

## Risk Factors Comparison 2025-02-21 to 2024-02-22 Form: 10-K

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Investing in our securities involves a high degree of risk. You should consider carefully the following risk factors and the other information in this Annual Report on Form 10-K, including our consolidated financial statements and related notes, before making any investment decisions regarding our securities. If any of the following risks actually occur, our business, financial condition and operating results could be adversely affected. As a result, the trading price of our securities could decline and you may lose part or all of your investment. **Except as otherwise noted, the following risk factors do not take into account the proposed Merger and assume that we remain a stand-alone company.** **SUMMARY RISK FACTORS** **The following is a summary of the principal risks that could adversely affect our business, operations and financial results.** **Operational and Competitive Risks** • Our business could be adversely affected by declines in construction and industrial activities, or a downturn in general economic or geopolitical condition, which could lead to decreased demand and equipment rental rates and lower sales prices. • We face risks related to heightened inflation, which could adversely affect our business and financial condition. • We face risks related to financial and credit market disruptions, recession and other economic conditions. • Significant changes or developments in U. S. laws or policies, including changes in U. S. trade policies and tariffs and the reaction of other countries thereto, may have a material adverse effect on our business and financial statements. • The inability to forecast trends accurately may have an adverse impact on our business and financial condition. • Our revenue and operating results may fluctuate, which could result in a decline in our profitability and make it more difficult for us to grow our business. • The impacts of a global pandemic and similar health concerns, could have a significant impact on worldwide economic conditions and could have a material adverse effect on our operations and financial results. • We are subject to competition, which may have a material adverse effect on our business by reducing our ability to increase or maintain revenues or profitability. • We purchase a significant amount of our equipment from a limited number of manufacturers. Termination of one or more of our relationships with any of those manufacturers could have a material adverse effect on our business. • Disruptions in our supply chain could result in adverse effects on our results of operations and financial performance. • The cost of new equipment that we purchase for use in our rental fleet may increase and therefore we may spend more for such equipment. In some cases, we may not be able to procure equipment on a timely basis due to supplier constraints. • Our rental fleet is subject to residual value risk upon disposition. • If our rental fleet ages, our operating costs may increase, we may be unable to pass along such costs, and our earnings may decrease. The costs of new equipment we use in our fleet may increase, requiring us to spend more for replacement equipment or preventing us from procuring equipment on a timely basis. • We incur maintenance and repair costs associated with our rental fleet equipment that could have a material adverse effect on our business in the event these costs are greater than anticipated. • Labor disputes could disrupt our ability to serve our customers and / or lead to higher labor costs. • Increases or fluctuations in fuel costs or reduced supplies of fuel could harm our business. • Climate change, climate change regulations and greenhouse effects may materially adversely impact our operations and markets. **Strategic Risks** • We may not be able to facilitate our growth strategy by identifying or completing transactions with attractive acquisition candidates, which could limit our revenues and profitability. Future acquisitions may result in significant transaction expenses and may involve significant costs. We may experience integration and consolidation risks associated with future acquisitions. • We may not be able to facilitate our growth strategy by identifying and opening attractive start-up locations, which could limit our revenues and profitability. **Liquidity and Capital Resource Risks** • Unfavorable conditions or disruptions in the capital and credit markets may adversely impact business conditions and the availability of credit. • Our substantial indebtedness could adversely affect our financial condition. • We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful. • Despite current indebtedness levels, we may still be able to incur more indebtedness, which could further exacerbate the risks described above. • The agreements governing the Credit Facility and our senior unsecured notes restrict our business and our ability to engage in certain corporate and financial transactions. • Variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly. • Our business could be hurt if we are unable to obtain additional capital as required, resulting in a decrease in our revenues and profitability. In addition, our inability to refinance our indebtedness on favorable terms, or at all, could materially and adversely affect our liquidity and our ongoing results of operations. • The continued payment of our quarterly dividend is subject to, among other things, the availability of funds and the discretion of our board of directors. **Government Regulation Risks** • We have operations throughout the United States, which exposes us to multiple federal, state and local regulations. Changes in applicable law, regulations or requirements, or our material failure to comply with any of them, can increase our costs and have other negative impacts on our business. • We could be adversely affected by environmental and safety requirements and regulations, including those regarding climate change, which could subject us to increased operational costs that could materially and adversely impact our liquidity and operating results. • Our business may be materially affected by changes to fiscal and tax policies. • Our business may be materially affected by changes to policies governing our products, technology and technological development. **Risk Factors Relating to the Pending Transaction with Herc Holdings Inc.** • The completion of the Offer and Merger is subject to conditions, some or all of which may not be satisfied or completed on a timely basis, if at all. Failure to complete the Merger could have material adverse effects on the Company. • The Offer and Merger

will involve substantial costs and will require substantial management resources. We may be required to pay a significant fee if the Merger Agreement is terminated. • The Offer consideration payable to holders of our common stock will not be adjusted for changes in our business, assets liabilities, prospects, outlook, financial condition or results of operations, or in the event of any change in the price of our common stock. • The Company's shareholders cannot be sure of the value of the stock consideration they will receive in the Herc Merger, if completed, because the exchange ratio is fixed and the market price of Herc common stock has fluctuated and may continue to fluctuate. • The Merger Agreement contains provisions that could discourage a potential competing acquirer. • Review under the HSR Act could prevent or delay the consummation of the Offer and Merger. • Stockholder litigation could prevent or delay the consummation of the Offer and Merger or otherwise negatively impact our business, operating results and financial condition. • Our executive officers and directors may have interests in the Offer and the Merger that are different from, or in addition to, those of our stockholders generally. • While the Offer and Merger is pending, we are subject to business uncertainties and contractual restrictions that could disrupt our business, and the Offer and Merger may impair our ability to attract and retain qualified employees or retain and maintain relationships with our suppliers and other business partners. • If the Merger is not consummated, we may need to raise additional capital to continue our operations.

**General Business Risks**

• Fluctuations in the stock market, as well as general economic and market conditions, may impact the market price of our common stock. • Security breaches and other disruptions in our information technology systems could limit our capacity to effectively monitor and control our operations, compromise our or our customers' and suppliers' confidential information or otherwise adversely affect our operating results or business reputation. • We are dependent on key personnel. A loss of key personnel could have a material adverse effect on our business. • If we fail to maintain an effective system of internal controls, we may not be able to accurately report financial results or prevent fraud. • We are exposed to various risks related to legal proceedings or claims that could adversely affect our operating results. The nature of our business exposes us to various liability claims, which may exceed the level of our insurance coverage resulting in us not being fully protected.

Our business could be adversely affected by declines in construction and industrial activities, or a downturn in the economy or geopolitical conditions in general, which could lead to decreased demand for equipment, depressed equipment rental rates and lower sales prices, resulting in a decline in our revenues, gross margins and operating results. Our equipment is principally used in connection with construction and industrial activities. Consequently, a downturn in construction or industrial activities, or the economy in general, may lead to a decrease in the demand for equipment or depress rental rates and the sales prices for our equipment. Our business may also be negatively impacted, either temporarily or long-term, by:

- a reduction in spending levels by customers;
- unfavorable credit markets affecting end-user access to capital, as well as our access to capital when or if needed;
- adverse changes in federal, state and local government infrastructure spending or the related regulatory regime;
- an increase in costs, including the cost of construction materials, as a result of inflation or other factors;
- significant changes or developments in U. S. laws or policies, including changes in U. S. trade policies and tariffs and our ability to pass on such increased costs, if any, to our customers;
- excess fleet in the equipment rental industry;
- adverse weather conditions or natural disasters which may affect a particular region;
- a decrease in the level of exploration, development, production activity and capital spending by oil and natural gas companies;
- a prolonged shutdown of the U. S. government;
- an increase in interest rates;
- supply chain disruptions;
- geopolitical conditions and the proliferation of global and regional conflicts and political instability, including the war in Ukraine, continued tensions between China and escalation of the United States and sustained conflicts in the Middle East, including the Israel/Hamas war;
- public health crises and epidemics and similar health concerns; or
- terrorism or hostilities involving the United States.

