

Risk Factors Comparison 2024-12-11 to 2023-12-13 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Investing in shares of our common stock involves a ~~high~~ degree of risk. ~~You~~ **The following is a cautionary discussion of risks, uncertainties and assumptions that we believe are material to our business. Investors** should carefully consider the risks and uncertainties described below together with all of the other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes appearing elsewhere in this Annual Report on Form 10-K, before deciding to invest in shares of our common stock. If any of the following risks actually occurs, our business, prospects, operating results and financial condition could suffer materially, the trading price of shares of our common stock could decline and ~~you~~ **investors** could lose all or part of ~~your~~ **their** investment. ~~The~~ **It is impossible to predict or identify all such factors and, as a result, investors should not consider the following factors to be a complete discussion of** risks and, uncertainties and assumptions described below are not the only ones we face. Additional risks and uncertainties, including ~~ones~~ **those** not presently known to us or that we currently believe to be immaterial, may also adversely affect our business. Risks Relating to Our Business Our business is affected by economic factors and adverse developments in economic conditions which could have a negative effect on the demand for our products and the results of our operations. Our business is impacted by the U. S. economic environment, employment levels, consumer confidence, changes in interest rates and instability in securities markets around the world, among other factors. In particular, changes in the U. S. economic climate could result in reduced demand in key end markets. RV purchases are generally viewed as discretionary in nature and are therefore sensitive to wholesale and retail financing, consumer confidence, unemployment levels, disposable income and changing levels of consumer home equity. For example, the 2008 recession caused consumers to reduce their discretionary spending, which negatively affected our sales volumes for RVs. Terminal truck sales volumes are also impacted by economic conditions, global trade, changes in supply chain management and industrial output, as these factors impact our end- market customers for these products, which include shipping ports, trucking / distribution hubs and rail terminal operators. RV and terminal truck sales are affected by U. S. and global general economic conditions, which create risks that future economic downturns will reduce consumer demand and negatively impact our sales. While less economically sensitive than the ~~Recreation~~ **Recreational Vehicles** segment and our terminal truck business, ~~our~~ **the Fire fire & Emergency** segment and ~~the remainder of~~ **ambulance businesses in** our ~~Commercial~~ **Specialty Vehicles** segment are also impacted by the overall economic environment. Local tax revenues are an important source of funding for fire and **ambulance purchases by** emergency response departments. For example, reduced municipal tax revenues resulting from the 2008 recession may have led to a decline in these markets. As fire and **ambulance vehicles** emergency apparatus and school and transit buses are typically a larger cost item for municipalities and, because their service life is very long, their purchase is more deferrable. This can result in cyclicalities in certain of our end markets, which in turn may result in fluctuations in our sales and results of operations. A decrease in employment levels, consumer confidence or the cost or availability of financing, or other adverse economic events, could negatively affect the demand for our products. Any decline in overall customer demand in markets in which we operate could have a material adverse effect on our operating performance. Increased economic and political instability, ~~including the Russia- Ukraine and Hamas- Israel conflicts,~~ may adversely affect our business, financial condition, and results of operations. ~~In late February~~ **Although we do not have operations outside the United States, we may experience indirect impacts to our operations, such as supply chain disruptions, due to our relationships with suppliers in other countries where economic or political instability exists, as well as potential inflation in the cost of energy, raw materials or other supplies. The potentially destabilizing effects of the global conflicts or the potential for a larger conflict could have other adverse effects on our business. For example, the conflicts in Russia and Ukraine, which started in 2022, Russia launched a military attack as well as conflicts in Israel and the Middle East, which started in 2023, have resulted in significant volatility and disruptions to the global markets. It is not possible to predict the short- or long- term implications of these conflicts, which could include but are not limited to further sanctions, uncertainty about economic and political stability, increases in inflation rates and energy prices, supply chain challenges and adverse effects on currency exchange rates** Ukraine. In response, many countries have imposed sanctions against Russian businesses and citizens ~~financial markets~~. ~~The~~ **These** U. S. government has reported that U. S. sanctions against Russia in response to the conflict ~~conflicts~~ could lead to an increased threat of cyber -attacks (including increased risk of data breach and other threats from ransomware, destructive