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DELTA REPORT

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MLR - MILLER INDUSTRIES INC /TN

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1935
CHANGES	41
DELETIONS	1074
ADDITIONS	820

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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: March 31, 2024

For the quarterly period ended September 30, 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 No.001-14124

For the transition period from ____ to _____________________________________

Commission file number 001-14124

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MILLER INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Tennessee	**62-1566286**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

organization)

8503 Hilltop Drive	
, Ooltewah, Tennessee	**37363**
(Address of principal executive offices)	(Zip Code)

(423) 238-4171

(Registrant’s telephone number, including area code)

(423) 238-4171

(Registrant’s telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	MLR	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 ☒

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 ☒

The number of shares outstanding of the registrant’s common stock, par value $.01 per share, as of October 31, 2023 April 30, 2024 was 11,445,640. 11,469,960.

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FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q, including but not limited to statements made in Part I, Item 2–"Management's Discussion and Analysis of Financial Condition and Results of Operations," statements made with respect to future operating results, expectations of future customer orders and the availability of resources necessary for our business are forward-looking statements. Forward-looking statements can be identified by the use of words such as "may," "will," "should," "could," "continue," "future," "potential," "believe," "project," "plan," "intend," "seek," "estimate," "predict," "expect," "anticipate" and similar expressions, or the negative of such terms, or other comparable terminology. Forward-looking statements also include the assumptions underlying or relating to any of the foregoing statements. Such forward-looking statements are made based on our management's beliefs as well as assumptions made by, and information currently available to, our management. Our actual results may differ materially from the results anticipated in these forward-looking statements due to, among other things, the risks set forth in Part I, Item 1A, "Risk Factors" in our most recent Annual Report on Form 10-K for the year ended December 31, 2023, those discussed elsewhere in this Quarterly Report on Form 10-Q, and in our other filings with the Securities and Exchange Commission.:

- changes in price, delivery delays and decreased availability of component parts, chassis and raw materials, including aluminum, steel, and petroleum-related products, resulting from changes in demand and market conditions, the general inflationary environment, the war in Ukraine and the more recent conflict in the Middle East, and the lingering effects of the COVID-19 pandemic on supply chains;
- economic and market conditions, including the negative impacts on the Company's customers, suppliers and employees from inflationary pressures, higher interest rates, and economic and geopolitical uncertainties (including the war in Ukraine and the more recent conflict in the Middle East);
- our dependence upon outside suppliers for purchased component parts, chassis and raw materials, including aluminum, steel, and petroleum-related products;
- future impacts resulting from the war in Ukraine or the more recent conflict in the Middle East, which include or could include (among other effects) disruption in global commodity and other markets, increased prices for energy, supply shortages and supplier financial risk;
- increased labor costs and the ability to attract and retain skilled labor to manufacture our products;

- the potential negative impacts of higher interest rates and other actions taken by the federal government in response to economic volatility and inflationary pressures, including the impact on our customers' and end users' access to capital and credit to fund purchases;
- our ability to raise capital, including to grow our business, pursue strategic investments, and take advantage of financing or other opportunities that we believe to be in the best interests of the Company and our shareholders due to the significant additional indebtedness we incurred during 2022 and 2023;
- the cyclical nature of our industry and changes in consumer confidence;
- special risks from our sales to U.S. and other governmental entities through prime contractors;
- changes in fuel and other transportation costs, insurance costs and weather conditions;
- changes in government regulations, including environmental and health and safety regulations;
- failure to comply with domestic and foreign anti-corruption laws;
- competition in our industry and our ability to attract or retain customers;
- our ability to develop or acquire proprietary products and technology;
- assertions against us relating to intellectual property rights;
- changes in foreign currency exchange rates and interest rates;
- changes in the tax regimes and related government policies and regulations in the countries in which we operate;
- the effects of regulations relating to conflict minerals;

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- the catastrophic loss of one of our manufacturing facilities;
- environmental and health and safety liabilities and requirements;
- loss of the services of our key executives;
- product warranty or product liability claims in excess of our insurance coverage;
- potential recalls of components or parts manufactured for us by suppliers or potential recalls of defective products;
- an inability to acquire insurance at commercially reasonable rates;

- a disruption in, or breach in security of, our information technology systems or any violation of data protection laws; and

- those other risks discussed in our other filings with the Securities and Exchange Commission, including those risks discussed under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, which discussion is incorporated herein by this reference, as supplemented by Item 1A of this Quarterly Report on Form 10-Q.

Given these uncertainties, you should not place undue reliance on these forward-looking statements. You should read this Quarterly Report and the documents that we reference in this report Quarterly Report and documents we have filed as exhibits to the report this Quarterly Report completely and with the understanding that our actual future results may be materially different from what we expect. Also, forward-looking statements represent our management’s beliefs and assumptions only as of the date of this report. Quarterly Report. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

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FINANCIAL STATEMENTS

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MILLER INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	September 30, 2023	December 31, 2022

	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS:		
Cash and temporary investments	$ 26,847	$ 40,153
Accounts receivable, net of allowance for credit losses of $1,472 and $1,319 at September 30, 2023 and December 31, 2022, respectively	240,590	177,663
Inventories, net	176,329	153,656
Prepaid expenses	5,343	4,576
Total current assets	449,109	376,048
NONCURRENT ASSETS:		
Property, plant and equipment, net	116,216	112,145
Right-of-use assets - operating leases	705	909
Goodwill	20,594	11,619
Other assets	782	708
TOTAL ASSETS	$ 587,406	$ 501,429
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 146,790	$ 125,500
Accrued liabilities	40,228	27,904
Income taxes payable	1,214	2,430
Current portion of operating lease obligation	282	311
Total current liabilities	188,514	156,145
NONCURRENT LIABILITIES:		
Long-term obligations	60,000	45,000
Noncurrent portion of operating lease obligation	422	597
Deferred income tax liabilities	6,085	6,230
Total liabilities	255,021	207,972
COMMITMENTS AND CONTINGENCIES (Note 8)		
SHAREHOLDERS' EQUITY:		
Preferred stock, $0.01 par value; 5,000,000 shares authorized, none issued or outstanding	—	—
Common stock, $0.01 par value: 100,000,000 shares authorized, 11,445,640 and 11,416,716 outstanding at September 30, 2023 and December 31, 2022, respectively	114	114
Additional paid-in capital	153,191	152,392
Accumulated surplus	185,541	150,124

Accumulated other comprehensive loss	(6,461)	(9,173)
Total shareholders' equity	332,385	293,457
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 587,406	$ 501,429

(in thousands, except per share amounts)	March 31, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets:		
Cash and temporary investments	$ 26,809	$ 29,909
Accounts receivable, net of allowance for credit losses of $1,578 and $1,527 at March 31, 2024 and December 31, 2023, respectively	338,887	286,138
Inventories, net	184,274	189,807
Prepaid expenses	8,843	4,617
Total current assets	558,813	510,471
Noncurrent assets:		
Property, plant and equipment, net	116,172	115,072
Right-of-use assets - operating leases	738	826
Goodwill	20,022	20,022
Other assets	786	819
Total assets	$ 696,531	$ 647,210
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	$ 229,040	$ 191,782
Accrued liabilities	43,512	40,793
Income taxes payable	1,773	1,819
Current portion of operating lease obligation	311	320
Total current liabilities	274,636	234,714
Noncurrent liabilities:		
Long-term obligations	55,000	60,000
Noncurrent portion of operating lease obligation	426	506
Deferred income tax liabilities	4,110	4,070
Total liabilities	334,172	299,290
Commitments and contingencies (Note 8)		
Shareholders' equity:		
Preferred shares, $0.01 par value per share:		
Authorized – 5,000,000 shares, Issued–none	—	—

Common shares, $0.01 par value per share:		
Authorized – 100,000,000 shares, Issued and outstanding 11,469,960 and 11,445,640 outstanding at March 31, 2024 and December 31, 2023, respectively	115	114
Additional paid-in capital	153,743	153,574
Retained earnings	215,009	200,165
Accumulated other comprehensive loss	(6,508)	(5,933)
Total shareholders’ equity	362,359	347,920
Total liabilities and shareholders' equity	$ 696,531	$ 647,210

The accompanying See notes are an integral part of these to condensed consolidated financial statements.

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FINANCIAL STATEMENTS

MILLER INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data)

(Unaudited)

	Three Months Ended September 30,	Nine Months Ended September 30,	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
(in thousands, except per share amounts)				
Net sales			$ 349,871	$ 282,275
Cost of operations			305,628	251,858
Gross profit			44,243	30,417

	2023	2022	2023	2022		
NET SALES	$274,568	$205,557	$857,108	$622,602		
COSTS OF OPERATIONS	231,700	182,377	743,894	565,708		
GROSS PROFIT	42,868	23,180	113,214	56,894		
OPERATING EXPENSES:						
Operating expenses:						
Selling, general and administrative expenses	19,318	14,673	56,721	39,710	21,543	17,924
NON-OPERATING (INCOME) EXPENSES:						
Non-operating (income) expenses:						
Interest expense, net	1,813	1,042	4,525	2,088	1,245	1,012
Other (income) expense, net	(294)	666	(842)	993	(33)	(318)
Total expense, net	20,837	16,381	60,404	42,791	22,755	18,618
INCOME BEFORE INCOME TAXES	22,031	6,799	52,810	14,103		
INCOME TAX PROVISION	4,572	1,567	11,214	3,049		
NET INCOME	$ 17,459	$ 5,232	$ 41,596	$ 11,054		
Income before income taxes					21,488	11,799
BASIC INCOME PER COMMON SHARE	$ 1.53	$ 0.46	$ 3.64	$ 0.97		
DILUTED INCOME PER COMMON SHARE	$ 1.52	$ 0.46	$ 3.62	$ 0.97		
Income tax provision					4,465	2,579
Net income					17,023	9,220

CASH DIVIDENDS DECLARED PER COMMON SHARE	$ 0.18	$ 0.18	$ 0.54	$ 0.54		
WEIGHTED AVERAGE SHARES OUTSTANDING:						
Income per common share:						
Basic	11,446	11,417	11,437	11,417	$ 1.49	$ 0.81
Diluted	11,515	11,417	11,495	11,418	$ 1.47	$ 0.81
Cash dividends declared per common share					$ 0.19	$ 0.18
Weighted average shares outstanding:						
Basic					11,452	11,425
Diluted					11,556	11,431

The accompanying See notes are an integral part of these to condensed consolidated financial statements.

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FINANCIAL STATEMENTS

MILLER INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands)

(Unaudited)

	Three Months Ended		Nine Months Ended		Three Months Ended March 31,	
(in thousands)					2024	2023
Net income					$ 17,023	$ 9,220
	September 30,		September 30,			
Other comprehensive (loss) income:						
Foreign currency translation adjustment					(575)	979
Total other comprehensive (loss) income					(575)	979
	2023	2022	2023	2022		
NET INCOME	$17,459	$ 5,232	$41,596	$11,054		
OTHER COMPREHENSIVE INCOME (LOSS):						
Foreign currency translation adjustment	822	(3,341)	2,712	(5,621)		
Total other comprehensive income (loss)	822	(3,341)	2,712	(5,621)		
COMPREHENSIVE INCOME	$18,281	$ 1,891	$44,308	$ 5,433		
Total comprehensive income					$ 16,448	$ 10,199

The accompanying See notes are an integral part of these to condensed consolidated financial statements.