These factors have in the past, and could in the future, among other things, cause weakness in our end-markets and impact customer demand for equipment rentals, reduce the availability and productivity of our employees, increase our costs, result in delayed payments from our customers and uncollectible accounts, impact previously announced strategic plans or impact our ability to access funds from financial institutions and capital markets on terms favorable to us, or at all. Weakness or deterioration in the non-residential construction and industrial sectors caused by these or other factors could have a material adverse effect on our financial position, results of operations and cash flows in the future and may also have a material adverse effect on residual values realized on the disposition of our rental fleet. We face risks related to heightened inflation, recession which could adversely affect our business, financial and credit market disruptions and other economic conditions—condition and results of operations. Our financial results, operations and forecasts depend significantly on worldwide economic factors such as inflation, which may increase our operating costs and have a negative impact on our business. Beginning in 2022, the U. S. experienced heightened inflationary pressures and core inflation, the latter of which proved persistent during 2023 and 2024. While the global inflation rate stabilized in 2023 and 2024 and, in some cases, declined and inflationary pressures eased in 2024, we cannot be sure that this trend will continue. Many factors could jeopardize the efforts to stem inflationary pressures in the U. S., and such factors could ultimately lead to further inflationary pressure on foreign goods. We have experienced and may continue to experience inflationary pressures, including, but not limited to, cost increases related to equipment, fuel, labor and hauling expenses. We may not be able to fully mitigate the impact of inflation through price increases, productivity initiatives and cost savings, which could have an adverse effect on our results of operations. Furthermore, central banks across the globe significantly increased interest rates to stem inflation in recent years, and such increases in interest rates could affect our customers' liquidity due to higher debt service obligations on instruments subject to variable rate indebtedness which, in turn, could harm their ability to make payments to us. In addition, if the U. S. economy enters a recession, we may experience sales declines which could have an adverse effect on our business, operating results and financial condition. Our financial results, operations and forecasts also depend on other worldwide economic and geopolitical conditions, the demand for our products, and the financial condition of our customers and suppliers. Economic weakness and geopolitical

uncertainty have in the past resulted, and may result in the future, in reduced demand for products resulting in decreased sales, margins and earnings. In 2022, the U. S. experienced significantly heightened inflationary pressures and subsequent economic recovery, causing disruptions in demand, supply chains, and labor markets. The general economy in 2022 was also affected by the war in Ukraine and associated increase in energy costs. While the global inflation rate began to stabilize and, in some cases decline, in 2023 as a result of central bank policy tightening, core inflation has proved persistent as a result of the preceding factors, in addition to others such as the escalating number of significant conflicts throughout the globe. We may not be able to fully mitigate the impact of inflation through price increases, productivity initiatives and cost savings, which could have an adverse effect on our results of operations. In addition, if the U. S. economy enters a recession, we may experience sales declines which could have an adverse effect on our business, operating results and financial condition. Similarly, disruptions in financial and / or credit markets may impact our ability to manage normal commercial relationships with our customers, suppliers and creditors. For instance, in the event of a recession or threat of a recession, our customers and suppliers may suffer their own financial and economic challenges and as a result they may demand pricing accommodations, delay payment, or become insolvent, which could harm our ability to meet our customer demands or collect revenue or otherwise could harm our business. An economic or credit crisis could occur and impair credit availability and our ability to raise capital when needed. A disruption in the financial markets could impair our banking or other business partners, on whom we rely for access to capital. In addition, changes in tax or interest rates in the U. S. or other nations, whether due to recession, economic disruptions or other reasons, could have an adverse effect on our operating results. Economic weakness and geopolitical uncertainty may also lead us to impair assets, take restructuring actions or, adjust our operating strategy and, impair assets or reduce expenses in response to decreased sales or margins. We may not be able to adequately adjust our cost structure in a timely fashion, which could have an adverse effect on our operating results and financial condition. Uncertainty about economic conditions may increase foreign currency volatility in markets in which we transact business, which could have an adverse effect on our operating results.

**Significant changes or developments in U. S. laws and policies, such as laws and policies surrounding international trade, foreign affairs, manufacturing and development and investment in the territories and countries where we, our customers or suppliers operate, can materially adversely affect our business and financial statements. Previously, the imposition of significant tariffs and increased trade tension between the United States and China greatly impacted domestic industries' access to foreign markets. It is anticipated that the United States intends to impose tariffs which could result in a trade war. The inability to forecast trends accurately tariffs, trade agreements or related policies may have an a material adverse impact effect on our supply chain and access to equipment, our costs and profit margins. This could cause our business and financial condition results to suffer.**

An economic downturn or economic uncertainty makes it difficult for us to forecast trends, our future operating performance, cash flows and financial position, which could have an adverse impact on our business and financial condition. Additionally, uncertainty regarding future oil and natural gas prices have negatively impacted the exploration, production and construction activity of our customers in those markets. Uncertainty regarding future equipment product demand could cause us to maintain excess equipment inventory fleet and increase our equipment inventory carrying costs. Failure to accurately forecast these trends could cause us to change or re- evaluate certain of our strategies, including as it relates to acquisitions or opening of new branch locations. Alternatively, this forecasting difficulty in addition to labor shortages and supply chain disruptions could cause a shortage of equipment for sale or rental that could result in an inability to satisfy demand for our products and a loss of market shares. Our revenue and operating results may fluctuate, which could result in a decline in our profitability and make it more difficult for us to grow our business. Our revenue and operating results have historically varied from quarter to quarter. Periods of decline could result in an overall decline in profitability and make it more difficult for us to make payments on our indebtedness and grow our business. We expect our quarterly results to continue to fluctuate in the future due to a number of factors, including: • general economic conditions in the markets where we operate; • the cyclical nature of our customers' business, particularly our construction customers and customers in the oil and gas industry; • sales and rental patterns of our construction customers, with sales and rental activity tending to be lower in the winter months; • changes in the size of our rental fleet and / or in the rate at which we sell used equipment from our fleet; • changes in customer, fleet, geographic and segment mix; • an overcapacity of fleet in the equipment rental industry; • changes to technological requirements in our equipment or in our rental platforms; • severe weather and seismic conditions temporarily affecting the regions where we operate; • supply chain or other disruptions that impact our ability to obtain equipment and other supplies for our business from our key suppliers on acceptable terms or at all; • cost increases as a result of inflation; • changes in corporate spending for plants and facilities or changes in government spending for infrastructure projects; • changes in interest rates and related changes in our interest expense and our debt service obligations; • the possible need, from time to time, to record goodwill impairment charges or other write- offs or charges due to a variety of occurrences, such as the impairment of assets, rental location divestitures, dislocation in the equity and / or credit markets, consolidations or closings, restructurings, or the refinancing of existing indebtedness; • **uncertainty about the regulatory environment and the potential for consistent changes to that environment as a result of recent U. S. Supreme Court decisions;** • the effectiveness of integrating acquired businesses, or acquired assets, and new start- up locations; and • timing of acquisitions and new location openings and related costs. In addition, we incur various costs when integrating newly acquired businesses or opening new start- up locations, and the profitability of a new location is generally expected to be lower in the initial months of operation. ~~The impacts of a global pandemic and similar health concerns, could have a significant impact on worldwide economic conditions and could have a material adverse effect on our operations and financial results.~~ A significant outbreak of epidemic, pandemic, or contagious diseases, could cause a widespread health crisis that could result in an economic downturn, affecting the supply and / or demand for our equipment. Any quarantines, labor shortages or other disruptions to us, our suppliers, or our customers would likely adversely impact our sales and operating results. The extent of any additional

impact from a pandemic on the Company's operational and financial performance and liquidity will depend on various developments, including the duration and spread of the outbreak, governmental limitations on business operations generally, and its and their impact on potential customers, employees, and suppliers, vendors and distribution partners. As we cannot predict the potential future impact of the duration or scope of a global pandemic or similar health concerns, any resulting future financial impact cannot be reasonably estimated. In addition, to the extent that a global pandemic or similar health concerns adversely affect our results of operations or financial position, it may also heighten the other risks described in this Item 1A-Risk Factors.