malware, distributed denial- of- service attacks, as well as fraud, spam, and fake accounts, or other illegal activity conducted generally by bad actors seeking to take advantage of us, our partners or end- customers) against U. S. companies. These increased threats could pose risks to the security of our information technology systems, our network and our product offerings and / or service offerings for our products, as well as the confidentiality, availability and integrity of our data. Separately, in early October 2023, Hamas, a militant group in control of Gaza, and Israel began an armed conflict in Israel, the Gaza Strip, and surrounding areas, which threatens to spread to other Middle Eastern countries including Lebanon, Syria, and Iran. The Hamas- Israel military conflict is ongoing, and its length and outcome are highly unpredictable. These conflicts have resulted in significant volatility and disruptions to the global markets. It is not possible to predict the short- or long- term implications of these conflicts, which could include but are not limited to further sanctions, uncertainty about economic and political stability, increases in inflation rates and energy prices, supply chain challenges and adverse effects on currency exchange rates and financial markets. ~~Although we do not have operations outside the United States, we may experience indirect impacts to our operations, such as supply chain disruptions, due to our relationships with suppliers in these countries, as well as potential inflation in the cost of energy, raw materials or other supplies.~~

~~The potentially destabilizing effects of the global conflicts or the potential for a larger conflict could have other adverse effects on our business.~~ A disruption, termination or alteration of the supply of vehicle chassis or other critical components from third-party suppliers could materially adversely affect the sales of our products. Our sales and our manufacturing processes depend on the supply of manufactured vehicle chassis and other critical components such as engines, transmissions, wire harnesses and axles from major auto manufacturers and other **OEMs-suppliers**, including Allison Transmission, Cummins, Daimler Truck North America, Ford, General Motors, Meritor, Mercedes-Benz, and Navistar among others. For the standardized, mass-produced chassis models, we convert the chassis for our customers under approved “authorized converter” agreements with the OEMs. We have tailored our products and processes to the specifications of these OEM agreements and have built customer expectations and planning around these designs. We are ~~therefore~~ **approved-authorized** converters” in order to maintain our sales. If these manufacturers experience production delays, ~~we may receive a lower allocation of chassis than anticipated, or if the quality or design of their chassis changes, or if these manufacturers implement recalls,~~ **or if these manufacturers change or discontinue the specific type of chassis they manufacture**, we could incur significant costs or disruptions to our business, which could have a material adverse effect on our net sales, financial condition, profitability and / or cash flows. At various times, we may carry increased inventory to protect against these concerns, which may negatively impact our results of operations. We purchase a significant number of components from domestic suppliers. To the extent tariffs increase the price of imported products, the industry may move more component orders to domestic suppliers, which could strain the capacity of our suppliers, putting the normal, uninterrupted supply of components at risk. In addition, our suppliers may experience operational delays or disruptions, including as a result of the outbreak of epidemics or other public health crises, which could in turn affect our manufacturing processes and sales. Additionally, certain important components that we use in our vehicles, such as engines and transmissions, are produced by a limited number of qualified suppliers or we may have a single supplier sourcing a specific component, and any disruption in their supply of such components to us would have a negative impact on our business. Volatility in the financial markets generally, and in the truck and automotive sectors in particular, could impact the financial viability of certain of our key third-party suppliers, or could cause them to exit certain business lines, or change the terms on which they are willing to provide products. For example, during the electronic chip shortages in 2022, many vehicle manufacturers, including Ford and General Motors, idled factories and reduced their output of vehicle chassis. During 2018 and 2019, many of our suppliers encountered production issues and delivery delays due to factors which included a vendor factory fire, new plant location inefficiencies, unplanned work stoppages and indirect impacts from the implementation of tariffs. A recurrence of any of these events or another similar development could lead to difficulties in meeting our customers’ demands and reduce our overall sales volume. Further, any changes in quality or design, capacity limitations, shortages of raw materials or other problems could result in shortages or delays in the supply of vehicle chassis or components to us. For example, in ~~September~~ 2023, the United Auto Workers Union (“UAW”) announced targeted strikes impacting certain auto manufacturers from which we purchase chassis. While the ~~UAW and certain auto manufacturers have since ratified a new agreement and the targeted strikes have did not caused~~ **- cause** a disruption to our business ~~to date~~, a similar or more prolonged labor dispute could have an adverse impact on our ability to procure the components necessary to produce and maintain sales volumes. Our business, operating results and financial condition could suffer if our suppliers reduce output or make changes to chassis models that are unpopular with our customers or are incompatible with our current product designs or production process. We face ~~intense~~ competition in our markets, which may harm our financial performance and growth prospects. We operate in a highly competitive environment in each of the markets we serve, and we face competition in each of our product segments from numerous competitors. We compete principally on the basis of **customer loyalty and repeat buyers**, client-specific customization, product quality and reliability, breadth of product offering, manufacturing capability and flexibility, technical capability, product innovation, customer service, after-sales support, delivery times and price. Certain of our competitors are smaller companies which may have lower operating costs and greater operational flexibility, and may ~~have~~ focus on regional markets where they have competitive advantages of proximity and relationships with local municipalities or other regional customers. Other of our competitors are large, well-established companies with capacity, financial and other resources that may be in excess of ours. Additionally, companies that are not currently competitors but that are involved in the specialty vehicle market (such as a supplier), **that operate in other specialty vehicle market segments than us**, or that operate in an adjacent market (such as a producer of mainstream cars and trucks) could choose to enter the specialty vehicle market. Our profitability is sensitive to changes in the balance between supply and demand in the specialty vehicle market. Competitors having lower operating costs or labor costs than we do will have a competitive advantage over us with respect to products that are particularly price-sensitive. New manufacturing facilities may be built or idle production lines may be activated. Additionally, imbalances in the regional supply and demand for our products could result in increased competition in the markets in which we compete. We may also face competition from companies developing zero-emissions specialty vehicles or other technologies to minimize emissions. Competition from these companies could make our specialty vehicles less desirable in the ~~marketplace~~ **market-place**. As a result of the foregoing factors, we may lose customers or be forced to reduce prices, which could have a material adverse effect on our business, financial condition and operating results. Increases in the price of commodities could impact the cost or price of our products, which could impact our ability to sustain and grow earnings. Our manufacturing processes consume significant amounts of raw materials, the costs of which are subject to worldwide supply and demand factors, as well as other factors beyond our control, including continuing inflation. Raw material price fluctuations may adversely affect our results. We purchase, directly and indirectly through component purchases, significant amounts of aluminum, steel, plastics and other resins, brass, **wood** and fiberglass products as well as other commodity-sensitive raw materials annually. In particular, in past years, steel and aluminum prices have experienced volatility which has been unforeseen and unexpected. Further, tariffs enacted or proposed by the U. S. government, or retaliatory tariffs, could further increase the price of components imported from

international suppliers, and lift prices of certain commodities generally regardless of origin. Although we at times purchase steel, aluminum and other raw materials ~~up to twenty-four months~~ in advance in order to provide certainty regarding portions of our pricing and supply, for the majority of our raw material purchases we do not typically enter into any fixed- price contracts and may not be able to accurately anticipate future raw material prices for those inputs, including the impacts of inflation. Commodity pricing has fluctuated significantly over the past few years and may continue to do so in the future. Such fluctuations could have a material effect on our results of operations, balance sheets and cash flows and impact the comparability of our results between financial periods. A failure of a key information technology system or a breach of our information security could adversely impact our ability to conduct business. We rely extensively on information technology systems in order to conduct business, including some that are managed by third- party service providers. These systems include, but are not limited to, programs and processes relating to internal and external communications, ordering and managing materials from suppliers, converting materials to finished products, shipping products to customers, processing transactions, summarizing and reporting results of operations, and complying with regulatory, legal or tax requirements. Due to our reliance on our information systems, we have established various levels of security as well as backup and disaster recovery procedures. However, these backup and disaster recovery procedures may not function as intended. Additionally, these information technology systems could be damaged or cease to function properly due to the poor performance or failure of third- party service providers, catastrophic events, power