, remains undrawn as of November 25, 2023.

#### **Item 4. Controls and Procedures**

##### *Evaluation of Disclosure Controls and Procedures*

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this report (the "Evaluation Date"). Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the Evaluation Date.

##### *Changes in Internal Control Over Financial Reporting*

There were no changes in our internal control over financial reporting that occurred during the first quarter of Fiscal 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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

For a description of our legal proceedings, see Note 11 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q.

**Item 1A. Risk Factors**

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A *Risk Factors*, of our Annual Report on Form 10-K for the fiscal year ended August 26, 2023.

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

## (c) Stock Repurchases

Purchases of our common stock during each fiscal month of the first quarter of Fiscal 2024 are as follows:

Period	Total Number of Shares Purchased <sup>(1,2)</sup>	Average Price Paid per Share	Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1,2)</sup>	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs <sup>(3)</sup> (in millions)
8/27/23 - 9/30/23	—	\$ —	—	\$ 300.0
10/1/23 - 10/28/23	331,269	58.02	258,612	285.0
10/29/23 - 11/25/23	412,562	60.61	412,445	260.0
<b>Total</b>	<b>743,831</b>	<b>\$ 59.46</b>	<b>671,057</b>	<b>\$ 260.0</b>

<sup>(1)</sup> Number of shares in the table are shown in whole numbers.

<sup>(2)</sup> Shares not purchased as part of a publicly announced program were repurchased from employees who vested in Company shares and elected to pay their payroll tax via the value of shares delivered as opposed to cash.

<sup>(3)</sup> Pursuant to a \$350.0 million share repurchase program authorized by our Board of Directors on August 17, 2022. There is no time restriction on the authorization.

Our Senior Secured Notes, as defined in Note 9 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q, contain occurrence based restrictions that may limit our ability to make distributions or payments with respect to purchases of our common stock without consent of the lenders, except for limited purchases of our common stock from employees, in the event of a significant reduction in our EBITDA or in the event of a significant borrowing on our ABL Credit Facility.

**Item 5. Other Information**

During the three months ended November 25, 2023, no director or officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**Item 6. Exhibits**

<a href="#">3.1</a>	<a href="#">Articles of Incorporation of Winnebago Industries, Inc., effective January 1, 2022 (incorporated by reference from Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated January 1, 2022).</a>
<a href="#">3.2</a>	<a href="#">Bylaws of Winnebago Industries, Inc., effective August 15, 2023 (incorporated by reference from Exhibit 3.2 to the Registrant's Current Report on Form 8-K dated August 17, 2023).</a>
<a href="#">4.1</a>	<a href="#">Indenture, dated November 1, 2019, by and between Winnebago Industries, Inc. and U.S. Bank National Association (incorporated by reference from Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated October 29, 2019).</a>
<a href="#">4.2</a>	<a href="#">Form of 1.50% Convertible Senior Note due 2025 (included in Exhibit 4.1).</a>
<a href="#">4.3</a>	<a href="#">Indenture, dated as of July 8, 2020, by and among Winnebago Industries, Inc., the guarantors named therein and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated July 8, 2020).</a>
<a href="#">4.4</a>	<a href="#">Form of 6.250% Senior Secured Note due 2028 (included in Exhibit 4.3).</a>
<a href="#">0.1</a>	<a href="#">Amended and Restated Employment Agreement between Winnebago Industries, Inc., Grand Design RV, LLC, and Donald Clark effective September 1, 2023 (incorporated by reference from Exhibit 10.30 to the Registrant's Current Report on Form 10-K dated October 18, 2023).*</a>
<a href="#">0.2</a>	<a href="#">Amended and Restated Change in Control Agreement between Winnebago Industries, Inc. and Donald Clark effective September 1, 2023 (incorporated by reference from Exhibit 10.31 to the Registrant's Current Report on Form 10-K dated October 18, 2023).*</a>
<a href="#">0.3</a>	<a href="#">Winnebago Industries, Inc. Amended and Restated 2019 Omnibus Incentive Plan (incorporated by reference from Appendix A to the Registrant's Proxy Statement on Definitive 14A filed on November 3, 2023).*</a>
<a href="#">0.4</a>	<a href="#">Winnebago Industries, Inc. Employee Stock Purchase Plan as Amended on May 17, 2023 (incorporated by reference from Appendix B to the Registrant's Proxy Statement on Definitive 14A filed on November 3, 2023).*</a>
<a href="#">0.5</a>	<a href="#">Form of Performance Stock Unit Agreement under Winnebago Industries, Inc. 2019 Omnibus Incentive Plan (Fiscal 2024 awards)*</a>
<a href="#">1.1</a>	<a href="#">Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)</a>
<a href="#">1.2</a>	<a href="#">Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).</a>
<a href="#">2.1</a>	<a href="#">Certification by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</a>
<a href="#">2.2</a>	<a href="#">Certification by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</a>
1.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (furnished herewith).
..SCH	Inline XBRL Taxonomy Extension Schema Document (furnished herewith).
..CAL	Inline XBRL Taxonomy Calculation Linkbase Document (furnished herewith).
..DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (furnished herewith).
..LAB	Inline XBRL Taxonomy Label Linkbase Document (furnished herewith).
..PRE	Inline XBRL Taxonomy Presentation Linkbase Document (furnished herewith).
.04	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) (furnished herewith).