~~We are subject to competition, which may have a material adverse effect on our business by reducing our ability to increase or maintain revenues or profitability.~~ The equipment rental industry is highly competitive and highly fragmented. Many of the markets in which we operate are served by numerous competitors, ranging from global, national and multi-regional equipment rental companies to small, independent businesses with a limited number of locations. We generally compete on the basis of availability, quality, reliability, delivery, price, technology and environmental friendliness. Some of our competitors have significantly greater financial, marketing and other resources than we do, and may be able to reduce rental rates. We may encounter increased competition from existing competitors or new market entrants in the future, which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, competition may begin to emerge on the basis of information technology infrastructure. We expect our competitors to continue to improve their information technology systems, including the use of artificial intelligence ("AI") and machine learning solutions, to further enhance operations and their rental platforms. Our ability to innovate our own technology infrastructure and appropriately address user experience will affect our ability to compete. We purchase a significant amount of our equipment from a limited number of manufacturers. Termination of one or more of our relationships with any of those manufacturers could have a material adverse effect on our business, as we may be unable to obtain equipment in an adequate or timely manner. We purchase most of our equipment from leading, nationally-known original equipment manufacturers ("OEMs"). For the year ended December 31, 2023-2024, we purchased approximately 52-48.8-5% of our equipment from five manufacturers (Haulotte, Skyjack, JCB, Skyjack-Polaris, Sany, John Deere, and SkyTrak-JLG). Although we believe that we have alternative sources of supply for the equipment we purchase in each of our core product categories, termination of one or more of our relationships with any of these major suppliers could have a material adverse effect on our business, financial condition or results of operations if we were unable to obtain equipment in an adequate or timely manner. Additionally, if one of these manufacturers shuts down or if two or more of them consolidate operations, this could have a significant effect on supply and pricing of equipment and thus could have a material adverse effect on our business, financial condition or results of operations.

~~Disruptions in our supply chain could result in adverse effects on our results of operations and financial performance.~~ Supply chain disruptions could impact our ability to obtain equipment and other supplies for our business from our key suppliers on acceptable terms or at all. To date, our historical supply chain disruptions related to the timing of receiving equipment orders, which were have been moderate and did not extend beyond a significant period of time. We may experience additional or more severe supply chain disruptions in the future or one or more supplier's inability to manufacture or deliver equipment or parts, whether as a result of raw material shortages, freight / shipping shortages or policy changes. Any suspension or delay in any of our suppliers' ability to provide us adequate equipment or supplies, or in our ability to procure equipment or supplies from other sources in a timely manner or at all, could impair our ability to meet customer demand and therefore could have a material adverse effect on our business, financial condition or results of operations.

~~The cost of new equipment that we purchase for use in our rental fleet may increase and therefore we may spend more for such equipment. In some cases, we may not be able to procure equipment on a timely basis due to supplier constraints.~~ The cost of new equipment from manufacturers that we purchase for use in our rental fleet may increase as a result of increased raw material costs, including increases in the cost of steel, which is a primary material used in most of the equipment we use, labor shortages, inflation, supply chain disruptions or due to increased regulatory requirements, such as those related to emissions and climate change. In addition, in an effort to combat climate change, our customers may require our rental equipment to meet certain standards, which could increase equipment costs. If we are unable to meet such standards, then the expectations of our customers, business and results of operations could be materially adversely affected. These increases could materially impact our financial condition or results of operations in future periods if we are not able to pass such cost increases through to our customers.

~~Our rental fleet is subject to residual value risk upon disposition.~~ The market value of any given piece of rental equipment could be less than its depreciated value at the time it is sold. The market value of used rental equipment depends on several factors, including: • the market price for new equipment of a like kind; • wear and tear on the equipment relative to its age; • the time of year that it is sold (prices are generally higher during the construction season); • worldwide and domestic demands for used equipment; • advances in equipment technology and emission controls that may not be available for older equipment; • the supply of used equipment on the market; and • general economic conditions. We include in operating income the difference between the sales price and the depreciated value of an item of equipment sold. Although for the year ended December 31, 2023-2024, we sold used equipment from our rental fleet at an average selling price of approximately 255-260.0-7% of net book value, we cannot assure you that used equipment selling prices will not decline. Any significant decline in the selling prices for used equipment could have a material adverse effect on our business, financial condition, results of operations or cash flows. If our rental fleet ages, our operating costs may increase, we may be unable to pass along such costs, and our earnings may decrease. The costs of new equipment we use in our fleet may increase, requiring us to spend more for replacement equipment or preventing us from procuring equipment on a timely basis. If our rental equipment ages, the costs of maintaining such equipment, if not replaced within a certain period of time, will likely increase. The costs of maintenance may materially increase in the future and could lead to material adverse effects on our results of operations. In addition, older equipment may not be as attractive to our customers. The cost of new equipment for use in our rental fleet could also increase due to increased material costs for our suppliers (including tariffs on raw materials) or other factors beyond our control. Such increases could materially adversely impact our financial condition and

results of operations in future periods. Furthermore, changes in customer demand could cause certain of our existing equipment to become obsolete and require us to purchase new equipment at increased costs. ~~We incur maintenance and repair costs associated with our rental fleet equipment that could have a material adverse effect on our business in the event these costs are greater than anticipated.~~ As our fleet of rental equipment ages, the cost of maintaining such equipment, if not replaced within a certain period of time, generally increases. Determining the optimal age for our rental fleet equipment is subjective and requires considerable estimates by management. We have made estimates regarding the relationship between the age of our rental fleet equipment, maintenance and repair costs, and the market value of used equipment. Our future operating results could be adversely affected because our maintenance and repair costs may be higher than estimated and market values of used equipment may fluctuate. ~~Labor disputes could disrupt our ability to serve our customers and /or lead to higher labor costs.~~ As of December 31, ~~2023~~ **2024**, we have approximately ~~75-70~~ **75-70** employees in Utah, a ~~significant~~ territory in our Intermountain region, who are covered by a collective bargaining agreement and approximately 2, ~~690-806~~ **690-806** employees who are not represented by unions or covered by collective bargaining agreements. Various unions periodically seek to organize certain of our nonunion employees. Union organizing efforts or collective bargaining negotiations could potentially lead to work stoppages, ~~and /or~~ slowdowns or strikes by certain of our employees, which could adversely affect our ability to serve our customers. Further, settlement of actual or threatened labor disputes or an increase in the number of our employees covered by collective bargaining agreements can have unknown effects on our labor costs, productivity and flexibility. ~~Increases or fluctuations in fuel costs or reduced supplies of fuel could harm our business.~~ We in the past have been, and in the future could be, adversely affected by limitations on fuel supplies or significant increases in fuel prices that result in higher costs to us for transporting equipment from one branch to another branch or one region to another region. In addition, the cost of fuel could cause our clients to change capital allocation decisions and may even cause them to delay or cancel projects. A significant or protracted price fluctuation or disruption of fuel supplies could have an adverse effect on our financial condition and results of operations. Additionally, potential climate change regulation, including a potential carbon tax, could increase the overall cost of fuel to us and have a material adverse effect on us; see additional discussion of climate risks below. Climate change, ~~climate change regulations and greenhouse effects may materially adversely impact our operations and markets.~~ Climate change and its association with greenhouse gas (“GHG”) emissions is receiving increased attention from the scientific and political communities. The **United States was recently a member of the Paris Agreement, a climate accord reached at the 21st Conference of the Parties in Paris, that set new goals, and many related policies are still in development. The Paris Agreement mandates GHG emission reduction goals every five years beginning in 2020. The United States withdrew from the Paris Agreement in November 2020, rejoined in February 2021 and withdrew again in January 2025. The U. S.’s frequent withdrawal and rejoining of the Paris Agreement in recent years has created uncertainty around the evolution of the United States’ regulatory requirements with regards to GHGs and climate change, making it increasingly difficult to plan for future developments. Nonetheless, future regulation could impose stringent standards to substantially reduce GHG emissions.** The U. S. federal government, certain U. S. states and certain other countries and regions have adopted or are considering legislation or regulation imposing overall caps or taxes on ~~GHG~~ **GHG** greenhouse gas emissions from certain sectors or facility categories. See “ We could be adversely affected by environmental and safety requirements and regulations, including those regarding climate change, which could subject us to increased operational costs that could materially and adversely impact our liquidity and operating results ” for a discussion of the Environmental Protection Agency’s (the “EPA”) newly issued final rule to reduce gas emissions. ~~Additionally, the SEC is considering implementing new climate change disclosure rules and other federal or state agencies may do the same. These new reporting rules may be difficult to comply with, increase costs of operation and influence customer behavior and demand.~~ Such new laws or regulations, or stricter enforcement of existing laws and regulations, could increase the costs of operating our businesses, reduce the demand for our products and services and impact the prices we charge our customers, any or all of which could adversely affect our results of operations. Failure to comply with any legislation or regulation could potentially result in substantial fines, criminal sanctions or operational changes. **While it is expected that the United States federal government may continue to pare back environmental regulations, state and local environmental regulators may impose more stringent regulations in response. Due to uncertainty in the regulatory and legislative processes, as well as the scope of such requirements and initiatives, we cannot currently determine the effect such legislation and regulation may have on our operations, but it could be costly and difficult to implement.** Moreover, even without such legislation or regulation, the perspectives of our customers, stockholders, employees and other stakeholders regarding climate change are continuing to evolve, and increased awareness of, or any adverse publicity regarding, the effects of greenhouse gases could harm our reputation or reduce customer demand for our products and services. **Additionally, the SEC and several states are implementing new climate change disclosure rules and other federal or state agencies may do the same. However, while the SEC adopted their new climate disclosure rules on March 6, 2024, following multiple petitions for review, they voluntarily stayed the rules on April 4, 2024, pending judicial review. While it remains uncertain in what form the climate disclosure rules will ultimately take effect, any new reporting rules or regulations may be difficult to comply with, increase costs of operation (through implementation or through noncompliance penalties), adversely impact our reputation and influence customer behavior. Further,** as severe weather events become increasingly common, our or our customers’ operations may be disrupted, which could result in increased operational costs or reduced demand for our products and services and extended periods of disruptions could have an adverse effect on our results of operations. In addition, climate change may also reduce the availability or increase the cost of insurance for weather- related events as well as may impact the global economy, including as a result of disruptions to supply chains. We anticipate that climate change- related risks will increase over time. ~~Strategic Risks We may not be able to facilitate our growth strategy by identifying or completing transactions with attractive acquisition candidates, which could limit our revenues and profitability. Future acquisitions may result in significant transaction expenses and may involve significant costs. We may~~