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FINANCIAL STATEMENTS

MILLER INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(In thousands, except share data and per share data)

(Unaudited)

(in thousands, except share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Gain (Loss)	Total Equity
Balance, December 31, 2022	11,416,716	$ 114	$ 152,392	$ 150,124	$ (9,173)	$ 293,457
Issuance of common stock, net of shares withheld for employee taxes	24,320	—	(214)	—	—	(214)
Stock-based compensation	—	—	284	—	—	284
Dividends paid ($0.18)	—	—	—	(2,059)	—	(2,059)
Foreign currency translation gain (loss)	—	—	—	—	979	979
Net income	—	—	—	9,220	—	9,220
Balance, March 31, 2023	11,441,036	$ 114	$ 152,462	$ 157,285	$ (8,194)	$ 301,667

Balance, December 31, 2023	11,445,640	114	153,574	200,165	(5,933)	347,920
Issuance of common stock, net of shares withheld for employee taxes	24,320	1	(214)	—	—	(213)
Stock-based compensation	—	—	383	—	—	383
Dividends paid ($0.19)	—	—	—	(2,179)	—	(2,179)
Foreign currency translation gain (loss)	—	—	—	—	(575)	(575)
Net income	—	—	—	17,023	—	17,023
Balance, March 31, 2024	11,469,960	$ 115	$ 153,743	$215,009	$ (6,508)	$ 362,359

See notes to condensed consolidated financial statements.

	Common Stock	Additional Paid-In Capital	Accumulated Surplus	Accumulated Other Comprehensive Loss	Total
BALANCE, December 31, 2021 (Revised)	$ 114	$151,449	$ 137,998	$ (4,945)	$284,616
Components of comprehensive income:					
Net income	—	—	2,065	—	2,065
Foreign currency translation adjustment	—	—	—	25	25
Total comprehensive income	—	—	2,065	25	2,090
Issuance of common stock to non-employee directors (5,988)	—	200	—	—	200

Stock-based compensation on nonvested restricted stock units	—	75	—	—	75
Dividends paid, $0.18 per share	—	—	(2,055)	—	(2,055)
BALANCE, March 31, 2022 (Revised)	$ 114	$151,724	$ 138,008	$ (4,920)	$284,926
Components of comprehensive income:					
Net income	—	—	3,757	—	3,757
Foreign currency translation adjustment	—	—	—	(2,305)	(2,305)
Total comprehensive income	—	—	3,757	(2,305)	1,452
Stock-based compensation on nonvested restricted stock units	—	222	—	—	222
Dividends paid, $0.18 per share	—	—	(2,054)	—	(2,054)
BALANCE, June 30, 2022 (Revised)	$ 114	$151,946	$ 139,711	$ (7,225)	$284,546
Components of comprehensive income:					
Net income	—	—	5,232	—	5,232
Foreign currency translation adjustment	—	—	—	(3,341)	(3,341)
Total comprehensive income	—	—	5,232	(3,341)	1,891
Stock-based compensation on nonvested restricted stock units	—	223	—	—	223
Dividends paid, $0.18 per share	—	—	(2,056)	—	(2,056)
BALANCE, September 30, 2022 (Revised)	$ 114	$152,169	$ 142,887	$ (10,566)	$284,604
BALANCE, December 31, 2022	$ 114	$152,392	$ 150,124	$ (9,173)	$293,457
Components of comprehensive income:					
Net income	—	—	9,220	—	9,220
Foreign currency translation adjustment	—	—	—	979	979
Total comprehensive income	—	—	9,220	979	10,199
Stock-based compensation	—	284	—	—	284
Issuance of restricted stock units, net of share settlement for taxes (24,320)	—	(214)	—	—	(214)
Dividends paid, $0.18 per share	—	—	(2,059)	—	(2,059)

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FINANCIAL STATEMENTS

MILLER INDUSTRIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (Continued)

(In thousands, except share data and per share data)
(Unaudited)

	Common Stock	Additional Paid-In Capital	Accumulated Surplus	Accumulated Other Comprehensive Loss	Total
BALANCE, March 31, 2023	$ 114	$152,462	$ 157,285	$ (8,194)	$301,667
Components of comprehensive income:					
Net income	—	—	14,915	—	14,915
Foreign currency translation adjustment	—	—	—	911	911
Total comprehensive income	—	—	14,915	911	15,826
Stock-based compensation	—	284	—	—	284
Issuance of restricted stock units (4,604)	—	—	—	—	—
Dividends paid, $0.18 per share	—	—	(2,059)	—	(2,059)
BALANCE, June 30, 2023	$ 114	$152,746	$ 170,141	$ (7,283)	$315,718
Components of comprehensive income:					
Net income	—	—	17,459	—	17,459
Foreign currency translation adjustment	—	—	—	822	822
Total comprehensive income	—	—	17,459	822	18,281
Stock-based compensation	—	445	—	—	445
Dividends paid, $0.18 per share	—	—	(2,059)	—	(2,059)
BALANCE, September 30, 2023	$ 114	$153,191	$ 185,541	$ (6,461)	$332,385

The accompanying notes are an integral part of these financial statements.

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MILLER INDUSTRIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022		
OPERATING ACTIVITIES:				
(in thousands)			2024	2023
Cash flows from operating activities:				
Net income	$ 41,596	$ 11,054	$ 17,023	$ 9,220
Adjustments to reconcile net income to net cash flows from operating activities:				
Depreciation and amortization	9,681	8,628	3,506	3,148
Loss (Gain) on disposal of property, plant and equipment	(44)	(52)		
(Gain) Loss on disposal of property, plant and equipment			(7)	—
Provision for credit losses	148	126	52	45
Issuance of common stock, net of shares withheld for employee taxes			(214)	61
Stock-based compensation	800	720	383	223
Deferred tax provision	(142)	19	37	(66)
Changes in operating assets and liabilities:				
Accounts receivable	(60,087)	(15,147)	(52,972)	(55,235)
Inventories	(17,661)	(32,625)	5,003	(10,320)

Prepaid expenses	(656)	(359)	(4,230)	(2,193)
Other assets	182	51	116	88
Accounts payable	19,991	(10,190)	37,588	44,003
Accrued liabilities	10,405	6,173	2,738	1,895
Net cash flows from operating activities	4,213	(31,602)		
INVESTING ACTIVITIES:				
Income taxes payable			(46)	2,367
Net cash flows provided by (used in) operating activities			8,977	(6,764)
Cash flows from investing activities:				
Purchases of property, plant and equipment	(9,734)	(25,127)	(4,672)	(1,749)
Proceeds from sale of property, plant and equipment	28	8	9	—
Acquisition of business	(17,802)	—		
Net cash flows from investing activities	(27,508)	(25,119)		
FINANCING ACTIVITIES:				
Net borrowings under credit facility	—	45,000		
Net payments under credit facility	15,000	—		
Net cash flows provided by (used in) investing activities			(4,663)	(1,749)
Cash flows from financing activities:				
Payments on credit facility			(5,000)	—
Payments of cash dividends	(6,178)	(6,165)	(2,179)	(2,059)
Finance lease obligation payments	—	(15)		
Net cash flows from financing activities	8,822	38,820		
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND TEMPORARY INVESTMENTS	1,167	(3,223)		
NET CHANGE IN CASH AND TEMPORARY INVESTMENTS	(13,306)	(21,124)		
CASH AND TEMPORARY INVESTMENTS, beginning of period	40,153	54,332		
CASH AND TEMPORARY INVESTMENTS, end of period	$ 26,847	$ 33,208		
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:				
Net cash flows provided by (used in) financing activities			(7,179)	(2,059)
Effect of exchange rate changes on cash and temporary investments			(235)	139
Net change in cash and temporary investments			(3,100)	(10,433)
Cash and temporary investments, beginning of period			29,909	40,153

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Cash and temporary investments, end of period			$ 26,809	$ 29,720
Supplemental information:				
Cash payments for interest	$ 5,758	$ 1,902	$ 1,003	$ 1,493
Cash payments for income taxes, net of refunds	$ 12,980	$ 1,277	$ 277	$ 495

The accompanying See notes are an integral part of these to condensed consolidated financial statements.

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MILLER INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(in thousands, except as otherwise noted)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The condensed consolidated financial statements of Miller Industries, Inc. and include the accounts of all consolidated subsidiaries (the “Company”). All significant intercompany transactions and amounts have been eliminated. The results of businesses acquired or disposed of are included herein in the condensed consolidated financial statements from the date of the acquisition or up to the date of disposal, respectively.

References to "we," "our," and similar pronouns in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (this "Form 10-Q") are to Miller Industries, Inc. and its consolidated subsidiaries unless the context requires otherwise.

Our condensed consolidated financial statements have been prepared byin accordance with the Company pursuant to the rules and regulations of theU.S. Securities and Exchange Commission (the “SEC”)("SEC"). Certain instructions to Quarterly Reports on Form 10-Q and include the information and footnote disclosures normally included in annual financial statements prepared in accordance withrequired by accounting principles generally accepted in the United States ("GAAP") for interim financial reporting. The preparation of America (“GAAP”) have been condensed or omitted pursuant to such rules and regulations. Nevertheless, the Company believes that the disclosures are adequatefinancial statements in conformity with GAAP requires us to make estimates, judgments and assumptions that affect amounts reported in the condensed consolidated financial information presented not misleading. statements and accompanying notes. Actual amounts may differ from these estimated amounts.

In the opinion of management, all adjustments necessary for a fair presentation of the accompanying unaudited condensed consolidated financial statements reflecthave been included. Except as disclosed elsewhere in this Form 10-Q, all such adjustments which are of a normal and recurring nature, to present fairly the Company’s financial position,nature. Financial results of operations and cash flows at the dates andpresented for the periods presented. Interim results of operationsthis fiscal 2024 interim period are not necessarily indicative of the results tothat may be expected for the full fiscal year.

year ending December 31, 2024. These condensed consolidated financial statements are unaudited and, accordingly, should be read in conjunction with the Company’saudited consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022December 31, 2023.

The condensed consolidated financial statements include accounts of certain subsidiaries whose fiscal closing dates differ from December 31st31st by 31 days (or less) to facilitate timely reporting.

Significant Accounting Policies

A description of the Company’s significant accounting policies is included in the notes to the audited consolidated financial statements within its Annual Report on Form 10-K filed with the SEC for fiscal year ended December 31, 2023. There have been no material changes in the Company’s significant accounting policies during the three months ended March 31, 2024.

Reclassifications

Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported resultsresults. Specifically, for the first quarter of operations. Specifically,2023, we reclassified $61$61.0 thousand and $223.0 thousand from the provision for common stock to non-employee directors and stock-based compensation on nonvested restricted stock units to non-employee directors to stock-based compensation, respectively, and reclassified $61 thousand from issuancechanged the vesting of executive restricted stock units line item to non-employee directors to stock-based compensation issuance of common stock, net of shares withheld for employee taxes on the Condensed Consolidated Statements of Shareholders' Equity.

Recently Adopted Accounting Standards

There were no new material accounting standards adopted in the first and second quarters of fiscal 2023, respectively, on the condensed consolidated statements of shareholders' equity. The Company did not reclassify quarterly results of fiscal 2022 on the condensed consolidated statements of shareholders' equity. three months ended March 31, 2024.

Recently Issued Accounting Standards

2. RECENT ACCOUNTING PRONOUNCEMENTS

Recently Adopted Standards

During the first quarter of In November 2023, the Company adopted ASU 2021-08, Business Combinations Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 805) which requires the Company 280): Improvements to measure and recognize contract assets and contract liabilities when purchased as part of a business combination. According to the guidance, the acquirer must follow ASC Topic 606 in accounting for the contract asset or contract liability being purchased. Reportable Segment Disclosures. The amendments in this Update require an entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. The ASU also requires entities with a single reportable segment to provide all segment disclosures under ASC 280, including the update were new disclosures under this ASU. The amendments in this Update are effective for financial statements fiscal years beginning after December 15, 2022 December 15, 2023, including and interim periods within those fiscal years. The Company has applied years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the amendments prospectively. The adoption of impact this update did not standard will have a material impact on the Company's condensed consolidated financial statements and related our disclosures.