outages, network outages, failed upgrades or other similar events. If our business continuity plans do not effectively resolve such issues on a timely basis, we may suffer interruptions in conducting our business which may adversely impact our operating results. Periodically, we also need to upgrade our information technology systems or adopt new technologies. If such a new system or technology does not function properly or otherwise exposes us to increased cybersecurity breaches and failures, or if such a system is not implemented effectively, it could affect our ability to report accurate, timely and consistent financial results; our ability to purchase raw ~~material~~ **materials or other supplies** from and pay our suppliers; and / or our ability to deliver products to customers on a timely basis and to collect our receivables from them. Further, if the information technology systems, networks or service providers we rely upon fail to function properly or cause operational outages or aberrations, or if we or one of our third- party providers suffer significant unavailability of key operations, or inadvertent disclosure of, lack of integrity of, or loss of our sensitive business or stakeholder information, due to any number of causes, ranging from catastrophic events or power outages to improper data handling, security incidents or employee error or malfeasance, and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive, operational, financial and business harm as well as litigation and regulatory action. The costs and operational consequences of responding to the above items and implementing remediation measures could be significant and could adversely impact our results. Further, our systems and networks, as well as those of our dealers, customers, suppliers, service providers, and banks ~~may~~ become the target of advanced cyber- attacks or information security breaches which will pose a risk to the security of our services, systems, networks and supply chain, as well as to the confidentiality, availability and integrity of data of our Company, employees, customers or consumers, as well as disrupt our operations or damage our facilities or those of third parties. We assess potential threats and vulnerabilities and make investments seeking to address them, including ongoing monitoring and updating of networks and systems, increasing specialized information security skills, deploying employee security training, and updating security policies for our ~~company~~ **Company** and our third- party providers. However, because the techniques, tools and tactics used in cyber- attacks frequently change and may be difficult to detect for periods of time, we may face difficulties in anticipating and implementing adequate preventative measures or fully mitigating harms after such an attack. As a result, a cyber- attack could negatively impact our net sales and increase our operating and capital costs. In addition, our employees frequently access our suppliers' and customers' systems and we may be liable if our employees are the source of any breaches in these third- party systems. It could also damage our reputation with customers and consumers and diminish the strength and reputation of our brands or require us to pay monetary penalties. We are exposed to, and may be adversely affected by, interruptions to our computer and information technology systems and ~~sophisticated~~ cyber- attacks. We rely on our information technology systems and networks in connection with many of our business activities. Some of these networks and systems are managed by third- party service providers and are not under our direct control. Our operations routinely involve receiving, storing, processing and transmitting sensitive information pertaining to our business, customers, dealers, suppliers, employees and other sensitive matters (including wire transfer instructions). As with most companies, we have experienced cyber- attacks, attempts to breach our systems and other similar incidents, none of which have been material. Any future cyber incidents could, however, materially disrupt operational systems; result in loss of trade secrets or other proprietary or competitively sensitive information or money; compromise personally identifiable information regarding customers or employees; and jeopardize the security of our facilities. A cyber incident could be caused by malicious outsiders using sophisticated methods to circumvent firewalls, encryption and other security defenses. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Information technology security threats, including security breaches, computer malware and other cyber- attacks are increasing in both frequency and sophistication and could create financial liability, subject us to legal or regulatory sanctions or damage our reputation with customers, dealers, suppliers and other stakeholders. The costs associated with maintaining robust information security mechanisms and controls are also increasing and are likely to increase further in the future. We continuously seek to maintain a robust program of information security and controls, but the impact of a material information technology event could have a material adverse effect on our competitive position, reputation, results of operations, financial condition and cash flows. Our business depends on the performance of dealers, including the availability and terms of financing to dealers, and disruptions within our dealer network could have a negative effect on our business. We rely to a significant extent on our independent dealer networks to sell our products to end customers. We estimate that ~~we distribute~~ approximately ~~78~~ **74** %