~~experience integration and consolidation risks associated with future acquisitions.~~ An element of our growth strategy is to selectively pursue, on an opportunistic basis, acquisitions of additional businesses or assets of businesses, ~~in particular~~ rental companies that complement our existing business and footprint. The success of this element of our growth strategy depends, ~~in part,~~ on selecting strategic acquisition candidates at attractive prices and effectively integrating their businesses into our own, including with respect to financial reporting and regulatory matters. We cannot assure you that we will be able to identify attractive acquisition candidates or complete the acquisition of any identified candidates at favorable prices and upon advantageous terms and conditions, including financing alternatives. We expect to face competition for acquisition candidates, which may limit the number of acquisition opportunities and lead to higher acquisition costs. We may not have the financial resources necessary to consummate any acquisitions or the ability to obtain the necessary funds on satisfactory terms. Any future acquisitions may result in significant transaction expenses and risks associated with entering new markets. We may also be subject to claims by third parties related to the operations of these businesses prior to our acquisition and by sellers under the terms of our acquisition agreements. We also regularly review other potential strategic transactions, including dispositions, which are also subject to claims by third parties and by the buyers under the terms of our disposition agreements. We may not have sufficient management, financial and other resources to integrate or disintegrate any future acquisitions or dispositions. Any significant diversion of management' s and other personnel' s attention, time and resources or any major difficulties encountered in the evaluation, negotiation and integration of the businesses we acquire or sell could have a material adverse effect on our business, financial condition or results of operations, which could decrease our profitability and make it more difficult for us to grow our business. Among other things, these risks could include: • the loss of key employees; • the disruption of operations and business; • the retention of the existing clients and the retention or transition of customers and vendors; • systems integration, as well as, the integration of corporate cultures and maintenance of employee morale; • inability to maintain and increase competitive presence; • customer loss and revenue loss; • possible inconsistencies in standards, control procedures and policies; • unexpected problems with costs, operations, personnel, technology and credit; • problems with the assimilation of new operations, sites or personnel, which could divert resources from our regular operations; • unrecorded liabilities of acquired companies and unidentified issues that we fail to discover during our due diligence investigations or that are not subject to indemnification or reimbursement by the seller; • inherent risk associated with entering a geographic area or line of business in which we have no or limited experience; • impairment of goodwill or other acquisition- related intangible assets; • failure to achieve anticipated synergies or receiving an inadequate return of capital; • integration of financial reporting and regulatory reporting functions, including with the SEC and pursuant to the Sarbanes- Oxley Act of 2002, as amended (“ SOX ”); and / or • potential unknown liabilities. Furthermore, general economic conditions, economic or geopolitical uncertainty, or unfavorable global capital and credit markets could affect the timing and extent to which we successfully acquire and integrate new businesses or dispose of existing businesses, which could limit our revenues and profitability. Our failure to address these risks or other problems encountered in connection with any past or future acquisition could cause us to fail to realize the anticipated benefits of the acquisitions, cause us to incur unanticipated liabilities and harm our business generally. In addition, if we are unable to successfully integrate our acquisitions with our existing business, we may not obtain the advantages that the acquisitions were intended to create, which may materially and adversely affect our business, results of operations, financial condition, cash flows, our ability to introduce new services and products and the market price of our stock. We would expect to pay for any future acquisitions using cash or available borrowings, but to the extent that our existing sources of cash or borrowings are not sufficient, we would expect to need additional debt or equity financing, which involves its own risks, such as the dilutive effect on shares held by our stockholders if we financed acquisitions by issuing convertible debt or equity securities, or the risks associated with debt incurrence, such as increase debt service obligations and covenant compliance requirements. We have also spent resources and efforts, apart from acquisitions, in attempting to grow and enhance our rental business over the past ~~few~~ **several** years. These efforts place strains on our management and other personnel time and resources, and require timely and continued investment in facilities, personnel and financial and management systems and controls. We may not be successful in implementing all of the processes that are necessary to support any of our growth initiatives, which could result in our expenses increasing disproportionately to our incremental revenues, causing our operating margins and profitability to be adversely affected .~~We may not be able to facilitate our growth strategy by identifying and opening attractive start- up locations, which could limit our revenues and profitability.~~ An element of our growth strategy is to selectively identify, source and implement start- up locations in order to add new customers. The success of this element of our growth strategy depends, in part, on identifying strategic start- up locations. We also cannot assure you that we will be able to identify attractive start- up locations. Opening start- up locations may involve significant costs and limit our ability to expand our operations. Start- up locations may involve risks associated with entering new markets and we may face significant competition. We may not have sufficient labor, real estate, management, financial and other resources to successfully open and operate new locations. Any significant diversion of management' s attention or any major difficulties encountered in the locations that we open in the future could have a material adverse effect on our business, financial condition or results of operations, which could decrease our profitability and make it more difficult for us to grow our business. Furthermore, general economic conditions or unfavorable global capital and credit markets could affect the timing and extent to which we open new start- up locations, which could limit our revenues and profitability. ~~Liquidity and Capital Resource Risks Unfavorable conditions or disruptions in the capital and credit markets may adversely impact business conditions and the availability of credit.~~ Disruptions in the global capital and credit markets as a result of an economic downturn, economic or geopolitical uncertainty as result of escalating and potential global conflicts, ~~including those in Ukraine, the Middle East and China,~~ changing or **significant regulatory uncertainty,** increased regulation, reduced alternatives or failures of significant financial institutions could adversely affect our customers' ability to access capital and could adversely affect our access to liquidity needed for business in the future. Additionally, unfavorable market conditions may depress demand for our products and services or make it difficult for our customers to