Also, during the first quarter of In December 2023, the Company adopted FASB issued ASU 2022-02, Financial Instruments – Credit Losses 2023-09, Income Taxes (Topic 326). The update requires entities with financing receivables 740): Improvements to disclose gross write-offs by year of origination of the receivable. Income Tax Disclosures. The amendments in this Update improve transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the update were effective for financial statements beginning after

December 15, 2022, including interim periods within those fiscal years, rate reconciliation and have been applied prospectively. The adoption (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of this update did not have a material impact on the Company's condensed consolidated financial statements and related income tax disclosures.

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The amendments in this Update are effective for fiscal years beginning after December 15, 2024, with early adoption permitted for annual financial statements that have not been issued or made available for issuance. We are currently evaluating the impact this standard will have on our disclosures.

3.2. BUSINESS COMBINATIONS COMBINATIONS

On May 31, 2023, the Company acquired substantially all of the assets and assumed certain liabilities of Southern Hydraulic Cylinder, Inc., through an acquisition subsidiary formed as a Tennessee corporation, which then changed its name to SHC, Inc. ("SHC"), a Tennessee corporation.. SHC manufactures, sells and services hydraulic cylinders and related components. The operations of SHC align with those of the Company, which management believes will bolster strengthen its efforts to enhance the stability of the Company's supply chain.

The purchase price totaling approximately $17.8 million $17.4 million was comprised of cash on hand and by drawing on the existing revolving credit facility.

The preliminary allocation of the consideration for the net assets acquired from the acquisition of SHC were as follows:

Sources of financing		
Cash	$	17,802
Fair value of consideration transferred		17,802

Fair value of assets and liabilities		
Accounts receivable		2,244
Fixed assets		3,735
Inventory		3,384
Prepaid insurance		93
Total identifiable assets acquired		9,456
Assumed liabilities		630
Goodwill	$	8,976

(in thousands)		
Sources of financing		
Cash	$	17,376
Fair value of consideration transferred		17,376
Fair value of assets and liabilities		
Accounts receivable		2,245
Fixed assets		3,735
Inventory		3,467
Prepaid insurance		71
Intangibles		193
Total identifiable assets acquired		9,711
Assumed liabilities		738
Goodwill	$	8,403

The acquired business contributed revenues of $3,545 and earnings of $874 to Goodwill represents the Company for the period from June 1, 2023 to September 30, 2023. Earnings for the period include adjustments made for the elimination of intercompany sales and profits, as well as sales of finished goods recorded at market value as part excess of the acquisition. The following unaudited pro forma summary presents consolidated information purchase price over the fair value of the Company as if net tangible and intangible assets acquired and is deductible for tax purposes. The acquisition of SHC resulted in the business combination had occurred on January 1, 2022.

	Pro Forma for Nine Months Ended September 30,	
	2023	2022
	(Unaudited)	

Revenue	$	863,037	$	631,814
Earnings	$	43,926	$	12,014

recognition of $8.4 million of goodwill. The Company did not have any material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings.

The believes goodwill is attributable to the investment for its ability to stabilize supply chain through vertical integration and introducing automation and improving production efficiency, as well as the workforce of the acquired business business.

For fixed assets, the real property fair value of $3.0 million was comprised of land and buildings of $2.8 million and cranes of $0.2 million. The fair value was determined by a third-party appraisal performed using a sales comparison approach and income approach. The net book value of $0.7 million was determined to approximate fair market value for the significant synergies expected to arise after remaining fixed assets.

Identifiable intangible assets consisted of a restrictive covenant agreement of $25.0 thousand and order backlog of $168.0 thousand. The fair value of intangible assets was determined by a third-party valuation. The restrictive covenant agreement and order backlog were valued using the Company's acquisition of SHC.

The goodwill is not deductible for tax purposes. income approach, specifically the with-or-without method and multi-period excess earnings method, respectively.

The fair value of the assets acquired includes trade receivables of $2,244 $2.2 million that are not purchased financial assets with credit deterioration. The Company does not anticipate any markdowns of trade receivables or corresponding credit losses.

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The Company has obtained a third-party to perform a valuation operations of SHC are included in the assets and certain liabilities, however, accompanying condensed consolidated statements of income since the valuation has not been completed at the time of this quarterly filing. As such, any adjustments to the value of assets, such as intangible assets, fixed assets or inventory, will be disclosed in future filings.

acquisition date. Transaction costs incurred in associated with the acquisition were not material and were primarily related to legal, accounting and consulting services and were expensed as incurred through September 30, 2023 and are included in Selling, General and Administrative expenses in the condensed consolidated statements of operations. significant.

The allocations of the fair value of the acquired business were based on preliminary valuations of the estimated net fair value of the assets acquired and liabilities assumed. acquired. The fair value estimates are subject to adjustment during the measurement period (up to one year from the acquisition date). The fair values of the net assets acquired are based on management's estimates and assumptions, as well as other information compiled by management. management, including valuations that utilize customary valuation procedures and techniques. During the measurement period, we will adjust preliminary valuations assigned to assets and liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date, if any, that, if known, would have resulted in revised values for these items as of that date.

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Pro Forma Consolidated Financial Information (Unaudited)

The net working capital adjustment related results of operations for SHC, and the estimated fair values of the assets acquired and liabilities assumed, have been included in the Company's condensed consolidated financial statements since the date of acquisition. For the period ended March 31, 2024, SHC contributed approximately $1.9 million to the acquisitions are estimated as Company's revenues and increased pretax income by approximately $0.1 million. Earnings for the period include adjustments made for the elimination of intercompany sales and profits.

The unaudited pro forma financial information in the table below summarizes the combined results of the closing date Company's operations and will be adjusted based those of SHC for the periods as shown as if the acquisition of SHC had occurred on that estimate. Net working capital adjustments, if any, will be recorded in January 1, 2023. The pro forma financial information presented below is for informational purposes only, and is subject to a number of estimates, assumptions and other assets on the condensed consolidated balance sheet. The impact of all changes, if any, that do not qualify as measurement period adjustments are included in current period earnings. uncertainties.

	Three Months Ended March 31,			
(in thousands)	2024		2023	
Revenue	$	349,871	$	285,244
Income before income taxes	$	21,488	$	12,973

4. BASIC AND DILUTED INCOME PER COMMON SHARE

Basic and diluted income per common share were calculated using the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net Income	$ 17,459	$ 5,232	$ 41,596	$ 11,054
Basic and Diluted Common Shares				
Weighted Average Shares Outstanding - Basic	11,446	11,417	11,437	11,417
Dilution for Assumed Exercises of Nonvested Restricted Stock Units	69	—	58	1
Weighted Average Common Shares Outstanding - Diluted	11,515	11,417	11,495	11,418

Basic income per common share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted income per common share is calculated by dividing net income by the weighted average number of common and potential dilutive common shares outstanding. The Company uses the treasury stock method to account for the effect of nonvested restricted stock units on the computation of diluted income per share. For the three and nine months ended September 30, 2023, 128 thousand nonvested restricted stock units would have been anti-dilutive. There were no restricted stock units vested, issued or forfeited in the period ended September 30, 2023.

For the three months ended September 30, 2022, all 160 thousand nonvested restricted stock units would have been anti-dilutive. For the nine months ended September 30, 2022, none of the nonvested restricted stock units would have been anti-dilutive.

5.REVENUE

Substantially all of our revenue is generated from sales of towing and recovery equipment. As such, disaggregation of revenue by product line would not provide useful information because all product lines have substantially similar characteristics. However, revenue streams are tracked by the geographic location of customers. This disaggregated information is presented in the table below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net Sales:				
North America	$242,702	$182,249	$773,189	$ 562,235
Foreign	31,866	23,308	83,919	60,367
	$274,568	$205,557	$857,108	$ 622,602

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Revenue is recognized when obligations under the terms of a contract with a customer are satisfied. Except for certain extended service contracts on a small percentage of units sold, the Company's performance obligations are satisfied, and sales revenue is recognized when products are shipped from the Company's facilities. From time to time, revenue is recognized under a bill and hold arrangement. Recognition of revenue on bill and hold arrangements occurs when control transfers to the customer. The bill and hold arrangement must be substantive, and the product must be separately identified as belonging to the customer, ready for physical transfer, and unavailable to be used or directed to another customer.

Revenue is measured as the amount of consideration expected to be received in exchange for the transfer of products. Sales and other taxes collected concurrent with revenue-producing activities are excluded from revenue. Warranty related costs are recognized as an expense at the time products are sold and a reserve is established. Depending on the terms of the arrangement, for certain contracts the Company may defer the recognition of a portion of the consideration received because a future obligation has not yet been satisfied, such as an extended service contract. An observable price is used to determine the stand-alone selling price for separate performance obligations or a cost plus margin approach is utilized when one is not available.

Contract assets primarily relate to the Company’s rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Contract liabilities primarily relate to performance obligations to be satisfied in the future. For both September 30, 2023 and December 31, 2022, contract liability balances were $242, and are included in accrued liabilities on the condensed consolidated balance sheets. No revenue related to contract liability balances was recognized during the three and nine months ended September 30, 2023, or during the three and nine months ended September 30, 2022. The Company did not have any contract assets at September 30, 2023 or December 31, 2022. As of September 30, 2022, and December 31, 2021, contract liability balances were $274 and $257, respectively, and are included in accrued liabilities on the condensed consolidated balance sheets. No revenue related to contract liability balances was recognized during the three and nine months ended September 30, 2022. The Company did not have any contract assets at September 30, 2022 or December 31, 2021.

The Company extends credit to customers in the normal course of business. Collections from customers are continuously monitored and an allowance for credit losses is maintained based on historical experience adjusted for current conditions and forecasts capturing country and industry-specific economic factors. The Company also considers any specific customer collection issues. Since the Company’s trade receivables are largely similar, the Company evaluates its allowance for credit losses as one portfolio segment. At origination, the Company evaluates credit risk based on a variety of credit quality factors including prior payment experience, customer financial information, credit ratings, probabilities of default, industry trends and other internal metrics. On an ongoing basis, data by each major customer is regularly reviewed based on past-due status to evaluate the adequacy of the allowance for credit losses and actual write-offs are charged against the allowance. Terms on accounts receivable vary and are based on specific terms agreed upon with each customer. Write-offs of accounts receivable were de minimis during the three and nine months ended September 30, 2023 and during the three and nine months ended September 30, 2022.

Trade accounts receivable are generally diversified due to the number of entities comprising the Company's customer base and their dispersion across many geographic regions. The Company also frequently monitors the creditworthiness of the customers to whom the credit is granted in the normal course of business. No one customer made up more than 10% of total Company sales during the three and nine months ended September 30, 2023. Sales from one customer made up approximately 12% and 11% of total Company sales during the three and nine months ended September 30, 2022, respectively. There were no customers with accounts receivable greater than 10% of total accounts receivable at September 30, 2023. At December 31, 2022, there was one customer with a trade account receivable of 10.6% of the Company's total trade receivable.

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6.3. INVENTORIES

Inventory costs include materials, labor and factory overhead. Inventories are stated at the lower of cost or net realizable value, determined on a moving average unit cost basis. Appropriate consideration is given to obsolescence, valuation and other factors in determining net realizable value. Revisions of these estimates could result in the need for adjustments.

Inventories, net of reserves, at September 30, 2023 and December 31, 2022 consisted of the following:

	September 30, 2023	December 31, 2022	March 31,	December 31,
Chassis	$ 20,187	$ 18,604		

(in thousands)			2024	2023
Raw materials	86,157	75,934	$ 86,624	$ 89,048
Work in process	45,520	40,655	44,587	47,934
Finished goods	24,465	18,463	23,948	23,077
	$ 176,329	$ 153,656		
Chassis			29,115	29,748
Total inventory			$ 184,274	$ 189,807

For the three months ended March 31, 2024 and 2023, the Company did not recognize impairment of inventory.