\* Management contract or compensation plan or arrangement.

**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.

WINNEBAGO INDUSTRIES, INC.

Date: December 20, 2023

By: /s/ Michael J. Happe

Michael J. Happe

Chief Executive Officer, President  
(Principal Executive Officer)

Date: December 20, 2023

By: /s/ Bryan L. Hughes

Bryan L. Hughes

Chief Financial Officer and Senior Vice President  
(Principal Financial and Accounting Officer)

**WINNEBAGO INDUSTRIES, INC.  
2019 OMNIBUS INCENTIVE PLAN**

**Performance Stock Unit Agreement**

Winnebago Industries, Inc. (the “Company”), pursuant to its 2019 Omnibus Incentive Plan (the ‘Plan’), hereby grants an award of Performance Stock Units to you, the Participant named below. The terms and conditions of this Award are set forth in this Performance Stock Unit Agreement (the “Agreement”), consisting of this cover page, the Terms and Conditions on the following pages, the attached Exhibit 1 and any Exhibit subsequently provided for the second or third Sub-Performance Period (together with Exhibit 1, the “Exhibits”), and in the Plan document, a copy of which has been provided to you. Any capitalized term that is used but not defined in this Agreement shall have the meaning assigned to it in the Plan as it currently exists or as it is amended in the future.

Name of Participant:	
Target Number of Performance Stock Units:	
Maximum Number of Performance Stock Units:	
Grant Date:	October 10, 2023
Performance Period:	There is a full three-year performance period, which is August 27, 2023 – August 29, 2026, which also includes three periods of time within such Performance Period that correspond to the Fiscal Years within the Performance Period (each such Fiscal Year, a “ <u>Sub-Performance Period</u> ”).
Vesting Schedule:	The number of Units determined in accordance with the Exhibits to have been earned as of the end of the Performance Period will vest* on the date the Company’s Human Resources Committee certifies such performance results, which shall be no later than the 10 <sup>th</sup> day of the third calendar month following the end of the Performance Period.
Performance Goals:	See Exhibit 1 and any Exhibit subsequently provided for the second or third Sub-Performance Period.

\* Assumes your Service has been continuous from the Grant Date to the vesting date.

By logging into and accepting this Agreement through your account with E\*TRADE, you acknowledge and agree (A) to be bound by all of the terms and conditions of this Agreement (including any terms and conditions contained in any Exhibit for a subsequent Sub-Performance Period) and in the Plan document and (B) that you have received and reviewed these documents (other than any Exhibit subsequently provided for the second or third Sub-Performance Period, which I understand will be provided at a later date).