obtain financing and credit on reasonable terms. Unfavorable market conditions also may cause more of our customers to be unable to meet their payment obligations to us, increasing delinquencies and credit losses. If we are unable to manage credit risk adequately, or if a large number of customers should have financial difficulties at the same time, our credit losses could increase above historical levels and our operating results would be adversely affected. Delinquencies and credit losses generally can be expected to increase during economic slowdowns or recessions. Moreover, our suppliers may be adversely impacted by unfavorable capital and credit markets, causing disruption or delay of product availability. These events could negatively impact our business, financial position, results of operations and cash flows. ~~Our substantial indebtedness could adversely affect our financial condition.~~ We have a significant amount of indebtedness outstanding. As of December 31, ~~2023~~ **2024**, we had total outstanding indebtedness of approximately \$ ~~1.4~~ **5** billion, consisting of the amount outstanding under our senior unsecured notes, our senior secured credit facility (“ Credit Facility ”) and our finance lease liabilities. Our substantial indebtedness could have important consequences. For example, it could: • increase our vulnerability to general adverse economic, industry and competitive conditions; • require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes; • limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; • place us at a competitive disadvantage compared to our competitors that have less debt; and • limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes. We expect to use cash flow from operations and borrowings under our Credit Facility to meet our current and future financial obligations, including funding our operations, debt service and capital expenditures. Our ability to make these payments depends on our future performance, which will be affected by financial, business, economic and other factors, many of which we cannot control. Our business may not generate sufficient cash flow from operations in the future, which could result in our being unable to repay indebtedness, or to fund other liquidity needs. If we do not have enough capital, we may be forced to reduce or delay our business activities and capital expenditures, sell assets, obtain additional debt or equity capital or restructure or refinance all or a portion of our debt, including the senior unsecured notes and our Credit Facility, on or before maturity. We cannot make any assurances that we will be able to accomplish any of these alternatives on terms acceptable to us, or at all. In addition, the terms of existing or future indebtedness, including the agreements governing the senior unsecured notes and the Credit Facility, may limit our ability to pursue any of these alternatives. As of February ~~15-13~~ **2024** **2025**, we had borrowings of \$ ~~277-149~~ **3-4** million outstanding under our ~~\$ 750.0 million~~ **\$ 750.0 million** Credit Facility leaving us with borrowing availability of \$ ~~460-585~~ **3-7** million, as a result of \$ ~~12-14~~ **3-8** million of letters of credit outstanding under the facility. ~~We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.~~ Our ability to make scheduled payments or to refinance our debt obligations depends on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot make assurances that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The Credit Facility and the indenture governing the senior unsecured notes restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds which we could realize from such dispositions. Any proceeds we do receive from a disposition may not be adequate to meet any debt service obligations then due. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We cannot assure you that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements, including the Credit Facility or the indenture governing the senior unsecured notes. If we cannot make scheduled payments on our debt, we will be in default and, as a result: • our debt holders could declare all outstanding principal and interest to be due and payable; • the lenders under our credit facilities, including the Credit Facility, could terminate their commitments to lend us money and foreclose against the assets securing our outstanding borrowings under their facility; and • we could be forced into bankruptcy or liquidation. ~~Despite current indebtedness levels, we may still be able to incur more indebtedness, which could further exacerbate the risks described above.~~ Under the terms of the agreements governing the Credit Facility and the senior unsecured notes, we and our subsidiaries may be able to incur substantial indebtedness in the future. Additionally, our Credit Facility provides revolving commitments of up to \$ 750.0 million in the aggregate. As of February ~~15-13~~ **2024** **2025**, we had \$ ~~460-585~~ **3-7** million of availability under the Credit Facility, as a result of \$ ~~12-14~~ **3-8** million of letters of credit outstanding under the facility. If new debt is added to our current debt levels, the risks that we now face relating to our substantial indebtedness could intensify. ~~The agreements governing the Credit Facility and our senior unsecured notes restrict our business and our ability to engage in certain corporate and financial transactions.~~ The agreements governing the Credit Facility and the senior unsecured notes contain certain covenants that, among other things, restrict or limit our and our restricted subsidiaries’ ability to: • incur more debt; • pay dividends and make distributions; • issue preferred stock of subsidiaries; • make investments; • repurchase stock; • create liens; • enter into transactions with affiliates; • enter into sale and lease- back transactions; • execute dispositions; • merge or consolidate; and • transfer and sell assets. Our ability to borrow under the Credit Facility depends upon compliance with the restrictions contained in the Credit Facility. Events beyond our control could affect our ability to meet these covenants. In addition, the Credit Facility requires us to meet certain financial conditions tests and availability thereunder is subject to borrowing base availability. Events beyond our control can affect our ability to meet these financial conditions tests and to comply with other provisions governing the Credit Facility and the senior unsecured notes. Our failure to comply with obligations under the agreements governing the Credit Facility and the senior unsecured notes may result in an event of default

under the agreements governing the Credit Facility and the senior unsecured notes, respectively. A default, if not cured or waived, may permit acceleration of this indebtedness and our other indebtedness. We may not be able to remedy these defaults. If our indebtedness is accelerated, we may not have sufficient funds available to pay the accelerated indebtedness and may not have the ability to refinance the accelerated indebtedness on terms favorable to us or at all. ~~Variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.~~ Borrowings under the Credit Facility are at variable rates of interest, based on the U. S. prime rate and the Secured Overnight Financing Rate (“SOFR”), and expose us to interest rate risk. As such, our financial results are sensitive to movements in interest rates. There are many economic factors outside our control that have in the past impacted, and may in the future impact, rates of interest, including publicly announced indices that underlie our interest obligations related to borrowings under the Credit Facility based on SOFR. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. Factors that also impact interest rates include, among others, governmental monetary policies, inflation, recession, changes in unemployment, the money supply, international disorder and instability in domestic and foreign financial markets. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and our results of operations would be adversely impacted. Such increases in interest rates could have a material adverse effect on our financial conditions and results of operations. Notably, after years of a low interest rate environment, central banks across the globe significantly increased interest rates to stem inflation and as a result, global inflation began to stabilize. **In particular, while the Federal Reserve raised interest rates with total increases of 450 basis points since March 2022, they did decrease rates in the second half of 2024.** However, there is no certainty as to whether interest rates will stabilize, continue to increase or decrease. ~~Our business could be hurt if we are unable to obtain additional capital as required, resulting in a decrease in our revenues and profitability. In addition, our inability to refinance our indebtedness on favorable terms, or at all, could materially and adversely affect our liquidity and our ongoing results of operations.~~ The cash that we generate from our business, together with cash that we may borrow under our Credit Facility, if available, may not be sufficient to fund our capital requirements. We may require additional financing to obtain capital for, among other purposes, purchasing equipment, completing acquisitions, establishing new locations and refinancing existing indebtedness. Any additional indebtedness that we incur will make us more vulnerable to economic downturns and limit our ability to withstand competitive pressures. **Furthermore, any refinancing of our debt could be at higher interest rates and may require make-whole payments and compliance with more onerous covenants, which could further restrict our business operations.** Moreover, we may not be able to obtain additional capital on acceptable terms, if at all. If we are unable to obtain sufficient additional financing in the future, our business could be adversely affected by reducing our ability to increase revenues and profitability. In addition, our ability to refinance indebtedness will depend in part on our operating and financial performance, which, in turn, is subject to prevailing economic conditions and to financial, business, legislative, regulatory and other factors beyond our control. In addition, prevailing interest rates or other factors at the time of refinancing could increase our interest expense. A refinancing of our indebtedness could also require us to comply with more onerous covenants and further restrict our business operations. Our inability to refinance our indebtedness or to do so upon attractive terms could materially and adversely affect our business, prospects, results of operations, financial condition and cash flows, and make us vulnerable to adverse industry and general economic conditions. If we are unable to refinance our indebtedness or obtain additional capital sufficient to fund our capital requirements, we may be forced, among other things, to do one or more of the following: (i) sell certain of our assets, which could affect revenue generation and profitability; (ii) reduce the size of our rental fleet, which could have a similar impact; (iii) reduce or delay capital expenditures; (iv) reduce or eliminate our dividend; (v) issue additional equity, which could have a dilutive effect on current shareholders; or (vi) forgo business opportunities, including acquisitions and joint ventures. ~~The continued payment of our quarterly dividend is subject to, among other things, the availability of funds and the discretion of our board of directors. The payment of future dividends and the amount thereof is uncertain, at the sole discretion of our board of directors and considered by the board of directors each quarter. The payment of dividends is dependent upon, among other things, operating cash flow generated by our business, financial requirements for our operations, the execution of our growth strategy, the restrictions and covenants pursuant to our Credit Facility and senior unsecured notes, and the satisfaction of solvency tests imposed by the Delaware General Corporation Law and other applicable law for the declaration and payment of dividends.~~ **Governmental Regulation Risks** ~~We have operations throughout the United States, which exposes us to multiple federal, state and local regulations. Changes in applicable law, regulations or requirements, or our material failure to comply with any of them, can increase our costs and have other negative impacts on our business.~~ Our 137-156 branch locations, as of December 31, 2023-2024, in the United States are located in 30-31 different states, which exposes us to a host of different federal, state and local regulations. These laws and requirements address multiple aspects of our operations, such as worker safety, consumer rights, privacy, employee benefits, gas emissions and more, and can often have different requirements in different jurisdictions. Changes in these requirements, or any material failure by our branches to comply with them, could increase our costs, affect our reputation, limit our business, drain management’s time and attention or otherwise, generally impact our operations in adverse ways. ~~We could~~ **In June 2024, the U. S. Supreme Court reversed its longstanding approach under the Chevron doctrine, which provided for judicial deference to regulatory agencies. As a result of this decision, we cannot be adversely affected by sure whether there will be increased challenges to existing agency regulations or how lower courts will apply the decision in the context of other regulatory schemes without more specific guidance from the U. S. Supreme Court. For example, the U. S. Supreme Court’s decision could significantly impact environmental regulation, consumer protection, advertising, privacy, artificial intelligence, and safety requirements other regulatory regimes with which we are required to comply. New approaches to policymaking and legislation may also produce unintended harms for our business, which may impact our ability to operate our business in the manner in which we are accustomed. Any of these regulations, including those regarding climate change, could negatively affect how**