For the three months ended March 31, 2024 and fiscal year ended December 31, 2023, the Company's balances are presented net of inventory reserves of $6.9 million and $5.6 million, respectively.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

(in thousands)	March 31, 2024	December 31, 2023
Land and improvements	$ 22,102	$ 19,596
Buildings and improvements	84,702	86,346
Machinery and equipment	87,413	86,250
Furniture and fixtures	13,651	13,560
Software costs	14,408	11,806
Total property, plant and equipment, gross	222,276	217,558
Less accumulated depreciation	(106,104)	(102,486)
Total property, plant and equipment, net	$ 116,172	$ 115,072

7.Depreciation expense related to property and equipment was $3.5 million and $3.1 million for the periods ending March 31, 2024 and 2023, respectively.

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5. LONG-TERM OBLIGATIONS

Credit Facility

The Company's current loan agreement with First Horizon Bank, which governs its existing $100.0 million amended unsecured revolving credit facility with a maturity date of May 31, 2027, contains customary representations and warranties, events of default and financial, affirmative and negative covenants for loan agreements of this kind. The credit facility restricts the payment of cash dividends if the payment would cause the Company to be in violation of the minimum tangible net worth test or the leverage ratio test in the loan agreement, among various other customary covenants. The Company has been in compliance with these covenants throughout 2022 and during the nine months ended September 30, 2023, and it is anticipated that the Company will continue to be in compliance for the foreseeable future.

In absence of a default, all borrowings under the amended credit facility bear interest at the one-month Term SOFR Rate plus 1.00% or 1.25% per annum, depending on annum.

We were in compliance with all covenants under the leverage ratio. credit facility throughout 2023 and as of March 31, 2024. The Company pays a non-usage fee under the current loan agreement at a rate per annum equal to between 0.15% and 0.35% of the unused amount of the credit facility, which fee is paid quarterly.

Interest expense on the credit facility was $0.9 million and $0.7 million for the periods ended March 31, 2024 and 2023, respectively.

The Company retained $60.0 million in had outstanding borrowings of $55.0 million and $60.0 million under its the credit facility at September 30, 2023. At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

6. INCOME TAXES

As of March 31, 2024 and 2023, the Company had cash no federal net operating loss carryforwards. State net operating loss carryforwards were $3.7 million and temporary investments of $26,847 $1.1 million at March 31, 2024 and $40,153, 2023, respectively.

8. COMMITMENTS AND CONTINGENCIES 7. LEASES

Leasing Activities

The Company leases certainWe have lease agreements for equipment and facilities under long-term non-cancellable operating and finance non-cancelable leases. We determine if an arrangement is a lease agreements. The leases expire at various dates through 2027. Certain of inception by evaluating whether the lease agreements contain renewal options. For those leases that have renewal options, arrangement conveys the Company included these renewal periods in the lease term if the Company determined it was reasonably certain to exercise the renewal option. Lease payments during such renewal periods were also considered in the calculation of right-of-use assets and lease obligations.

Right-of-use assets represent the Company's right to use an underlying identified asset for and whether we obtain substantially all of the economic benefits from and have the ability to direct the use of the asset. Our lease term agreements generally do not contain any material residual value guarantees or material restrictive covenants.

Operating leases are included in operating lease right-of-use assets, current operating lease liabilities and long-term operating lease obligations represent the Company's obligation to make liabilities in our condensed consolidated balance sheet. Operating lease payments arising from the lease. Lease obligations right-of-use assets and corresponding operating lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Right-of-use assets are recognized at the commencement date as the initial measurement of the lease liability, term, plus payments made prior to lease commencement and any initial direct costs. costs. Operating lease expense for operating lease assets is recognized on a straight-line basis over the lease term. As most of the Company's our leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Company's

We also have elected to apply a practical expedient for short-term leases whereby we do not recognize a lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Expense is recognized on a straight-line basis over the lease term for operating leases. For finance leases, expense is recognized as the expense from straight-line amortization of the liability and right-of-use asset plus the periodic interest expense from the lease obligation. Short-term for leases have with a lease term of twelve 12 months or less. The Company recognizes short-term leases on a straight-line basis and does not record a related right-of-use asset or lease obligation for such contracts.

Right-of-use assets relatedOur leases have remaining lease terms that expire at various dates through 2029. Certain of our lease terms may include options to finance extend or terminate the lease, and the Company includes those leases are included as a component when it is reasonably certain we will exercise that option.

The following table summarizes the components of property, plant and equipment, net on the condensed consolidated balance sheets. lease cost:

(in thousands)	Three Months Ended March 31, 2024	2023
Lease Cost		
Finance lease cost:		
Amortization of right-of-use assets	$ —	$ 9
Interest on lease obligation	—	1
Total finance lease cost	—	10
Total long-term operating lease cost	95	88
Total short-term operating lease cost	193	86
Total lease cost	$ 288	$ 184

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A maturity analysis of the undiscounted The following table summarizes supplemental cash flows of operating lease obligations is as follows: flow information related to leases:

	Operating Lease Obligation
Remaining lease payments to be paid during the year ended December 31,	
2023	$ 85
2024	316
2025	261
2026	100
2027	2
Thereafter	—
Total lease payments	764
Less imputed interest	(59)
Lease obligations at September 30, 2023	$ 705

(in thousands)	Three Months Ended March 31, 2024	2023
Other Information		
Cash paid for amounts included in the measurement of lease obligation:		
Operating cash flows from operating leases	$ 95	$ 88
Financing cash flows from finance leases	—	—
Right-of-use assets obtained in exchange for new operating lease obligations	—	—

The following table presents other lease cost and certain other information during related to the three and nine months ended September 30, 2023 and 2022 Company's leases:

	March 31, 2024	December 31, 2023
Weighted average remaining lease term (years)		
Operating leases	2.5	2.7
Finance leases	—	—
Weighted average discount rate		
Operating leases	3.5 %	3.5 %
Finance leases	— %	— %

Future lease payments under non-cancellable leases as of March 31, 2024 were as follows:

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Lease Cost				
Finance lease cost:				
Amortization of right-of-use assets	$ —	$ 4	$ 15	$ 14
Interest on lease obligation	—	—	3	1
Total finance lease cost	—	4	18	15
Total long-term operating lease cost	91	95	271	300
Total short-term operating lease cost	85	141	253	424

Total lease cost	$ 176	$ 240	$ 542	$ 739
Other Information				
Cash paid for amounts included in the measurement of lease obligation:				
Operating cash flows from operating leases	$ 91	$ 95	$ 455	$ 301
Financing cash flows from finance leases	—	4	—	15
Right-of-use assets obtained in exchange for new operating lease obligations	—	67	—	135

(in thousands)	Operating Lease Obligations
Remaining fiscal 2024	$ 272
2025	312
2026	141
2027	30
2028	25
Thereafter	11
Total lease payments	791
Less imputed interest	(54)
Lease obligation at March 31, 2024	$ 737

The weighted average remaining lease term for operating leases at September 30, 2023 was 2.4 years. The weighted average remaining lease term for operating leases at December 31, 2022 was 3.1 years. The weighted average discount rate for operating leases at September 30, 2023 and December 31, 2022 was 3.2%. Related Party Leases

The Company's subsidiary in the United Kingdom leased facilities used for manufacturing and office space from a related party with related lease costs during the three months ended September 30, 2023 March 31, 2024 and 2022 2023 of $51 $52.2 thousand and $50, respectively, and related lease costs during the nine months ended September 30, 2023 and 2022 of $151 and $158, $50.0 thousand, respectively. The Company's French subsidiary leased a fleet of vehicles from a related party with related lease costs of $54 and $38 during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, 2023 of $54.0 thousand and related lease costs of $168 $57.0 thousand, respectively.

8. COMMITMENTS AND CONTINGENCIES

Commitments

At March 31, 2024 and $109 during the nine months ended September 30, 2023 and 2022, respectively.

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Other Commitments

At September 30, 2023 and December 31, 2022 December 31, 2023, the Company had commitments of approximately $9,157 $5.8 million and $6,351, $8.6 million, respectively, for construction and acquisition of property, plant and equipment. The Company migrated its enterprise resource planning (ERP) system to a multi-tenant cloud environment in 2021 and is continuing to implement additional modules such as enterprise performance management, human capital management, data analytics and the use of closed-loop artificial intelligence. Related At both March 31, 2024 and December 31, 2023, the Company had commitments related to the continuing implementation project at September 30, 2023 and December 31, 2022, the Company had commitments of approximately $1,378 and $2,565, respectively, $1.4 million in software license fees payable in installments through 2025.

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Contingencies

The Company has entered into arrangements with third-party lenders where it has agreed in the event of default by a distributor within the independent distributor

network, to repurchase from the third-party lender Company products that are repossessed from the independent distributor customer. customer in the event of default. These arrangements are typically subject to a maximum repurchase amount. The For the three months ended March 31, 2024 and year ended December 31, 2023, the maximum amount of collateral that the Company could be required to purchase was approximately $136,689 at September 30, 2023, $148.5 million and $74,122 at December 31, 2022. The increase during 2023 is due to increased sales and higher levels of distributor network inventory due to supply chain issues that delay payment until all parts and components are received and the equipment is delivered to the towing operator. $128.7 million, respectively. The Company's risk financial exposure under these arrangements is mitigated by limited to the value difference between the amount paid to third-party lenders for repurchases of inventory and the amount received upon subsequent resale of the products that would be repurchased as part of the transaction. repossessed product. The Company considered had no repurchases of inventory during the fair value at inception of its commitment under these arrangements three months ended March 31, 2024 and year ended December 31, 2023 and concluded that there is no probable loss the liability associated with these potential repurchase obligations and thus no associated liability was recognized at September 30, 2023 or December 31, 2022. neither probable, nor material.

Litigation

The Company is, We are subject to a variety of claims and lawsuits that arise from time to time a party to litigation arising in the normal ordinary course of its business. Litigation is subject to various inherent uncertainties, and it is possible that some of such matters could be resolved unfavorably to the Company, which could result in substantial damages against the Company. The Company establishes has established accruals for matters that are probable and reasonably estimable and maintains product liability and other insurance that management believes to be adequate. Management Although management believes that any liability that may ultimately result from the resolution of any such matters in excess of available insurance coverage pending claims and accruals lawsuits will not have a material adverse effect significant impact on the Company's consolidated financial position or results of operations, the adjudication of the Company. such matters is subject to inherent uncertainties and management's assessment may change depending on future events.

9. STOCK INCENTIVE PLAN

9. INCOME TAXES

As of September 30, 2023Effective August 1, 2016, the Company had no federal net operating loss carryforwards. State net operating loss carryforwards were $1,812 adopted the 2016 Stock Incentive Plan (the “2016 Plan”). Pursuant to the 2016 Plan, the Board of Directors may grant up to 800,000 shares under share-based awards to officers, directors, and employees. The 2016 Plan provides for the issuance of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, stock awards, performance shares, performance units and other stock-based awards or any combination thereof. The 2016 Plan was approved by the shareholders of the Company at September 30, 2023 its Annual Meeting on May 26, 2017. The 2016 Plan will terminate on August 1, 2026.

Restricted Stock Units

Restricted stock units, once granted, are subject only to service conditions. Executive Officer awards vest ratably over three to five years (depending on award granted) and non-employee director awards cliff-vest after one year.

The following table summarizes all transactions related to restricted stock units under the 2016 Plan:

	Restricted Stock Units	Weighted Average Grant Date Fair Value
Nonvested at December 31, 2023	146,832	$ 33.98
Granted	108,490	45.07
Vested (1)	(32,000)	29.95
Forfeited	—	—
Nonvested at March 31, 2024	223,322	$ 36.33

(1) Vested shares include 7,680 shares vested and withheld for employee taxes.