of our ~~products~~ **product revenue is distributed** through a system of independent, authorized dealers, many of whom also sell products from competing manufacturers. Our business is therefore affected by our ability to establish new relationships and maintain relationships with existing dealers. The geographic coverage of our dealers and their individual business conditions can affect the ability of our dealers to sell our products to customers. In a number of markets, there is a lack of exclusivity with dealers, which may decrease our bargaining leverage. In addition, recent consolidation of dealers, as well as the growth of larger, multi- location dealers, may result in increased bargaining power on the part of dealers, which could have a material adverse effect on our business. Our dealer agreements are typically for a multi- year term; however, ~~we the dealer can typically cancel the agreement for convenience without penalty upon 90 days' notice.~~ We can provide no assurance that we will be able to renew our dealer agreements on favorable terms, or at all, at their scheduled expiration dates. Some of our dealer agreements include guarantees, which could have a negative impact on the financial performance of our Company if we are required to fulfill them. In addition, laws in many of the states in which we operate make it difficult for us to terminate **or not renew** dealer agreements, which may make it difficult for us to optimize our dealer network. No dealer or customer represented more than 5 % of our annual revenue for fiscal year ~~2023-2024~~, but there may continue to be consolidation and changes in the dealership landscape over time. If ~~we are unable~~ **one or more of our significant dealers chooses to not** renew a contract with ~~us one or more of our or to significant dealers or~~ re- negotiate an agreement under advantageous terms, our sales and results of operations could be adversely affected. Our business is also affected by the availability and terms of financing to dealers and retail purchasers. Many of our dealers finance their purchases of inventory with financing provided by lending institutions. A decrease in the availability of financing, more restrictive lending practices or an increase in the cost of such wholesale financing can prevent dealers from carrying adequate levels of inventory, which limits product offerings available to the end customer and could lead to reduced sales of our products. A small number of financial institutions provide the majority of our dealers' total financed vehicles outstanding in a floor plan financing program at any point in time. Substantial increases in interest rates and decreases in the general availability of credit have in the past had an adverse impact upon our business and results of operations and may do so again in the future. Further, a decrease in availability of consumer credit resulting from unfavorable economic conditions, or an increase in the cost of consumer credit, may cause consumers to reduce discretionary spending which could, in turn, reduce demand for our products and negatively affect our sales and profitability. In addition, ~~early in fiscal year 2016 we began assisting~~ **assist** dealers and retail customers with arranging their financing with third parties for purchases of our products. Although we currently assume contingent obligations associated with these finance arrangements and receive only a minimal arrangement fee, we could be materially adversely affected in the future if third- party ~~financiers~~ **financers** were unable to provide this financing to our customers and our dealers were unable to obtain alternate financing, at least until our customers were able to find a replacement financing source. Third- party ~~financiers~~ **financers** face a number of business, economic and financial risks that could impair their access to capital and negatively affect their ability to provide financing solutions for our dealers and customers. Because third- party ~~financiers~~ **financers** serve as an important source of financing options for dealers and customers, an impairment of their ability to provide such financial services could negatively affect our future sales and therefore our profitability and financial condition. **In addition, we could be liable for repurchase of the products under these contingent obligations, and while losses would be limited by the resale value of the products, these losses could negatively affect our profitability and financial condition.** Our ability to execute our strategy is dependent upon our ability to attract, ~~train and retain~~, **and develop** qualified personnel, including our ability to ~~retain and attract~~ **execute proper succession plans for** senior management and key employees. Our continued success depends, in part, on our ability to identify, attract, motivate, train and retain qualified personnel in key functions and geographic areas, including the members of our senior management team. In particular, we are dependent on our ability to identify, attract, motivate, train and retain qualified engineers and skilled labor with the requisite education, background and industry experience to assist in the development, enhancement, introduction and manufacture of our products and technology solutions. Failure to attract, train and retain qualified personnel, whether as a result of an insufficient number of qualified local residents or the allocation of inadequate resources to training, integration and retention, could impair our ability to