**we market our offerings and increase our regulatory compliance costs. It will become increasingly difficult to predict which could subject us new laws will apply to our business and when, especially with the potential for an increased-**  
**increase operational costs that in legal challenges to new laws. This uncertainty could, in turn, have a materially-- material**  
**and adversely-- adverse impact effect on our liquidity business, financial condition and operating-- results of operations .** Our operations, like those of other companies engaged in similar businesses, require the handling, use, storage and disposal of certain regulated materials. As a result, we are subject to the requirements of federal, state and local environmental protection and occupational health and safety laws and regulations. These laws regulate issues such as wastewater, stormwater, solid and hazardous waste and materials, and air quality. While our operations generally do not raise significant environmental risks, we use petroleum products, solvents and other hazardous substances for fueling and maintaining our equipment and vehicles. Environmental laws also impose obligations and liability for the cleanup of properties affected by hazardous substance spills or releases. These liabilities can be imposed on the parties generating or disposing of such substances or the operator of the affected property, often without regard to whether the owner or operator knew of, or was responsible for, the presence of hazardous substances. Accordingly, we may become liable, either contractually or by operation of law, for remediation costs even if a contaminated property is not currently owned or operated by us, or if the contamination was caused by third parties during or prior to our ownership or operation of the property. As such, there can be no assurance that prior site assessments or investigations have identified all potential instances of soil or groundwater contamination. Future events, such as changes in existing laws or policies or their enforcement, or the discovery of currently unknown contamination, may give rise to additional remediation liabilities, which may be material. We are subject to potentially significant civil or criminal fines or penalties if we fail to comply with any of these requirements. We have made and will continue to make capital and other expenditures in order to comply with these laws and regulations. These include climate change regulation, which could materially affect our operating results through increased compliance costs. The requirements of these laws and regulations are complex, change frequently, and could become more stringent in the future. It is possible that these requirements will change or that liabilities will arise in the future in a manner that could have a material adverse effect on our business, financial condition and results of operations. In addition, the U. S. Congress and other state and federal legislative and regulatory authorities in the United States have considered, and likely will continue to consider, numerous measures related to climate change, **GHG greenhouse gas** emissions and other laws and regulations affecting some of our end markets, such as oil, gas and other natural resource extraction. Should such laws and regulations become effective, demand for our services could be affected, our fleet or other costs could increase and our business could be materially adversely affected. For example, the Environmental Protection Agency (the “EPA”) recently issued a final rule that will sharply reduce emissions of methane and other harmful air pollution from oil and natural gas operations, including from existing sources nationwide. The final rule includes New Source Performance Standards, to reduce methane and smog- forming volatile organic compounds from new, modified and reconstructed sources, and Emissions Guidelines, which set procedures for states to follow as they develop plans to limit methane from existing sources, including oil and natural gas operations. While we cannot be certain of this rule’s impact as we wait for states to submit their plans to the EPA for approval, we anticipate that this could adversely impact the operations of our customers, specifically those in the oil and gas industry, which could reduce demand for our services and have an adverse impact on our business. **In addition to the evolving nature of the EPA rule’s impact, there is also increased unpredictability in the regulatory and legislative processes, as well as the scope of such requirements and initiatives, due to the change in administration and the overturning of the Chevron doctrine. The SEC’s new climate disclosure rules are another example of this regulatory uncertainty, which, while adopted by the SEC, have been voluntarily stayed pending judicial review. The uncertainty around the evolution of the United States’ regulatory environment with regards to regulating GHGs and climate change issues renders it increasingly difficult to plan for future developments. Ultimately, these future regulatory developments could increase costs of operations for us or our customers, reduce demand and adversely impact our operations.** Further, investors are placing a greater emphasis on non- financial factors, including climate risk and other ESG issues, when evaluating investment opportunities. If we are unable to provide sufficient disclosure about ESG practices or if we fail to achieve ESG goals, investors may not view us as an attractive investment, which could have a negative effect on our stock price and business. Additionally, customers are becoming increasingly focused on ESG and climate related matters and have started considering and incorporating these factors when choosing suppliers, along with existing factors such as price and affordability. If we are unable to meet those additional requirements, we could be adversely impacted. **However, anti- ESG initiatives might serve as a counteracting concern in the future. In recent years anti- ESG sentiment has gained momentum in the United States, with several states and Congress having proposed or enacted “ anti- ESG ” policies, legislation, or initiatives or issued related legal opinions. Such related policies, legislation, initiatives, litigation, legal opinions, and scrutiny could result in additional compliance obligations or becoming the subject of investigations or enforcement actions .** Our business may be materially affected by changes to fiscal and tax policies. Negative or unexpected tax consequences could adversely affect our results of operations. Adverse changes in the underlying profitability and financial outlook of our operations or future changes in tax law could lead to changes in the value of tax assets or liabilities that we currently or in the future may hold, which could materially affect our results of operations. Our business may be materially affected by changes to other policies governing our products, technology and technological development. As we grow through acquisitions and advance our technology platforms, we could be required to comply with additional regulations which, if we fail to comply with, could affect the technological developments, in particular, and our company, as a whole. For instance, it is expected that laws and regulations around the use of AI and machine learning tools will increase over the next few years but it is unknown at this time what these laws and regulations will address and how and whether they will be adopted globally. If we introduce AI or machine learning into our information technology systems (as well as those of our customers through our technology platform), we could become subject to these new regulations, which may be difficult to comply with. Some of our competitors may not be required to comply, which

would put us at a competitive disadvantage. In addition, we may find we do not have the right employee expertise for the advancement of AI and machine learning initiatives or that we that we haven't provided the appropriate training to our team. Further, if we fail to adopt these new technologies we may face price pressure from competitors using lower-cost AI systems.

~~General Business Risks - Risk Fluctuations in~~ **Factors Relating to the Pending Transaction with Herc Holdings Inc. and the Company** On February 19, 2025, we entered into the Merger Agreement with Herc and HR Merger Sub Inc., a Delaware corporation and wholly owned subsidiary of Herc ("Merger Sub"), pursuant to which Merger Sub agreed to commence an Offer to purchase all of the issued and outstanding shares of our common stock, following which Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Herc. Consummation of the Offer is subject to various customary conditions set forth in the Merger Agreement beyond our control, including, among other conditions, (1) at least one share more than 50 % of shares of our common stock then outstanding being tendered in the Offer; (2) the accuracy of our representations and warranties contained in the Merger Agreement (subject to customary materiality qualifiers); (3) our performance in all material respects of our obligations under the Merger Agreement; (4) the absence of a Company Material Adverse Effect (as defined in the Merger Agreement) that occurred after the date of the Merger Agreement that is continuing; (5) the absence of any legal or regulatory restraint that prevents the consummation of the Offer or the Merger and the expiration or termination of any waiting periods applicable to the Offer and the Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"); (6) the effectiveness of the registration statement on Form S-4 to register under the Act the offer and sale of Herc common stock pursuant to the Offer and Merger (the "Form S-4"); (7) approval for listing on NYSE of the shares of Herc Common Stock to be issued in the Offer and Merger; (8) the absence of a termination of the Merger Agreement in accordance with its terms; and (9) the commencement and completion of the Marketing Period (as defined in the Merger Agreement). There can be no assurance that the conditions to the completion of the Offer and the Merger will be satisfied or waived, that the Offer will be successful or that the Merger will be consummated as contemplated by the Merger Agreement. We cannot predict whether and when the conditions to the Offer will be satisfied. If one or more of these conditions are not satisfied, and as a result, we do not complete the Offer and Merger, we would remain liable for significant transaction costs, and the focus of our management would have been diverted from seeking other potential strategic opportunities, in each case without realizing any benefits of the Offer and the Merger. Certain costs associated with the Offer and Merger have already been incurred or may be payable even if the Offer and Merger are not consummated. We may also be subject to the risk of potential litigation related to any failure to complete the Merger. Finally, any disruptions to our business resulting from the announcement and pendency of the Offer and Merger, including any adverse changes in our relationships with our partners, vendors, suppliers, management and employees, could continue or accelerate in the event that we fail to consummate the Offer and Merger. The price of our common stock may also fluctuate significantly based on announcements by Herc, other third parties, or us regarding the Offer and Merger or based on market perceptions and other conditions to the consummation of the Offer and Merger. Such announcements may lead to perceptions in the market that the Offer and Merger may not be completed, which could cause our share price to fluctuate or decline. If we do not consummate the Offer and Merger, the price of our common stock may decline significantly from the current market price, which may reflect a market assumption that the Offer and Merger will be consummated. Any of these events could have a material adverse effect on our business, operating results and financial condition and could cause a decline in the price of our common stock. In connection with the consummation of the Offer and the Merger, management and financial resources have been diverted and will continue to be diverted towards the completion of the Offer and the Merger. We expect to incur substantial costs and expenses relating to, as well as ~~general economic~~ the direction of management resources towards, the Offer and ~~market~~ the Merger. Such costs, fees and expenses include fees and expenses payable to financial advisors, other professional fees and expenses, fees and costs relating to regulatory filings and filings with the SEC and notices and other transaction-related costs, fees and expenses. Further, if the Merger Agreement is terminated by us under specified circumstances, we will be required to pay Herc a termination fee of approximately \$ 145 million (in addition to refunding Herc for the termination fee pursuant to the United Merger Agreement of \$ 63, 523, 892). If the Offer and Merger are not completed, we will have incurred substantial expenses and expended substantial management resources for which we will have received little or no benefit if the closing of the Merger does not occur and may have to pay significant additional sums to Herc. The Offer consideration payable to holders of our common stock will not be adjusted for changes in our business, assets, liabilities, prospects, outlook, financial ~~conditions -~~ condition or results of operations, ~~may impact or changes in~~ the market price of, analyst estimates of, or projections relating to, our common stock. For example, if we experienced an improvement in our business, assets, liabilities, prospects, outlook, financial condition or results of operations prior to the consummation of the Offer and Merger, there would be no adjustment to the amount of the proposed Offer consideration. The Company's shareholders cannot be sure of the value of the Stock Offer Price they will receive in the Merger, if completed, because the exchange ratio is fixed and the market price of Herc common stock has fluctuated and may continue to fluctuate. If the Merger is completed, each eligible share of our common stock issued and outstanding immediately prior to the Merger will automatically be converted into the right to receive the cash consideration and 0.1287 shares of Herc common stock). Because the exchange ratio is fixed, the value of the stock consideration received in the Merger will depend on the market price of Herc common stock at the time the Merger is completed. Prior to completion of the Merger, the market price of Herc common stock is also expected to impact the market price of the Company's common stock. The value of Herc common stock has fluctuated since the date of the announcement of the Merger Agreement and may continue to fluctuate. Accordingly, the Company's shareholders will not know or be able to determine the market value of the Merger consideration they would receive upon completion of the Merger. Share price changes may result