10.CORRECTION OF PRIOR PERIOD ERRORSThe following table provides additional data related to restricted share unit activity:

As previously disclosed in Note 11 to the Company’s consolidated financial statements as of and for the fiscal year ended December 31, 2022, the Company identified prior period accounting errors that the Company concluded were not material to the Company’s previously reported consolidated financial statements and unaudited interim condensed consolidated financial statements. The financial reporting periods affected by these errors include the Company’s previously reported consolidated financial statements for the fiscal years ended December 31, 2021, and the Company’s previously reported unaudited interim condensed consolidated financial information for each of the quarterly and fiscal year-to-date periods in the fiscal year ended December 31, 2022 (collectively the "previously reported financial statements").

(in thousands, except weighted average period in years)		2024
Total compensation cost, net of estimated forfeitures, related to nonvested restricted share unit awards not yet recognized, pre tax	$	7,248
Weighted average period in years over which restricted share and share unit cost is expected to be recognized (in years)		2.1
Total fair value of shares vested during the year	$	958

Based on management's evaluation Stock-based compensation expense is included as a component of selling, general and administrative expenses in the accounting errors under the SEC Staff's Accounting Bulletins Nos. 99 ("SAB 99") condensed consolidated statement of income.

10. REVENUE

All of our operating revenue is generated from contracts with customers. Our primary source of revenue is generated from sales of towing and 108 ("SAB 108") and interpretations thereof, recovery equipment. Because our product lines have substantially similar characteristics, the Company concluded the errors were not material, on an individual or aggregate basis, has identified one operating segment regularly reviewed to the Company's previously reported financial statements. The errors originated many years ago, were less than 3.6% of the impacted accounts assess performance and did not materially impact ratios or amounts relied upon by users of the financial statements. However, allocate resources. Alternatively, the Company further concluded the accounting errors could not be corrected as an out-of-period adjustment in the Company's current period consolidated financial statements as of and for the year ended December 31, 2022, because uses a geographic approach to do so would cause a material misstatement in those financial statements. Accordingly, the Company proceeded according to the guidance prescribed track revenues by SAB 108 which specifies that the errors must be corrected the next time the previously reported financial statements are filed. Therefore, the Company corrected these accounting errors in all of the Company's previously reported annual and interim consolidated financial statements impacted by the errors, which includes the accompanying unaudited condensed consolidated financial statements as of and for the nine months ended September 30, 2023. geographic regions.

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FINANCIAL STATEMENTS | NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Net revenues by geographic region are as follows:

(in thousands)	Three Months Ended March 31, 2024	2023	Change
Geographic regions:			
North America	$ 318,536	$ 258,167	23.4%
Foreign	31,335	24,108	30.0%
Total net revenue	$ 349,871	$ 282,275	23.9%

Concentrations of Credit Risk

Financial instruments that potentially expose us to concentrations of credit risk consist primarily of cash and temporary investments and trade accounts receivable. At March 31, 2024 and December 31, 2023, the Company had cash deposited net of outstanding checks of $26.8 million and $29.9 million, respectively held in multiple high-credit quality financial institutions. We attempt to limit our credit risk by performing ongoing credit evaluations of our customers and maintaining adequate allowances for potential credit losses.

No single customer accounted for more than 10% of total revenues for the period ended March 31, 2024 and one customer accounted for 11.0% of total revenues for the period ended March 31, 2023.

No single customer accounted for more than 10% of total accounts receivable at March 31, 2024 and December 31, 2023.

11. EARNINGS PER SHARE

The following table reconciles the number of common shares used to compute basic and diluted earnings per common share:

(in thousands, except per share amounts)	September 30, 2022	Three Months Ended March 31, 2024	2023
Basic earnings (loss) per common share:			
Net income (loss) - basic		$ 17,023	$ 9,220

Weighted shares outstanding	11,452,054	11,424,552
Basic earnings (loss) per common share	$ 1.49	$ 0.81

	As Reported	Adjustment	Revised
Property, plant and equipment, net	$112,545	$ (1,203)	$111,342
Accounts payable	107,477	2,717	110,194
Accumulated surplus	146,807	(3,920)	142,887

	December 31, 2021		
	As Reported	Adjustment	Revised
Property, plant and equipment, net	$ 96,496	$ (1,203)	$ 95,293
Accounts payable	119,029	2,717	121,746
Accumulated surplus	141,918	(3,920)	137,998

Diluted earnings (loss) per common share:		
Net income (loss) - basic	$ 17,023	$ 9,220
Weighted shares outstanding - basic	11,452,054	11,424,552
Effect of dilutive securities	103,951	6,435
Weighted shares outstanding - diluted	11,556,005	11,430,987
Diluted earnings (loss) per common share	$ 1.47	$ 0.81

11.12. SUBSEQUENT EVENTS

Dividends

On November 6, 2023 May 6, 2024, the Board of Directors (the “Board”) of the Company declared a quarterly cash dividend of $0.18 $0.19 per share. The dividend is payable December 11, 2023 June 10, 2024, to shareholders of record as of December 4, 2023 June 3, 2024.

Stock Repurchase Program

On April 2, 2024, the Company's Board of Directors approved a stock repurchase program authorizing the Company to purchase up to $25.0 million of the Company’s common stock with no expiration date (the ”Repurchase Program”). Repurchases under the Repurchase Program may be made on the open market, in privately negotiated transactions, block purchases or otherwise as permitted by the federal securities laws and other legal and contractual requirements and are expected to comply with Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The number of shares to be repurchased and the timing of any repurchases will depend on a number of factors, including share price, economic and market conditions, and corporate requirements, among others. The Company may choose to suspend or discontinue the Repurchase Program at any time. The cost of the shares repurchased will be funded from our available cash and temporary investments and borrowings under our credit facility.

The Company has not repurchased common stock under the Repurchase Program as of April 30, 2024.

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MD&A

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a summary from the perspective of management on our consolidated operating results, financial condition, liquidity and cash flows of our Company as of and for the periods presented.

The following discussion of our results of operations and financial condition MD&A should be read in conjunction with the condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited financial statements and other information presented in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2022 December 31, 2023 and the unaudited condensed consolidated financial statements and the accompanying notes thereto included herein.

To facilitate timely reporting, the condensed consolidated financial statements include accounts of certain subsidiaries whose closing dates differ from March 31st by 31 days (or less). Unless

References to "the Company" "we", "us", and "our" are intended to mean the business and operations of Miller Industries, Inc., and its consolidated subsidiaries unless the context indicates otherwise, all dollar amounts in this Management's Discussion and Analysis of Financial Condition and Results of Operations are in thousands. requires otherwise.

ABOUT MILLER INDUSTRIES, INC.

Company Background

Miller Industries, Inc. is The World's Largest Manufacturer of Towing and Recovery Equipment® Equipment®, with domestic manufacturing subsidiaries operations in Tennessee and Pennsylvania, and foreign manufacturing subsidiaries operations in France and the United Kingdom. The Company develops innovative high-quality towing and recovery equipment worldwide. We offer a broad range design and manufacture bodies of equipment car carriers and wreckers, which are installed on chassis manufactured by third parties, which are sold to meet our customers' design, capacity and cost requirements customers under our Century®, Vulcan®, Challenger® Chevron™, Holmes®, Challenger®, Champion®, Chevron™ Jige™, Eagle® Boniface™, Titan®, Jige™ and Boniface™ Eagle® brand names. In this Item 2 – "Management's Discussion and Analysis of Financial Condition and Results of Operations," the words "Miller Industries," "the Company," "we," "our," "ours" and "us" refer to Miller Industries, Inc. and its subsidiaries or any of them.

Our products are primarily marketed and sold through a network of distributors that serve all 50 states, Canada, Mexico and other foreign markets, and through prime contractors to governmental entities. Further, we have substantial distribution capabilities in Europe as a result of our ownership of Jige International S.A. and Boniface Engineering, Ltd. While most of our distributor agreements do not generally contain exclusivity provisions, management focuses believes our independent distributors do not offer products of any other towing and recovery equipment manufacturer, which we believe is a testament of their loyalty to our brands.

In addition to selling our products, our independent distributors provide end-users with parts and service. We also utilize sales representatives to inform prospective end-users about our current product lines in an effort to drive sales to independent distributors. Management believes the strength of our distribution network and the breadth and quality of our product offerings are two key advantages over our competitors.

We focus on a variety of key indicators to monitor our overall operating and financial performance. These indicators include measurements of revenue, operating income, gross margin, net income, earnings per share, capital expenditures and cash flow.

We derive revenues primarily from product sales made to our network of domestic and foreign independent distributors. Our revenues are sensitive to a variety of factors including general economic conditions as well as demand for, and price of, our products, our technological competitiveness, our reputation for providing quality products and reliable service, competition within our industry, and the cost and availability of purchased component parts, truck chassis and raw materials (including aluminum, steel and petroleum-related products).

Our history of innovation in the towing and recovery industry has been an important factor behind our growth over the last decade and we believe that our continued emphasis on research and development will be a key factor in our future growth. We opened a free-standing R&D facility in Chattanooga in 2019, where we pursue various innovations in our products and manufacturing processes, some of which are intended to enhance the safety of our employees and reduce our environmental impact. In addition, our recent domestic plant expansion and modernization projects have installed sophisticated robotics and implemented other advanced technologies to increase our production capacity and optimize our manufacturing processes, including investing in part re-design capabilities that allows for more flexibility in our manufacturing and sourcing. These projects were completed during the period from 2017 to 2021 at a cost of over $82,000. $82.0 million. We completed phase one of the implementation of an enterprise software solution during 2021, and we continued to implement additional functionality available in the solution in 2022 and 2023. We expect this software to substantially improve our administrative efficiency and customer service levels. As we retain our focus toward modernization, we expect to continue to invest in robotics and automated material handling equipment across all of our domestic manufacturing facilities.

The Company did not draw on its line of credit during the third quarter of 2023. For the quarter ended September 30, 2023 and as of October 31, 2023, the balance on its credit facility remains at $60,000.

Key Factors Affecting Operating Results

Our industry is, and will continue to be, cyclical in nature, and the overall demand for our products and our resulting revenues are influenced by a variety of factors, including:

- levels of consumer confidence;
- domestic and international capital and credit markets and the availability and affordability of financing, including floor plan financing, for our customers and towing operators;
- fuel and insurance costs, and macro-economic conditions such as broad-based inflation, and their effect on the ability of our customers to purchase towing and related equipment; and
- the overall effects of global, political, economic and health conditions.

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We remain concerned about the ongoing effects of these factors on the towing and recovery industry, and we continue to monitor our overall cost structure to see that it remains in line with business conditions.

We have been and will continue to be affected by the availability of, and changes in the prices that we pay for component parts and raw materials, particularly aluminum, steel and petroleum-related products, which represent a substantial part of our total cost of operations.

Recent Trends and Outlook

Throughout 2022 the Company was marked by continued challenges recovering from the global COVID-19 pandemic in the form of inflationary cost pressures in both raw materials and labor, as well as persistent supply chain disruptions that collectively had a materially adverse impact on our financial performance. We took pricing actions to offset these inflationary cost pressures, while continuing to execute against our strategic initiatives such as our ERP implementation, enterprise software upgrades, and other operational and productivity improvement initiatives aimed at reducing our expenses as a percentage of net sales. We also continued to invest in our inventory in the form of critical parts and in goods near completion, in order to fulfill orders of finished goods as soon as the necessary parts became available. **TRENDS AND OTHER FACTORS AFFECTING OUR BUSINESS**

Continuing during 2023, in 2024, our strong backlog allowed revenues to increase as parts became more available due to supply chain improvement improvements and actions that we took to diversify and increase the flexibility of our supply chain. Gross margin also steadily improved due to our pricing actions, productivity improvements and the stabilizing of raw material costs. In addition, with the acquisition of SHC, we were able to enhance the stability of our supply chain. The combination of favorable macroeconomic trends and improved productivity resulted in increased net income for the period.