execute our business strategy and could have an adverse effect on our business prospects. Our success also depends to a large extent upon our ability to attract and retain key executives **and other key employees, as well as the existence of a succession plan for these employees**. These employees have extensive experience in our markets and are familiar with our business, systems and processes. The loss of the services of one or more of these key employees could have an adverse effect, at least in the short to medium term, on significant aspects of our business, including the ability to manage our business effectively and the successful execution of our strategies, **if transitions according to our succession plans are not successful**. If certain of these employees decide to leave us, we could incur disruptions to the completion of certain initiatives and we could incur significant costs in hiring, training, developing and retaining their replacements **if our succession plans are not adequate**. Increases in the cost of labor, **deterioration in employee relations**, union organizing activity and work stoppages at our facilities could have a negative affect on our business. ~~We~~ **While we believe our employee relations are generally positive, we** cannot be assured that our relations with our workforce will remain positive. **A deterioration in these relations could have an adverse effect on our business. In addition, we conduct a large portion of our business in highly competitive labor markets. If we are unable to recruit and retain a sufficient workforce, or if the costs to do so increase, our business may be materially adversely affected**. From time to time, union organizers actively work to organize employees at some of our facilities. If union representation is implemented at such sites and we are unable to agree with the union on reasonable employment terms, including wages, benefits, and work rules, we could experience a significant disruption of our operations and incur higher ongoing labor costs. Further, if a location does experience organizing activity, our management and other personnel need to divert attention from operational and other business matters to devote substantial time to address such activity. We may discover defects in our vehicles, potentially resulting in delaying new model launches, recall campaigns, increased warranty costs, liability or other costs. Meeting or exceeding many government- mandated

safety standards is costly and often technologically challenging. Government safety standards require manufacturers to remedy defects related to motor vehicle safety through safety recall campaigns, and a manufacturer is obligated to recall vehicles if it determines that they do not comply with relevant safety standards. Should we or government safety regulators determine that a safety or other defect or noncompliance exists with respect to certain of our vehicles, there could be a delay in the launch of a new model, recalls of existing models or a significant increase in warranty claims, the costs of which could be substantial. Any actual or perceived defect or other quality issue in our products could be costly to address, and could also lead to potential liability or reputational damage. Additionally, the vehicles we manufacture for sale are subject to strict contractually established specifications using complex manufacturing processes. If we fail to meet the contractual requirements for a vehicle or a part, we may be subject to warranty costs to repair or replace the part itself and additional costs related to the investigation and inspection of non-complying parts. These potential warranty and repair and replacement costs are generally not covered by our insurance. We establish warranty reserves that represent our estimate of the costs we expect to incur to fulfill our warranty obligations. We base our estimate for warranty reserves on our historical experience and other related assumptions. If actual results materially differ from these estimates, our results of operations could be materially affected. In addition, we may not be able to enforce warranties and extended warranties received or purchased from our suppliers if such suppliers refuse to honor such warranties or go out of business. Also, a customer may choose to pursue remedies directly under its contract with us over enforcing such supplier warranties. In such a case, we may not be able to recover our losses from the supplier. Cancellations, reductions or delays in customer orders, customer breaches of purchase agreements, reduction in expected backlog, reductions in profitability of backlog due to fluctuations in product costs, or our inability to meet customer delivery schedules may adversely affect our results of operations. We typically have a backlog due to the nature of our production and sales process, and our financial results are affected if any backlog order is deferred or canceled. **Orders Backlog represents the amount of sales that we expect to derive from signed our dealers and end customers are evidenced by a contracts— contract , including or firm purchase order or, in the case of the Recreational Vehicles segment, a reserved production slot. These orders are reported and oral contracts that have been subsequently memorialized in writing our backlog at aggregate selling prices, net of discounts or allowances. Orders included in the Recreational Vehicles segment backlog generally can be cancelled or postponed at the option of the dealer at any time without penalty .