from a variety of factors, including, among others, general market and economic conditions, commodity prices, changes in Herc's and the Company's respective businesses, operations and prospects, market assessments of the likelihood that the Merger will be completed and the timing of the Merger and regulatory considerations. Many of these factors are beyond Herc's and the Company's control. The Merger Agreement provides that, upon the terms and subject to the conditions thereof, we and our representatives cannot solicit or initiate discussions with third parties regarding other proposals to acquire the Company after the execution of the Merger Agreement and we are subject to restrictions on our ability to respond to any unsolicited proposals, except as permitted under the terms of the Merger Agreement. In the event that we receive an acquisition proposal from a third party, we must notify Herc of such proposal and negotiate in good faith with Herc prior to terminating the Merger Agreement or effecting a change in the recommendation of the Board to our stockholders with respect to the Offer and Merger. The Merger Agreement also contains certain termination rights for Herc and us and further provides that, upon termination of the Merger Agreement under specified circumstances, including certain terminations in connection with an alternative business combination transaction as permitted by the terms of the Merger Agreement, we will be required to pay Herc a termination fee of approximately \$ 145 million (in addition to refunding Herc for the termination fee pursuant to the United Merger Agreement of \$ 63, 523, 892). These provisions could discourage a potential third- party acquirer that might have an interest in acquiring all or a significant portion of us from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the market value proposed to be received or realized in the transaction with Herc. These provisions also might result in a potential third- party acquirer proposing to pay a lower price to our stockholders than it might otherwise have proposed to pay due to the added expense of the termination fee that may become payable in certain circumstances. If the Merger Agreement is terminated and we determine to seek another business combination, we may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the Offer and Merger. Under the HSR Act and the related rules and regulations that have been issued by the Federal Trade Commission (" FTC "), certain transactions having a value above specified thresholds may not be consummated until specified information and documentary material (" Notification and Report Forms ") have been furnished to the FTC and the Antitrust Division of the Department of Justice (the " Antitrust Division ") and certain waiting period requirements have been satisfied. It is a condition to Herc's obligation to accept for payment and pay for shares of our common stock exchanged pursuant to the Offer that the waiting period (and any extension of the waiting period) applicable to the Offer under the HSR Act shall have expired or been terminated. Under the HSR Act, the purchase of shares of our common stock in the Offer may not be undertaken until the expiration of a 30- calendar day waiting period following the filing by Herc of a Notification and Report Form concerning the Offer with the FTC and the Antitrust Division, unless the waiting period is earlier terminated by the FTC and the Antitrust Division. The 30- calendar day waiting period may be restarted if the acquiring person voluntarily withdraws and re- files its Notification and Report Form (a " pull and refile. "). If within the 30- calendar day waiting period either the FTC or the Antitrust Division were to issue a request for additional information and documentary material (a " Second Request "), the waiting period with respect to the Transactions would be extended until 30- calendar days following the date of substantial compliance by Herc with that request, unless the FTC and the Antitrust Division terminated the additional waiting period before its expiration. The 30- calendar day waiting period following substantial compliance with the Second Request can be extended with the consent of Herc and the Company or by court order. The FTC and the Antitrust Division may terminate the additional 30- day waiting period before its expiration. In practice, complying with a Second Request can take a significant period of time. The FTC and the Antitrust Division may scrutinize the legality under U. S. federal antitrust laws of transactions such as Buyer Parties' proposed acquisition of the Company. At any time before or after Buyer Parties' acceptance for payment of shares of our common stock pursuant to the Offer, notwithstanding the termination or expiration of the applicable waiting period under the HSR Act, if the Antitrust Division or the FTC believes that the Offer would violate U. S. federal antitrust laws by substantially lessening competition in any line of commerce affecting U. S. consumers, the FTC and the Antitrust Division could take such action as they deem necessary under the applicable statutes, including seeking to enjoin the completion of the Transactions, seeking divestiture of substantial assets of the parties, or requiring the parties to license, or hold separate, assets, to terminate existing relationships and contractual rights, or to take other actions or agree to other restrictions limiting the freedom of action of the parties. At any time before or after consummation of the Transactions, notwithstanding the termination or expiration of the applicable waiting period under the HSR Act, U. S. state attorneys general and private persons may also bring legal action under the antitrust laws seeking similar relief or seeking conditions to the completion of the Offer. There can be no assurance that a challenge to the Offer on antitrust grounds will not be made or, if a challenge is made, what the result will be. If any such action is threatened or commenced by the FTC, the Antitrust Division or any state or any other person, Herc may not be obligated to consummate the Offer or the Merger. Herc and the Company expect to file their Premerger Notification and Report Forms with the FTC and Antitrust Division promptly, which will begin an initial review period of 30 days. This period may change if the FTC or the Antitrust Division, as applicable, grants early termination of the waiting period or issues a request for additional information or documentary material, or if the parties voluntarily pull and refile. Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, merger, or other business combination agreements. Even if such a lawsuit is without merit, defending against or settlement of these claims can result in substantial additional costs and diversion of management time and resources. Any such future lawsuit or litigation may adversely affect our ability to complete the Offer and Merger. We could incur significant costs in connection with any such litigation, including costs associated with an adverse judgement resulting in