Based on our strong backlog, sales the price adjustments implemented to offset inflationary cost pressures, increases and productivity improvements and we have implemented, lessening supply chain disruptions and easing inflationary pressures, our operating results improved throughout fiscal 2023 and for the period ended March 31, 2024, and we believe we are well positioned well-positioned to continue enhancing our operating results. However, our performance will be heavily influenced by, among other things, whether supply chain constraints and inflationary pressures continue to lessen or worsen, the continuing impact of the war in Ukraine and the more recent conflict in the Middle East or other geopolitical factors, and the threat of recession and general

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economic factors. The impact of these factors remains largely out of our control, and we currently anticipate that these factors will continue to could have an adverse impact on our production capabilities, financial results and cash flow over flows to continue throughout fiscal 2024.

In the remainder second quarter of 2023. 2023, the Company acquired the assets and assumed certain liabilities of Southern Hydraulic Cylinder, Inc., which manufactures hydraulic cylinders and related components used in the production of our small carrier units. Management believes this acquisition will strengthen its efforts to enhance the stability of the Company's supply chain.

Critical Accounting Policies The impacts of current global supply chain disruptions, inflationary environment, geopolitical tensions and other macroeconomic factors have led to foreign currency fluctuations. The impact of inflationary or deflationary pressures have caused and may continue to cause foreign currency translation gains or losses within our condensed consolidated statement of comprehensive income.

CRITICAL ACCOUNTING POLICIES

Our condensed consolidated financial statements are prepared in accordance with GAAP, which require us to make estimates. Certain accounting policies are deemed "critical," as they require management's highest degree of judgment, estimations and assumptions. The accounting policies deemed to be most critical to our financial position and results of operations are those related to accounts receivable, inventory, long-lived assets, warranty reserves, revenues, and income taxes. There have been no significant changes in our critical accounting policies during the nine three months ended September 30, 2023.

For additional March 31, 2024, from the information refer to our summary of significant accounting policies in Note 2 of provided under the "Notes to Consolidated Financial Statements" in Part IV, Item 15 and heading "Critical Accounting Policies" Policies and Sensitive Accounting Estimates" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of

Operations” in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2022 December 31, 2023.

Results of Operations – RESULTS OF OPERATIONS

Three Months Ended September 30, 2023 March 31, 2024 Compared to Three Months Ended September 30, 2022 March 31, 2023

	Three Months Ended March 31,		
(in thousands)	2024	2023	Change
Net sales	$ 349,871	$ 282,275	23.9%
Cost of operations	305,628	251,858	21.3%
Gross profit	44,243	30,417	45.5%
Operating expenses:			
Selling, general and administrative	21,543	17,924	20.2%
Non-operating (income) expenses			
Interest expense, net	1,245	1,012	23.0%
Other (income) expense, net	(33)	(318)	(89.6)%
Total expenses, net	22,755	18,618	22.2%
Income before income taxes	21,488	11,799	82.1%
Income tax provision	4,465	2,579	73.1%
Net income	$ 17,023	$ 9,220	84.6%

Net Sales

Net sales for the three months ended September 30, 2023 increased 33.6% March 31, 2024 were $349.9 million compared to $274,568 from $205,557 $282.3 million for the comparable period in 2022. fiscal 2023, an increase of 23.9%. The increase in revenue is net sales was primarily the result of driven by increases in production volume across all our product categories due to supply chain improvements and continued strong customer demand.

Net domestic foreign sales increased during for the three months ended September 30, 2023 March 31, 2024 were $31.3 million compared to $242,702 from $182,249 $24.1 million for the comparable period in 2022, while net foreign sales increased to $31,866 from $23,308 during the same three-month period. 2023, an increase of 30.0%.

Costs Cost of Operations

Cost of operations for the three months ended September 30, 2023 increased 27.0% March 31, 2024 were $305.6 million compared to $231,700 from $182,377 $251.9 million for the comparable period in 2022, due fiscal 2023, an increase of 21.3%. The increase in cost of operations was primarily attributed to increased deliveries. Costs deliveries resulting from continued stabilization in our supply chain.

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Gross Profit

Gross profit is equal to net sales less cost of sales to 84.4%, operations. Gross profit for the three months ended March 31, 2024 was $44.2 million compared to 88.7% $30.4 million for the comparable period in 2022, due to fiscal 2023, an increase of 45.5%. Cost of operations includes the recognition direct cost of price increases on sales to customers that offset higher input costs manufacturing, including direct materials, labor and related overhead, physical inventory adjustments, as well as enhanced operational efficiencies. inbound and outbound freight.

Selling, General and Administrative

Selling, general and administrative expenses for the three months ended September 30, 2023 increased March 31, 2024 were $21.5 million compared to $19,318 from $14,673 $17.9 million for the comparable period in 2022 fiscal 2023, an increase of 20.2%. The increase in selling, general and administrative expenses was primarily due to increased bonus accruals associated with increased pretax income, which accruals are provided for under the terms of the additional executive compensation programs discussed in the 8-K filed in April 2023, expense and incentives for all employees, investor relations activity, increased expenses associated with increased sales volumes volume and increased investment in our workforce, specifically for training and more competitive compensation to improve employee

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retention. As a percentage of net sales, selling, general and administrative expenses decreased to 6.2% for the three months ended September 30, 2023 decreased to 7.0% March 31, 2024, from 7.1% in 6.3% for the comparable period in 2022. fiscal 2023.

Interest Expense, Net

Interest expense, net increased to $1,813 from $1,042 for the three months ended September 30, 2023 as March 31, 2024 was $1.2 million compared to $1.0 million for the prior year period. comparable period in fiscal 2023, an increase of 23.0%. Increases in interest expense, net was were primarily due to increases in floor plan interest payments, increased borrowings, on our credit facility and increased interest rates. rates, offset by interest income.

For the three months ended September 30, 2023 Other (Income) Expense

The Company is exposed to foreign currency transaction risk when the Company recognized has transactions that are denominated in a currency other than its functional currency. When the related balance sheet items are remeasured in the functional currency of the Company, gains and losses are recorded through other (income) expense. Other (income) expense, net is composed primarily of these foreign currency exchange gains and losses. The Company experienced a net foreign currency exchange loss of $17, compared to a net loss $0.2 million and gain of $633 $0.3 million for the three months ended September 30, 2022, reflecting foreign currency gains March 31, 2024 and loss on transactions denominated in a currency 2023, respectively. Other (income) expense for the three months ended March 31, 2024 includes $0.2 million of other than the local entity's functional currency. income.

Provision for Income Taxes

The provision for income taxes for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 reflects a combined effective U.S. federal, state and foreign tax rate of 20.8% and 23.0% 21.9%, respectively. The principal differences between the federal statutory tax rate and the effective tax rate consist primarily of state taxes, domestic tax credits, and tax differences on foreign earnings.

Results LIQUIDITY AND CAPITAL RESOURCES

We currently believe that, based on available capital resources and projected operating cash flow, we have adequate capital resources to fund our operations and expected future cash needs over the next 12 months. However, our ability to satisfy our cash needs will substantially depend upon a number of Operations – Nine Months Ended September 30, 2023 Compared factors, including our future operating performance, and the economic, regulatory and other factors discussed elsewhere in this Quarterly Report, many of which are beyond our control.

Cash and Temporary Investments

As of March 31, 2024, we had cash and temporary investments of $26.8 million, and $45.0 million in available borrowings under our credit facility. Our primary cash requirements include working capital, capital expenditures, the funding of any declared cash dividends, purchases pursuant to Nine Months Ended September 30, 2022

Net sales our recently announced share repurchase program, and principal and interest payments on indebtedness. At March 31, 2024, the Company had commitments of approximately $5.8 million for the nine acquisition of property, plant and equipment and commitments of approximately $1.4 million in software license fees related to the implementation of our enterprise software solution.

The cash and temporary investments balance at March 31, 2024 included $18.3 million of cash held by subsidiaries outside of the United States.

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Cash Flows

The following table summarizes our cash flows for the period:

(in thousands)		Three Months Ended March 31, 2024		2023	Change
Operating activities	$	8,977	$	(6,764)	232.7 %
Investing activities		(4,663)		(1,749)	(166.6)%
Financing activities		(7,179)		(2,059)	(248.7)%
Effect of exchange rate changes on cash and temporary investments		(235)		139	(269.1)%
Net increase (decrease) in cash and temporary investments	$	(3,100)	$	(10,433)	70.3 %

Changes in working capital, which impact operating cash flow, can vary significantly depending on factors such as the timing of customer payments, inventory purchases and payments to vendors and tax payments in the regular course of business.

Cash Flows Provided by (used in) Operating Activities

During the three months ended September 30, 2023 increased 37.7% to $857,108 from $622,602 for the comparable period in 2022. The increase in revenue is primarily the result of increases in production volume across all our product categories due to supply chain improvements and continued strong customer demand, as well as realization of pricing adjustments implemented in 2022 and the first quarter of 2023. Net domestic sales increased during the nine months ended September 30, 2023 to $773,189 from $562,235 for the comparable period in 2022, while March 31, 2024, net foreign sales increased to $83,919 from $60,367 during the same nine-month period.

Costs of operations for the nine months ended September 30, 2023 increased 31.5% to $743,894 from $565,708 for the comparable period in 2022, due to increased deliveries. Costs of operations decreased as a percentage of sales to 86.8%, compared to 90.9% for the comparable period in 2022, primarily due to the recognition of price increases on sales to customers that offset higher input costs, as well as enhanced operational efficiencies.

Selling, general and administrative expenses for the nine months ended September 30, 2023 increased to $56,721 from $39,710for the comparable period in 2022 due to additional executive compensation expense as discussed in the 8-K filed in April 2023, investor relations activity, increased expenses associated with increased sales volumes and increased investment in our workforce, specifically for training and more competitive compensation to improve employee retention. As a percentage of sales, selling, general and administrative expenses for the nine months ended September 30, 2023 increased to 6.6% from 6.4% in the comparable period in 2022.

Interest expense, net increased to $4,525 from $2,088 for the nine months ended September 30, 2023 as compared to the prior year period. Increases in interest expense, net were primarily due to increased borrowings on our credit facility, increased interest rates and increases in floor plan interest payments.

For the nine months ended September 30, 2023 the Company recognized a net foreign currency exchange gain of $594, compared to a net loss of $1,097 for the nine months ended September 30, 2022, reflecting foreign currency gains and losses on transactions denominated in a currency other than the local entity's functional currency.

The provision for income taxes for the nine months ended September 30, 2023 and 2022 reflects a combined effective U.S. federal, state and foreign tax rate of 21.2% and 21.6%, respectively. The lower year over year rate was due to favorable tax adjustments related to prior year domestic tax estimates. The principal differences between the federal statutory tax rate and the effective tax rate consist primarily of state taxes, domestic tax credits, and tax differences on foreign earnings.

Liquidity and Capital Resources

Cash cash provided by operating activities was $4,213 for the nine months ended September 30, 2023, $9.0 million compared to net cash used in operating activities of $31,602 $6.8 million in the comparable period in 2022. 2023. Cash provided by or used in operating activities is generally attributable to the receipt of payments from our customers as settlement of their contractual obligation once we have fulfilled all performance obligations related to our contracts with them. These cash receipts are netted with payments for purchases of inventory, payments for materials used in manufacturing and other expenses payments that are necessary in the ordinary course of our operations, such as those for utilities and taxes. The change in net cash flows from operating activities during the nine months ended September 30, 2023, in comparison to the nine months ended September 30, 2022, is primarily due to increased net income and a stabilization of changes in operating assets and liabilities as a result of improved availability of purchased components.

19Cash Flow Provided by (used in) Investing Activities

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Cash During the three months ended March 31, 2024, cash used in investing activities was $27,508 for the nine months ended September 30, 2023 $4.7 million compared to cash used in investing activities of $25,119 $1.7 million for the comparable period in 2022. 2023. The increase in cash used in investing activities for the nine months ended September 30, 2023 was primarily for the purchase of SHC (see Note 3) and purchases of property, plant and equipment. We also continued to invest in manufacturing automation and ERP system enhancements.