** When a binding sale contract has been signed with a customer, the purchase price of the vehicle is included in the backlog until it is completed, shipped and the revenue is recognized. When we sign a contract giving a potential purchaser an option to purchase a vehicle which only becomes binding on a non-refundable payment or a subsequent firm purchase order, we do not include the purchase price of the vehicle in backlog until the non-refundable payment has been made or the subsequent purchase order is formalized and the contract is a binding purchase contract. A customer may default on a purchase contract that has become binding, and we may not be able to convert sales contract backlog into sales. As a result, our estimates of backlog for some of our contracts could be affected by variables beyond our control and may not be entirely realized, if at all. In addition, given the nature of our customers and our markets, there is a risk that some amount of our backlog may not be fully realized in the future. Failure to realize sales from our existing or future backlog **would could** negatively impact our financial results. From time to time, we enter into large, multi-year contracts with federal and local government bodies. Due to the size of the contracts, there are often stringent approval processes that must be completed before the contract is finalized. As a result, until these contracts are finalized, there can be no assurance regarding the timing of our commencing work on any such contract, or the ultimate revenue that we may recognize under any such contract. At any time, a portion of our backlog can include orders placed by federal, state and municipal government bodies. There is no certainty that these customers will have adequate tax revenues or will allocate available funds to the purchase of our vehicles in the future. In addition, future governmental tax revenues may be negatively impacted as a result of general economic conditions and therefore may result in lower future vehicle order rates than expected or experienced in prior periods, resulting in lower backlogs. In addition, as a result of firm purchase orders from our customers, we enter into agreements to produce and sell vehicles at a specified price with certain adjustments for changes and options based upon our estimation of the cost to produce and the timing of delivery. Due to the nature of these product cost estimates and the fluctuations in input costs and availability, we may underestimate the costs of production and therefore overestimate the profitability in our backlog. As a result, the actual profitability on those sales in the future may differ materially from our initial estimates when we recorded the firm purchase order in backlog. Our ability to meet customer delivery schedules is dependent on a number of factors including, but not limited to, access to components and raw materials, an adequate and capable workforce, assembling / engineering expertise for certain projects and sufficient manufacturing capacity. The availability of these factors may in some cases be subject to conditions outside of our control. A failure to deliver in accordance with our performance obligations may result in financial penalties under certain of our contracts and damage to existing customer relationships, damage to our reputation and a loss of future bidding opportunities, which could cause the loss of future business and could negatively impact our financial performance. Unforeseen or recurring operational problems at any of our facilities, or a catastrophic loss of one of our key manufacturing facilities, may cause significant lost production and adversely affect our results of operations. Our manufacturing process could be affected by operational problems that could impair our production capability. Many of our manufacturing facilities contain sophisticated machines that are used in our manufacturing process. Disruptions or shut downs at any of our facilities could be caused by: • maintenance outages to conduct maintenance activities that cannot be performed safely during operations; • prolonged power failures or reductions; • breakdown, failure or substandard performance of any of our machines or other equipment; • noncompliance with, and liabilities related to, environmental requirements or permits; • disruptions in the transportation infrastructure, including railroad tracks, bridges, tunnels or roads; • fires, floods, earthquakes, tornadoes, hurricanes, microbursts or other catastrophic disasters, national emergencies, pandemics, political unrest, war or terrorist activities; or • other operational problems. If some of our facilities are shut down, they may experience prolonged startup periods, regardless of the reason for the shutdown. Those startup periods could range from several days to several weeks or

longer, depending on the reason for the shutdown and other factors. Any prolonged disruption in operations at any of our facilities could cause a significant loss of production and adversely affect our results of operations and negatively impact our customers and dealers. Further, a catastrophic event could result in the loss of the use of all or a portion of one of our manufacturing facilities. Although we carry property and business interruption insurance, our coverage may not be adequate to compensate us for all losses that may occur. Any of these events individually or in the aggregate could have a material adverse effect on our business, financial condition and operating results. Federal, state, and local government spending and priorities may change in a manner that materially and adversely affects our future sales and limits our growth prospects. Our