monetary damages and the indemnification of our directors and officers, which could have a negative impact on our liquidity and financial position. Furthermore, one of the conditions to the consummation of the Offer and Merger is the absence of any governmental order or law preventing the consummation of the Offer and Merger or making the consummation of the Offer and Merger illegal. Consequently, if a plaintiff were to secure injunctive or other relief prohibiting, delaying or otherwise adversely affecting our ability to complete the consummation of the Offer and Merger, then such injunctive or other relief may prevent the Offer and Merger from becoming effective within the expected time frame or at all. Our executive officers and directors may have interests in the Offer and the Merger that are different from, or are in addition to, those of our stockholders generally. These interests include direct or indirect ownership of our common stock and equity awards, the acceleration of equity awards upon consummation of the transactions and other interests. Such interests of our directors and executive officers are set forth in further detail in the Form 8-K filed with the SEC on February 19, 2025. Whether or not the Offer and Merger are consummated, the Offer and Merger may disrupt our current plans and operations, which could have an adverse effect on our business and financial results. The pendency of the Offer and Merger may also divert management's attention and our resources from ongoing business and operations and our employees and other key personnel may have uncertainties about the effect of the Offer and Merger, and the uncertainties may impact our ability to retain, recruit and hire key personnel while the Offer and Merger are pending or if it fails to close. Furthermore, if key personnel depart because of such uncertainties, or because they do not wish to remain with the combined company after the consummation of the Offer and Merger, our business and results of operations may be adversely affected. In addition, we cannot predict how our suppliers and other business partners will view or react to the Offer and Merger upon consummation. If we are unable to reassure our suppliers and other business partners to continue their business with us, our financial condition and results of operations may be adversely affected. In addition, the Merger Agreement generally requires us to operate in the ordinary course of business in all material respects consistent with past practice, pending consummation of the Offer and Merger, and restricts us from taking certain actions with respect to our business and financial affairs without Herc's consent. Such restrictions will be in place until either the Offer and Merger are consummated or the Merger Agreement is terminated. These restrictions could restrict our ability to pursue, or prevent us from pursuing, attractive business opportunities (if any) that arise prior to the consummation of the Offer and Merger. In addition, since the consideration for the Merger will be in the form of both cash and common stock of Herc, our stock price will be impacted by changes in Herc's stock price. Changes to Herc's stock price may result from a variety of factors, such as changes in its business operations and outlook, changes in general market and economic conditions and regulatory considerations. These factors are beyond our control. For these and other reasons, the pendency of the Offer and Merger could adversely affect our business, operating results and financial condition. If the Merger is not consummated, we may need to raise additional capital to continue our operations and execute our operating plans. If the Merger is not consummated, we may need to raise additional capital or we may need to delay, scale back or eliminate some planned operations or reduce expenses, any of which would have a significant negative impact on our financial condition, as well as the trading price of our common stock. There can be no assurance that we can raise capital when needed or on terms favorable to us and our stockholders. Macroeconomic conditions and heightened global uncertainties may adversely affect general commercial activity and the U. S. and global economies and financial markets, which increases uncertainty around our ability to access the capital markets when needed and on acceptable terms. The market price of our common stock has been and may continue to be subject to significant fluctuations in response to general economic changes and other factors including, but not limited to: • variations in our quarterly operating results or results that vary from investor expectations; • changes in the strategy and actions taken by our competitors, including pricing changes; • securities analysts' elections to discontinue coverage of our common stock, changes in financial estimates by analysts or a downgrade of our common stock or of our sector by analysts; • announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments; • changes in the price of oil and other commodities; • investor perceptions of us and the equipment rental and distribution industry; and • national or regional catastrophes or circumstances and natural disasters, hostilities and acts of terrorism. Broad market and industry factors may materially reduce the market price of our common stock, regardless of or in a manner that is disproportionate to any related impact on our operating performance. The stock market historically has experienced price and volume fluctuations that often have been unrelated or disproportionate to the operating performance of companies. These fluctuations, as well as general economic and market conditions, including those listed above and others, may harm the market price of our common stock. Security breaches and other disruptions in our information technology systems could limit our capacity to effectively monitor and control our operations, compromise our or our customers' and suppliers' confidential information or otherwise adversely affect our operating results or business reputation. Our information technology systems, some of which are managed by third parties, facilitate our ability to monitor and control our operations and adjust to changing market conditions, including processing, transmitting, storing, managing and supporting a variety of business processes, activities and information. Further, we are expanding and improving our information technologies, resulting in a larger technological presence and corresponding exposure to cybersecurity risk. Any disruption in any of these systems, including our customer relationship management system, or the failure of any of these systems to operate as expected, could, depending on the magnitude of the problem, adversely affect our operating results by limiting our capacity to effectively monitor and control our operations and adjust to changing market conditions. Additionally, we collect and store sensitive data, including proprietary business information and the proprietary business information of our customers and suppliers, in data centers and on information technology networks, including cloud-based networks. The secure operation of these information technology networks and the processing and maintenance of this information is critical to our business operations and strategy. Furthermore, violation of privacy laws in the U. S. (especially in California), even if inadvertent, can lead to significant

**financial consequences, including significant fines and sanctions**. However, the techniques and sophistication used to conduct cyberattacks and compromise information technology systems, as well as the sources and targets of these attacks, change and are often not recognized until such attacks are launched or have been in place for some time. In addition, there has been an increase in state sponsored cyberattacks which are often conducted by capable, well- funded groups. The rapid evolution and increased adoption of artificial intelligence technologies amplifies these concerns. Despite security measures and business continuity plans, our information technology networks and infrastructure may be vulnerable to damage, disruptions or shutdowns due to attacks by cyber criminals or breaches due to employee error or malfeasance or other disruptions during the process of upgrading or replacing computer software or hardware, power outages, computer viruses, telecommunication or utility failures, terrorist acts or natural disasters or other catastrophic events. Further, the growing use and rapid evolution of technology, including mobile devices, has heightened the risk of unintentional data breaches or leaks. The occurrence of any of these events could compromise our networks, and the information stored there could be accessed, publicly disclosed, lost or stolen. In addition, as security threats continue to evolve, we may need to invest additional resources to protect the security of our systems or to comply with privacy, data security, cybersecurity and data protection laws applicable to our business. Any failure to effectively prevent, detect and / or recover from any such access, disclosure or other loss of information, or to comply with any such current or future law related thereto, could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disrupt operations, and damage our reputation, which could adversely affect our business. We are dependent on key personnel. A loss of key personnel could have a material adverse effect on our business, which could result in a decline in our revenues and profitability. Our senior and regional managers have an average of approximately 26-27 years of industry experience. Our branch managers have extensive knowledge and industry experience as well. Our success is dependent, in part, on the experience and skills of our management team. Competition for top management talent within our industry is generally significant. If we are unable to fill and keep filled all of our senior management positions, or if we lose the services of any key member of our senior management team and are unable to find a suitable replacement in a timely manner, we may be challenged to effectively manage our business and execute our strategy. ~~If we fail to maintain an effective system of internal controls, we may not be able to accurately report financial results or prevent fraud.~~ Effective internal controls are necessary to provide reliable financial reports and to assist in the effective prevention of fraud. Any inability to provide reliable financial reports or prevent fraud could harm our business. We must annually evaluate our internal procedures to satisfy the requirements of Section 404 of SOX, which requires management and auditors to assess the effectiveness of our internal controls. If we fail to remedy or maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we could be subject to regulatory scrutiny, civil or criminal penalties or stockholder litigation. In addition, failure to maintain effective internal controls could result in financial statements that do not accurately reflect our financial condition or results of operations. There can be no assurance that we will be able to maintain a system of internal controls that fully complies with the requirements of SOX or that our management and independent registered public accounting firm will continue to conclude that our internal controls are effective. ~~We are exposed to various risks related to legal proceedings or claims that could adversely affect our operating results. The nature of our business exposes us to various liability claims, which may exceed the level of our insurance coverage resulting in us not being fully protected.~~ We are a party to lawsuits in the normal course of our business. Litigation in general can be expensive, lengthy and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. Responding to lawsuits brought against us, or legal actions that we may initiate, can often be expensive and time- consuming. Unfavorable outcomes from these claims and / or lawsuits could adversely affect our business, results of operations, or financial condition, and we could incur substantial monetary liability and / or be required to change our business practices. Our business exposes us to claims for personal injury, death or property damage resulting from the use of the equipment we rent or sell and from injuries caused in motor vehicle accidents in which our delivery and service personnel are involved and other employee related matters. Additionally, we could be subject to potential litigation associated with compliance with various laws and governmental regulations at the federal, state or local levels, such as those relating to the protection of persons with disabilities, employment, health, safety, security and other regulations under which we operate. We carry comprehensive insurance, subject to deductibles, at levels we believe are sufficient to cover existing and future claims made during the respective policy periods. However, we may be exposed to multiple claims, and, as a result, we could incur significant out- of- pocket costs before reaching the deductible amount which could adversely affect our financial condition and results of operations. In addition, the cost of such insurance policies may increase significantly upon renewal of those policies as a result of general rate increases for the type of insurance we carry as well as our historical experience and experience in our industry. Although we have not experienced any material losses that were not covered by insurance, our existing or future claims may exceed the coverage level of our insurance, and such insurance may not continue to be available on economically reasonable terms, or at all. If we are required to pay significantly higher premiums for insurance, are not able to maintain insurance coverage at affordable rates or if we must pay amounts in excess of claims covered by our insurance, we could experience higher costs that could adversely affect our financial condition and results of operations.