**WINNEBAGO INDUSTRIES, INC.  
2019 OMNIBUS INCENTIVE PLAN  
Performance Stock Unit Agreement**

**Terms and Conditions**

1. **Defined Terms.** For purposes of this Agreement, the definitions of terms contained in the Plan hereby are incorporated by reference, except to the extent that any such term is specifically defined in this Agreement.

“Good Reason” shall have the meaning set forth in your change in control agreement, if applicable.

2. **Award of Performance Stock Units.** The Company hereby confirms the grant to you, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of an award of Performance Stock Units (the “Units”) in an amount initially equal to the Target Number of Performance Stock Units specified on the cover page of this Agreement. The number of Units that may actually be earned and become eligible to vest pursuant to this Award can be between 0% and 200% of the Target Number of Performance Stock Units, but may not exceed the Maximum Number of Performance Stock Units specified on the cover page of this Agreement. Each Unit that is earned as a result of the performance goals specified in the Exhibits to this Agreement having been satisfied and which thereafter vests represents the right to receive one share of the Company’s common stock (each, a “Share”). Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to you will be credited to a performance stock unit account in your name maintained by the Company. This account will be unfunded and maintained for book-keeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

3. **Restrictions Applicable to Units.** Neither this Award nor the Units subject to this Award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily, other than a transfer upon your death in accordance with your will, by the laws of descent and distribution or pursuant to a beneficiary designation submitted in accordance with the Plan. Following any such transfer, this Award shall continue to be subject to the same terms and conditions that were applicable to the Award immediately prior to its transfer. Any attempted transfer in violation of this Section 3 shall be void and without effect. The Units and your right to receive Shares in settlement of any Units under this Agreement shall be subject to forfeiture except to extent the Units have been earned and thereafter vest as provided in Section 5a.

4. **No Shareholder Rights.** The Units subject to this Award do not entitle you to any rights of a holder of the Company’s common stock. You will not have any of the rights of a shareholder of the Company in connection with any Units granted or earned pursuant to this Agreement unless and until Shares are issued to you in settlement of earned and vested Units as provided in Section 6.

5. **Vesting and Forfeiture of Units.** For purposes of this Agreement, “Vesting Date” means any date, including the Scheduled Vesting Date (defined below), on which Units subject to this Agreement vest as provided in this Section 5. Subject in all cases to Section 16(i) of the Plan, the Units shall vest at the earliest of the following times and to the degree specified.

(a) **Scheduled Vesting.** The number of Units that have been earned during the Performance Period, as determined by the Committee in accordance with the Exhibits, will vest on the Scheduled Vesting Date, so long as your Service has been continuous from the Grant Date to the Scheduled Vesting Date. For these purposes, the “Scheduled Vesting Date” means the date the Committee certifies (i) the degree to which the applicable performance goals for the Performance Period have been satisfied, and (ii) the number of Units that have been earned during the Performance Period as determined in accordance with the Exhibits, which certification shall occur no later than the 10th day of the third calendar month following the end of the Performance Period.

(b) **Death or Disability.** If your Service terminates by reason of your death or Disability prior to the Scheduled Vesting Date, then as of the date of your termination of Service, a number of Units shall vest determined as follows (i) the number of Units earned based on the actual level of performance for any Sub-

Performance Period that has concluded prior to your termination of Service, plus (ii) either (A) the Target Number of Performance Stock Units allocated to the Performance Period or any Sub-Performance Period that has not concluded prior to your termination of Service or (B) in the discretion of the Committee upon its determination of the actual level of performance (if determinable) through the date of your termination of Service, the number of Units specified by the Committee as having been earned based on such performance.

(c) Change in Control. If a Change in Control occurs after the Grant Date but before the Scheduled Vesting Date and your Service continues to the date of the Change in Control, the provisions of Section 12 of the Plan shall apply, including those providing for benefits upon termination of Service for Good Reason.