Cash provided Flows Provided by (used in) Financing Activities

During the three months ended March 31, 2024, cash used in financing activities was $8,822 for the nine months ended September 30, 2023, $7.2 million compared to cash provided by used in financing activities of $38,820 $2.1 million for the comparable period in 2022. Net 2023. The increase in cash flows provided by used in financing activities for the nine months ended September 30, 2023 resulted from advances was primarily due to payments of $5 million under the Company's primary credit facility, offset by the payment of cash dividends.

As of September 30, 2023, we had cash and temporary investments of $26,847, and an additional $40,000 in available borrowings under our existing credit facility. Our primary cash requirements include working capital, capital expenditures, the funding of any declared cash dividends and principal and interest payments on indebtedness. At September 30, 2023, the Company had commitments of approximately $9,157 for the acquisition of property, plant and equipment. At September 30, 2023, we also had a commitment of approximately $1,378 in software license fees related to the implementation of our enterprise software solution.

We expect our primary sources of cash to be cash flows from operations, cash and temporary investments on hand at September 30, 2023 and borrowings under our credit facility, as needed. We expect these sources well as cash dividend payments of $2.2 million.

Contractual Obligations

There have been no material changes to be sufficient our contractual obligations from what was previously disclosed in our Annual Report on Form 10-K filed with the SEC for fiscal year ended December 31, 2023.

Credit Facility

The Company had outstanding borrowings of $55.0 million and $60.0 million under the credit facility at March 31, 2024 and December 31, 2023, respectively. See the disclosure under the heading "Credit Facility" in Note 5 of the "Notes to satisfy our cash needs for at least the next year. However, our ability to satisfy our cash needs will substantially depend upon several factors, including our future operating performance, taking into account the supply chain, economic and other factors discussed above and elsewhere Condensed Consolidated Financial Statements" in this Quarterly Report on Form 10-Q as well as financial, business and other factors, many of which are beyond our control. for additional information regarding the Company's credit facility.

As of September 30, 2023 and December 31, 2022May 1, 2024, $15,909 and $20,405, respectively, of the Company's cash and temporary investments were held by foreign subsidiaries and their holdings are generally based in the local currency.

Credit Facilities and Other Obligations

Credit Facility

The Company's current loan agreement with First Horizon Bank, which governs its existing $100.0 million unsecured revolvingoutstanding balance on our credit facility with a maturity date of May 31, 2027, contains customary representations and warranties, events of default, and financial, affirmative and negative covenants for loan agreements of this kind. The credit facility restricts the payment of cash dividends if the payment would cause the Company to be in violation of the minimum tangible net worth test or the leverage ratio test in the loan agreement, among various other customary covenants. The Company has been in compliance with these covenants throughout 2022 and 2023, and it is anticipated that the Company will continue to be in compliance for the foreseeable future.was $65.0 million.

In absence of a default, all borrowings under the credit facility bear interest at the one-month Term SOFR Rate plus 1.00% or 1.25% per annum, depending on the leverage ratio. The Company pays a non-usage fee under the current loan agreement at a rate per annum equal to between 0.15% and 0.35% of the unused amount of the credit facility, which fee is paid quarterly.

The Company had $60,000 and $45,000 in outstanding borrowings under its credit facility at September 30, 2023 and December 31, 2022, respectively. During the third quarter of 2023, the Company did not draw on its line of credit. For the quarter ended September 30, 2023 and as of October 31, 2023, the balance on its credit facility remains at $60,000.

Other Long-Term Obligations

Prior to applying a discount rate to our lease liabilities, at September 30, 2023 and December 31, 2022, we had approximately $764$0.8 million and $926$0.9 million in non-cancelable operating lease obligations at March 31, 2024 and December 31, 2023, respectively. We had no non-cancelable finance lease obligations as of September 30, 2023March 31, 2024 and $10 asDecember 31, 2023.

Capital Expenditures

Capital expenditures during the period ended March 31, 2024 and 2023 were $4.7 million and $1.7 million, respectively. We make ongoing capital investments in our property, plant and equipment, and continue to increase purchases of December 31, 2022. materials, components and chassis to ramp up production to meet demand, which has been at historic levels. We believe that in periods of normalized supply chain, our historical capital investments in our manufacturing facilities and other capital assets will increase the production capacity and efficiencies of our operations. See "Cash Flows" – "Cash Flows provided by (used in) Investing Activities" contained within this MD&A for additional discussion on capital expenditures.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of our business, we are exposed to market risk from changes in interest rates and foreign currency exchange rates that could impact our results of operations and financial position.

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OTHER KEY INFORMATION

Interest Rate RiskITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

ChangesThere have been no material changes to our quantitative and qualitative disclosures about market risk from what was previously disclosed in interest rates affect the interest paid our Annual Report on indebtedness under the credit facility because outstanding amounts of indebtedness under the credit facility are subject to variable interest rates. Under the credit facility, the non-default rate of interest is equal to the one-month Term SOFR plus 1.00% or 1.25% per annum, depending on the leverage ratio, for a rate of interest of 6.4% at September 30, 2023. A one percent change in the interest rate on our variable-rate debt would not have materially impacted our financial position, results of operations or cash flows as of and Form 10-K for the nine months year ended September 30, 2023.

Foreign Currency Exchange Rate Risk

We are subject to risk arising from changes in foreign currency exchange rates related to our international operations in Europe. We manage our exposure to foreign currency exchange rate risk through our regular operating and financing activities. Additionally, from time to time, we enter into certain forward foreign currency exchange contracts.

Because we report in U.S. dollars on a consolidated basis, foreign currency exchange rate fluctuations have a translation impact on our financial position and results of operations. During December 31, 2023 filed with the three and nine months ended September 30, 2023, we recognized unrealized gains of $822 and $2,712, respectively in our foreign currency translation equity adjustment account because of the fluctuations in valuation of the U.S. dollar against the Euro and British pound. During the three and nine months ended September 30, 2022, we recognized unrealized losses of $3,341 and $5,621, respectively. These amounts were recognized in accumulated other comprehensive loss on the condensed consolidated balance sheets.

For the three months ended September 30, 2023 and 2022, the impacts of foreign currency exchange rate changes on our results of operations and cash flows were net foreign currency exchange losses of $17 and $633, respectively. For the nine months ended September 30, 2023 and 2022, the impacts of foreign currency exchange rate changes on our results of operations and cash flows were net foreign currency exchange gains of $594 and losses of $1,097, respectively. SEC.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We carried out an evaluation, as of the end of the period covered by this Quarterly Report on Form 10-Q, evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer (CEO) chief executive officer and Chief Financial Officer (CFO), of chief financial officer, the effectiveness of the design and operation of our disclosure controls and procedures as (as defined in Rules 13a-14(c) Rule 13a-15(e) under the Securities Exchange Act of 1934. 1934 (the "Exchange Act")) as of March 31, 2024. Based upon on this evaluation, our CEO chief executive officer and CFO chief financial officer have concluded that the as of March 31, 2024, our disclosure controls and procedures are were effective to ensure provide reasonable assurance that information required to be disclosed by us in our reports that we file or submit under the Exchange Act are is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission the SEC rules and forms. forms and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no significant changes in our internal controls over financial reporting during the period covered by this report quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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OTHER KEY INFORMATION

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are, from time The "Litigation" disclosure described in Note 8 of the "Notes to time, a party to litigation arising Condensed Consolidated Financial Statements" is incorporated in the normal course of our business. Litigation is subject to various inherent uncertainties, and it is possible that some of such matters could be resolved unfavorably to us, which could result in substantial damages against us. We establish accruals for matters that are probable and reasonably estimable and maintain product liability and other insurance that management believes to be adequate. Management believes that any liability that may ultimately result from the resolution of any such matters in excess of available insurance coverage and accruals will not have a material adverse effect on our consolidated financial position or results of operations.

this Item 1, "Legal Proceedings" by reference.

ITEM 1A. RISK FACTORS

The following description of risk factors includes any There have been no material changes to the risk factors associated with disclosed in Part I, "Item 1A. Risk Factors" in the Company's business previously described in "Part I, Item 1A — Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023. Except as described herein, there are no material changes to those previously disclosed risk factors.

The below risk factor replaces in its entirety the risk factor entitled "Our international operations are subject to various political, economic and other uncertainties that could materially adversely affect our business results, including by restrictive taxation or other government regulation and by foreign currency fluctuation" in the Annual Report on Form 10-K.

Our business operations are subject to various international political, economic and other uncertainties that could materially adversely affect our business results.

Historically, a portion of our net sales occur outside the United States, primarily in Europe. In addition, we have manufacturing operations at two facilities located in the Lorraine region of France and manufacturing operations in Norfolk, England. As a result, our operations are subject to various international political, economic and other uncertainties, including risks of restrictive taxation policies, changing political conditions and governmental regulations and trade policies. This includes the uncertainty surrounding the ongoing military conflicts in Ukraine and more recently in the Middle East, and the United Kingdom's "Brexit" from the European Union and their impact on European and worldwide economic and supply chain conditions, and on our international sales. These developments have created and may continue to create legal, political and economic uncertainties and impacts, including disruptions to trade and free movement of goods, services and people to and from Europe, disruptions to our workforce or the workforce of our suppliers or business partners. All of the foregoing risks could have a material adverse effect on our business, financial condition and results of operations.

In addition, a portion of our net sales derived outside the United States, as well as salaries of employees located outside the United States and certain other expenses, are denominated in foreign currencies, including the British pound sterling and the euro. We are, therefore, subject to risk of financial loss resulting from fluctuations in exchange rates of these currencies against the U.S. dollar. Brexit has caused, and may continue to result in, significant volatility in global stock markets and currency exchange rate fluctuations of the U.S. dollar relative to other foreign currencies in which we conduct business, including both the British pound sterling and the euro.

In addition, political unrest, terrorist acts, military conflict, including the ongoing military conflict between Russia and Ukraine and the more recent conflict in the Middle East, and disease outbreaks, such as the COVID-19 pandemic, have increased the risks of doing business abroad in general.

The below risk factor replaces in its entirety the risk factor of the same title in the Annual Report on Form 10-K:

Environmental and health and safety liabilities and requirements could require us to incur material costs.

We are subject to various U.S. and foreign laws and regulations relating to environmental protection and worker health and safety, including those governing discharges of pollutants into the ground, air and water; the generation, handling, use, storage, transportation, treatment and disposal of hazardous substances and waste materials; and the investigation and cleanup of contaminated

properties. In certain cases, these regulatory requirements may limit the productive capacity of our operations.

Many government authorities are phasing in, or may phase in, policies or regulations designed to facilitate less petroleum-dependent modes of transportation, including the U.S. Environmental Protection Agency, the California Air Resources Board (the "CARB"), and similar regulators in other U.S. states and in foreign jurisdictions where we sell our products. Specifically, the California Air Resources Board's Advanced Clean Trucks and Fleets regulations require manufacturers to sell an increasing percentage of zero emission heavy duty trucks into the market starting in model year 2024. The Company is still evaluating the impact of these regulations, but depending on the nature and timing of their implementation, they could materially harm our business, financial condition and results of operations.

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Environmental and health-related requirements are complex, subject to change and have tended to become more and more stringent. Future developments could cause us to incur various expenditures and could also subject us to fines or sanctions, obligations to investigate or remediate contamination or restore natural resources, liability for third party property damage or personal injury claims and the imposition of new permitting requirements and/or the modification or revocation of our existing operating permits, among other effects. These and other developments could materially harm our business, financial condition and results of operations.