(d) Retirement. If, due to Retirement, your Service terminates at least twelve (12) months after the Grant Date and prior to the end of the Performance Period, then your Units shall remain outstanding and eligible to vest on the Scheduled Vesting Date, and the number of Units vesting on the Scheduled Vesting Date will equal the number of Units that would have vested pursuant to this Agreement if your termination of Service had not occurred. For this purpose, (i) Retirement means any termination of employment (other than by the Company for Cause or due to death or Disability) at or after age sixty-five (65) or at or after age fifty-five (55) with ten (10) or more years of continuous Service to the Company and its Affiliates, with Service measured from your most recent date of hire and (ii) any period of service to an entity prior to such entity becoming an Affiliate will not count towards your Service measurement.

(e) Forfeiture of Unvested Units. To the extent any of Sections 5(a) through (d) is applicable to this Award, any Units that do not vest on the Vesting Date as provided therein shall immediately be forfeited. If your Service terminates prior to the Scheduled Vesting Date under circumstances other than as set forth in Sections 5(b) and 5(d), all unvested Units shall immediately be forfeited. Notwithstanding this forfeiture, you will continue to be subject to the terms and conditions of this Agreement.

6 . **Settlement of Units**. As soon as practicable after any date on which Units vest (but no later than the 15<sup>th</sup> day of the third calendar month following the Vesting Date), the Company shall cause to be issued and delivered to you (or to your personal representative or your designated beneficiary or estate in the event of your death, as applicable) one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to you, by an appropriate entry in the stock register maintained by the Company's transfer agent with a notice of issuance provided to you, or by the electronic delivery of the Shares to a brokerage account you designate, and shall be subject to the tax withholding provisions of Section 8 and compliance with all applicable legal requirements as provided in Section 16 of the Plan, and shall be in complete satisfaction and settlement of such vested Units. If the Units that vest include a fractional Unit, the Company shall round the number of vested Units to the nearest whole Unit prior to issuance of Shares as provided herein.

7 . **Dividend Equivalents**. If the Company pays cash dividends on its Shares while any Units subject to this Agreement are outstanding, then on the date this Award vests pursuant to Section 5 above, the Total Dividend Equivalent Amount will be credited to your performance stock unit account in cash. The "Total Dividend Equivalent Amount" will be determined by multiplying the number of underlying Units determined to have vested as of the Vesting Date by the per share amount of each cash dividend paid on the Company's common stock with a record date and payment date occurring between the Grant Date and the Vesting Date, and adding those products together. The Total Dividend Equivalent Amount so credited will be fully vested and subject to settlement at the same time as the underlying Units as provided in Section 6 above. Any dividend equivalents accrued on Units that are forfeited in accordance with this Agreement shall also be forfeited.

8. **Tax Consequences and Withholding**. No Shares will be delivered to you in settlement of vested Units, and no payment of any vested Total Dividend Equivalent Amount will be made, unless you have made arrangements acceptable to the Company for payment of any federal, state, local or foreign withholding taxes that may be due as a result of the delivery of the Shares and any such payment. You hereby authorize the Company (or any Affiliate) to withhold from the Total Dividend Equivalent Amount, payroll or other amounts payable to you any sums required to satisfy such withholding tax obligations, and otherwise agree to satisfy such obligations in accordance with the provisions of Section 14 of the Plan. You further authorize and consent to the Company, or its respective agents, that all withholding tax obligations may be satisfied by

---

having the Company or its agent withhold a number of Shares that would otherwise be issued to you in settlement of the Units and that have a fair market value equal to the then-outstanding amount of such withholding tax obligations, unless in lieu thereof, you elect at the time of conversion of the Units such other then-permitted method or combination of methods established by the Committee in its discretion, if any, to satisfy your withholding tax obligations.

**9. Notices.** Every notice or other communication relating to this Agreement shall be in writing and shall be mailed to or delivered (including electronically) to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided. Unless and until some other address is so designated, all notices or communications by you to the Company shall be mailed or delivered to the Company, to the attention of its Senior Vice President, General Counsel and Secretary, at its office at 13200 Pioneer Trail, Suite 150, Eden Prairie, MN 55347, [sbogart@winnebagoind.com](mailto:sbogart@winnebagoind.com), and all notices or communications by the Company to you may be given to you personally or may be mailed or, if you are still a Service Provider, emailed to you at the address indicated in the Company's records as your most recent mailing or email address.