Our facilities and operations could in the future be subject to regulations related to climate change and climate change itself may also have some impact on the Company's operations. However, these impacts are currently uncertain and the Company cannot presently predict the nature and scope of those impacts.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

During the three months ended September 30, 2023 March 31, 2024, 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.

Excess Incentive-Based Compensation Recoupment Policy Other Information

On November 6, 2023 In our Annual Report on Form 10-K for the year ended December 31, 2023, the Compensation Committee approved Company disclosed that we employed approximately 1,821 employees globally as of December 31, 2023. However, the Excess Incentive-Based Compensation Recoupment Policy number of employees we employed globally at December 31, 2023 was approximately 1,591. Management has determined this difference in the Company (the "Policy"), with an effective date of November 6, 2023, employee count set forth in order to comply with the final clawback rules adopted by the Securities and Exchange Commission under Section 10D and Rule 10D-1 of the Securities Exchange Act of 1934, as amended ("Rule 10D-1"), and the listing standards of the New York Stock Exchange (together with Rule 10D-1, the "Final Clawback Rules"). The Policy provides Annual Report on Form 10-K for the mandatory recovery of erroneously awarded incentive-based compensation from current and former executive officers of the Company, as defined in Rule 10D-1, in the event the Company is required to prepare an accounting restatement, in accordance with the Final Clawback Rules.

The foregoing description is qualified in its entirety by reference to the Policy, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference. year ended December 31, 2023 was not material.

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ITEM 6. EXHIBITS

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EXHIBITS

ITEM 6. EXHIBITS

	Description	Incorporated by Reference to Registration File Number	Form or Report	Date of Report	Exhibit Number in Report
10.1	Excess Incentive-Based Compensation Recoupment Policy of the Registrant*				
31.1	Certification Pursuant to Rules 13a-14(a)/15d-14(a) by Chief Executive Officer*				

31.2	Certification Pursuant to Rules Rule 13a-14(a)/15d-14(a) by Chief Financial Officer*
32.1	Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of United States Code by Chief Executive Officer±
32.2	Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of United States Code by Chief Financial Officer±

101.INS	**Inline 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**
101.SCH	**Inline XBRL Taxonomy Extension Schema Document**
101.CAL	**Inline XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF	**Inline XBRL Taxonomy Extension Definition Linkbase Document**

101.LAB	**Inline XBRL Taxonomy Extension Label Linkbase Document**	

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101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document

104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 March 31, 2024, has been formatted in Inline XBRL.

***   Filed herewith**

±   Exhibit is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subjected to the liabilities of that Section. This exhibit shall not be incorporated by reference into any given registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing filing.

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SIGNATURES

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

MILLER INDUSTRIES, INC.

MILLER INDUSTRIES, INC.

By: **/s/ Deborah L. Whitmire**

Deborah L. Whitmire

Executive Vice President, Chief Financial Officer and Treasurer

Date: November 8, 2023 May 8, 2024

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Exhibit 10.1

Excess Incentive-Based Compensation Recoupment Policy

of

Miller Industries, Inc.

Effective: November 6, 2023

This Excess Incentive-Based Compensation Recoupment Policy (this "Policy") has been adopted by the Board of Directors of Miller Industries, Inc., a Tennessee corporation (the "Company"),effective as of November 6, 2023 (the "Effective Date").

1. Definitions. In addition to any other terms defined in this Policy, the following definitions will apply:

a. "Accounting Restatement" means an accounting restatement the Company is required to prepare due to the Company's material noncompliance with any financial reporting requirement under the securities laws, including any required restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

b. "CoveredExecutive" means any individual who is a current or former Executive Officer, and who served as a Covered Executive at any time during the performance period for the relevant Incentive-Based Compensation.

c. "Excess Incentive-Based Compensation" means the amount or value of a Covered Executive's Incentive-Based Compensation received that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the amounts set forth in the Accounting Restatement, computed without regard to any taxes paid. Where the amount of Excess Incentive-Based Compensation is not subject to mathematical recalculation directly from the Accounting Restatement, as with Financial Reporting Measures such as stock price or total shareholder return, the amount of Excess Incentive-Based Compensation will be based on a reasonable estimate of the effect of the Accounting Restatement on that Financial Reporting Measure. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to NYSE.

d. "Executive Officer" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries are deemed executive officers of the Company if they perform such policy making functions for the Company. Executive Officers shall include at a minimum the executive officers whose biographies appear in the Company's Annual Report on Form 10-K or Proxy Statement for its Annual Meeting of Shareholders.

e. "Exchange Act" means the U.S. Securities and Exchange Act of 1934, as amended.

f. "Financial Reporting Measures" means measures determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, measures derived wholly or in part from those measures and stock price and total shareholder return, in each case whether or not presented in the Company's financial statements or included in a Company filing with the U.S. Securities and Exchange Commission.

g. "Incentive-Based Compensation"means, with respect to a Covered Executive, any compensation granted, awarded, earned, vested or Received based wholly or in part on the attainment of a Financial Reporting Measure. Examples of Incentive-Based Compensation include but are not limited to cash incentives under any performance-based cash bonus plan, and stock options, stock appreciation rights,

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performance-based restricted stock and performance-based restricted stock units under the Company's equity compensation plans. Incentive-Based Compensation includes common shares received upon vesting or settlement of equity incentive awards and proceeds of sales of such shares.

h. "NYSE" means the New York Stock Exchange.

i. Incentive-Based Compensation is "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period. "Receive" and "Receipt" have similar meanings.

j. "Recoupment" means cancellation, recovery, recoupment, reimbursement, forfeiture or similar actions relating to compensation granted, awarded, paid, earned, vested or Received. "Recoup" and "Recouped" have similar meanings.

k. "Recoupment Period" means the three completed fiscal years preceding the date the Company is required to prepare an Accounting Restatement, plus any "transition period" resulting from a change in fiscal year to the extent provided in Section 303A.14. The date the Company is required to prepare an Accounting Restatement will be determined by reference to Section 303A.14. Recoupment actions under this Policy will be taken on or after such date and are not dependent on if or when restated financial statements are filed.

l. "Section 303A.14" means Section 303A.14 of the NYSE Listed Company Manual and any successor section.

2. Recoupment of Excess Incentive-Based Compensation due to Accounting Restatement. Following the Effective Date, if the Company is required to prepare an Accounting Restatement, the Company will take action, subject to the terms of this Policy, to attempt to Recoup reasonably promptly any Excess Incentive-Based Compensation received by any Covered Executive during the Recoupment Period.

3. Compensation Committee Administration. The Compensation Committee (the "Committee") of the Board of Directors has the power and authority to administer this Policy, including to interpret the provisions of this Policy and to make all determinations deemed necessary or advisable for the administration of this Policy, including what constitutes Incentive-Based Compensation and Excess Incentive-Based Compensation. All Committee actions, interpretations, and determinations taken or made will be final and binding against the Covered Executive. The Committee will seek to interpret this Policy consistently in all material respects with Section 303A.14 and Section 10D of the Exchange Act and Rule 10D-1 thereunder.

4. Methods of Recoupment of Excess Incentive-Based Compensation. In the Committee's sole discretion, and subject to applicable law, Recoupment

under this Policy may include (without limiting any other legal method of Recoupment):

a. Cancelling outstanding vested or unvested equity compensation awards;

b. Forfeiture of common stock obtained from equity compensation awards;

c. Seeking recovery of any gain realized from the vesting, exercise, settlement, sale, transfer or other disposition of any equity compensation awards;

d. Offsetting the value of any Excess Incentive-Based Compensation against any other amounts owed by the Company to the Covered Executive, including salaries or bonuses; or

e. Reducing future compensation payable to a Covered Executive.

The Committee may not seek to reduce any future amount payable or to be provided to the Covered Executive that is considered "non-qualified deferred compensation" under Section 409A of the Internal

Revenue Code of 1986, as amended (the "Code") and the regulations and guidance promulgated under that section. Any Excess Incentive-Based Compensation that is considered "non-qualified deferred compensation" under Section 409A and to which this Policy is applicable is instead subject to forfeiture.

There will be no duplication of Recoupment under this Policy and any of 15 U.S.C. Section 7243 (Section 304 of the Sarbanes-Oxley Act of 2002) or Section 10D of the Exchange Act and Rule 10D-1 thereunder.

5. Due Process. Before the Committee determines to seek Recoupment pursuant to this Policy, it will provide, where feasible, the Covered Executive with notice and the opportunity to be heard, at a meeting of the Committee (which may be in-person or virtual, as determined by the Committee).

6. No Indemnification.The Company will not indemnify any Covered Executive against the loss of Excess Incentive-Based Compensation.

7. Other Rights. This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives. The exercise by the Committee of any rights pursuant to this Policy will be without prejudice to any other rights the Company may have with respect to any Covered Executive, including the rights that it has at law, in any other Company policy or in any employment, equity or other agreement applicable to the Covered Executive, to cancel or recover any compensation or award, or to exercise any other remedy.

8. Amendment; Termination.The Committee may at any time in its sole discretion supplement or amend any provision of this Policy in any respect, including to amend this Policy as it deems necessary to reflect amendments to Section 303A.14 or to Section 10D of the Exchange Act and Rule 10D-1 thereunder. The Committee may terminate this Policy at any time, subject to compliance with Section 303A.14, Section 10D and Rule 10D-1.

9. Impracticability. This Policy will not apply to the extent the Committee determines Recoupment would be impracticable and one or more of the following conditions apply:

a. After the Company makes a reasonable attempt to Recoup Excess Incentive-Based Compensation, if it is determined that the direct expense to be paid to a third party to assist in enforcing the Policy would exceed the amount to be Recouped. The Company will provide documentation of its Recoupment attempt to NYSE.

b. After receiving an opinion of home country counsel acceptable to NYSE, if it is determined that Recoupment would violate a home country law adopted prior to November 28, 2022. The Company will provide a copy of the opinion to NYSE.

c. If recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Sections 401(a)(13) or 411(a) of the Code and regulations thereunder.

[*Acknowledgment Page Follows*]

Acknowledgement
to
Excess Incentive-Based Compensation Recoupment Policy
of
Miller Industries, Inc.

I, the undersigned, agree and acknowledge that I am fully bound by, and subject to, all of the terms and conditions of the Policy (as may be amended, restated, supplemented or otherwise modified from time to time).In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, or the terms of any compensation plan, program or agreement under which any compensation has been granted, awarded, earned or paid, the terms of the Policy shall govern. In the event it is determined by the Committee that any amounts granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company pursuant to the terms of the Policy, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. Any capitalized terms used in this Acknowledgment without definition shall have the meaning set forth in the Policy.

[Print Name]

[signature]

Date: ___________________________

[*Acknowledgment Page to Excess Incentive-Based Compensation Recoupment Policy*]

Exhibit 31.1

CERTIFICATIONS

I, William G. Miller II, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Miller Industries, Inc.

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

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

4. The registrant's other certifying officers 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 officers 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: November 8, 2023 May 8, 2024

/s/ William G. Miller II

William G. Miller II

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Deborah L. Whitmire, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Miller Industries, Inc.

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

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

4. The registrant's other certifying officers 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 officers 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: November 8, 2023 May 8, 2024

/s/ Deborah L. Whitmire

Deborah L. Whitmire

Executive Vice President, Chief Financial Officer and Treasurer

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Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

I, William G. Miller II, President and Chief Executive Officer of Miller Industries, Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350 as adopted by § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2023 March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 8, 2023 May 8, 2024

/s/ William G. Miller II

William G. Miller II

President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

I, Deborah L. Whitmire, Executive Vice President, Chief Financial Officer and Treasurer of Miller Industries, Inc. (the “Company”), certify, pursuant to 18 U.S.C. § 1350 as adopted by § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2023 March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 8, 2023 May 8, 2024

/s/ Deborah L. Whitmire

Deborah L. Whitmire

Executive Vice President, Chief Financial Officer and Treasurer

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DISCLAIMER

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