**10. Additional Provisions.**

(a) **No Right to Continued Service.** This Agreement does not give you a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate your Service at any time and otherwise deal with you without regard to the effect it may have upon you under this Agreement.

(b) **Governing Plan Document.** This Agreement and the Award are subject to all the provisions of the Plan, and to all interpretations, rules and regulations which may, from time to time, be adopted and promulgated by the Committee pursuant to the Plan. If there is any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern.

(c) **Governing Law.** This Agreement, the parties' performance hereunder, and the relationship between them shall be governed by, construed, and enforced in accordance with the laws of the State of Iowa, without giving effect to the choice of law principles thereof.

(d) **Severability.** The provisions of this Agreement shall be severable and if any provision of this Agreement is found by any court to be unenforceable, in whole or in part, the remainder of this Agreement shall nevertheless be enforceable and binding on the parties. You also agree that any trier of fact may modify any invalid, overbroad or unenforceable provision of this Agreement so that such provision, as modified, is valid and enforceable under applicable law.

(e) **Binding Effect.** This Agreement will be binding in all respects on your heirs, representatives, successors and assigns, and on the successors and assigns of the Company.

(f) **Section 409A of the Code.** The award of Units as provided in this Agreement and any issuance of Shares or payment pursuant to this Agreement are intended to be exempt from Section 409A of the Code under the short-term deferral exception specified in Treas. Reg. § 1.409A-1(b)(4). However, for the avoidance of doubt, to the extent that this Agreement is subject to Section 409A of the Code, the Agreement is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and the Agreement shall be interpreted in a manner that satisfies such requirements.

(g) **Electronic Delivery and Acceptance.** The Company may deliver any documents related to this Performance Stock Unit Award by electronic means and request your acceptance of this Agreement by electronic means. You hereby consent to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator.

(h) **Forfeiture and Compensation Recovery.** To the extent that this Award and any compensation associated herewith is considered "incentive-based compensation" within the meaning and subject to the requirements of Section 10D of the Exchange Act, this Award and any compensation associated herewith shall be subject to potential forfeiture or recovery by the Company or other action in

accordance with the Company's Mandatory Compensation Recovery Policy and/or the Company's Supplemental Compensation Recovery Policy, as either may be amended or amended and restated from time to time, and any other compensation recovery policy adopted by the Board or the Committee at any time, including in response to the requirements of Section 10D of the Exchange Act and any implementing rules and regulations thereunder adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's Shares are then listed, or as otherwise required by law. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

***By signing the cover page of this Agreement or otherwise accepting this Agreement in a manner approved by the Company, you agree to all the terms and conditions described above and in the Plan document.***

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER  
AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael J. Happe, Chief Executive Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: December 20, 2023

*/s/ Michael J. Happe*

Michael J. Happe

Chief Executive Officer, President

**CERTIFICATION BY CHIEF FINANCIAL OFFICER  
AS ADOPTED PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Bryan L. Hughes, Chief Financial Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: December 20, 2023

*/s/ Bryan L. Hughes*

Bryan L. Hughes

Senior Vice President, Chief Financial Officer

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

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael J. Happe, Chief Executive Officer of Winnebago Industries, Inc. (the "Company"), hereby certify that to my knowledge:

- a. The Quarterly Report on Form 10-Q for the fiscal quarter ended November 25, 2023 (the "Report") of the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- b. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 20, 2023

*/s/ Michael J. Happe*

Michael J. Happe

Chief Executive Officer, President

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

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Bryan L. Hughes, Chief Financial Officer of Winnebago Industries, Inc. (the "Company"), hereby certify that to my knowledge:

- a. The Quarterly Report on Form 10-Q for the fiscal quarter ended November 25, 2023 (the "Report") of the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- b. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 20, 2023

*/s/ Bryan L. Hughes*

Bryan L. Hughes

Senior Vice President, Chief Financial Officer