business depends upon continued federal, state, and local government expenditures on certain **Specialty Vehicles of our Commercial and Fire & Emergency** products. These expenditures have not remained constant over time. Current government spending levels on programs that we support may not be sustainable as a result of changes in government leadership, policies or priorities. A significant portion of our sales are subject to risks specific to doing business with the U. S. government and municipalities, including, but not limited to: • budgetary constraints or fluctuations affecting government spending generally, or specific departments or agencies in particular, and changes in fiscal policies or a reduction of available funding; • changes in government programs or requirements; • realignment of funds to government priorities that we do not serve; • government shutdowns (such as those which occurred in 1995- 1996, in 2013 and in late 2018 through early 2019, and related to the COVID- 19 pandemic) and other potential delays in government appropriations processes; • delays in the payment of our invoices by government authorities; • adoption of new laws or regulations and our ability to meet specified performance thresholds; and • general economic conditions. These or other factors could cause government agencies and departments to delay or reduce their purchases or deliveries under contracts, exercise their right to terminate contracts, or not exercise options to renew contracts, any of which could cause us to lose sales. A significant decline in overall government spending or a shift in expenditures away from agencies or programs that we support could cause a material decline in our sales and harm our financial results. Fuel shortages, or high prices for fuel, could have a negative effect on sales of our products. Gasoline or diesel fuel is required for the operation of most of our vehicles and we cannot **provide assure assurance you** that the supply of these petroleum products will continue uninterrupted or that the price of or tax on these petroleum products will not significantly increase. High fuel costs generally drive greater demand for better fuel economy and substantial increases in the price of fuel have had a material adverse effect on the specialty vehicle industry as a whole in the past and could have a material adverse effect on our business in the future. Fluctuations in fuel prices have also historically negatively impacted consumer confidence **and increased customer preferences for alternative fuel vehicles, only some of which we produce**. Increased public and shareholder attention to environmental, social and governance matters may expose us to negative public perception, impose additional costs on our business or impact our stock price. Recently, more attention is being directed towards publicly- traded companies regarding environmental, social and governance (“ ESG ”) matters. A failure, or perceived failure, to achieve stated goals, respond to regulatory requirements or meet investor or customer expectations related to ESG concerns could cause harm to our business and reputation. For example, **the majority of** our RV products are powered by gasoline and diesel engines or are required to be towed or carried by gasoline or diesel- powered vehicles. Government, media or activist pressure to limit emissions could negatively impact consumers’ perceptions of our products which could have a material adverse effect on our business, and the actions taken by governments and other actors to reduce emissions could impose costs that could materially affect our results of operation and financial condition. Additionally, while we strive to create an inclusive culture and a diverse workforce, management team and board of directors where everyone feels valued and respected, a failure, or perceived failure, to properly address inclusivity and diversity matters could result in reputational harm, reduced sales or an inability to attract and retain a talented workforce. Organizations that provide information to investors on corporate governance and other matters have developed rating systems for evaluating companies on their approach to ESG. Unfavorable ESG ratings and related reporting requirements may lead to negative investor sentiment which could have a negative impact on our stock price. **Our business is both** ~~Some of the markets in which we compete are~~ **cyclical and seasonal**, which results in fluctuations in sales and results of operations. We have experienced, and expect to continue to experience, variability in sales, production and net income, including historically as a result of **seasonality cycles of growth and contraction** in **consumer demand in** our ~~Recreation~~ **Recreational Vehicles** segment. ~~Certain of our other products, such as school buses, have also historically been, and are expected to continue to be, seasonal.~~ This **seasonality cyclicality** has an impact on the comparability of our quarterly results. Moreover, weak macroeconomic conditions can adversely affect demand for certain of our products and lead to an overall aging of product fleets beyond a typical replacement cycle. During economic downturns that would result in lower demand of our vehicles, we may find it necessary to reduce production line rates and employee headcount. An economic downturn may reduce, and in the past has reduced, demand in **all both** of our segments, resulting in lower sales volumes, lower prices and decreased operating profits or losses. Additionally, our business is subject to seasonal and other fluctuations. In particular, we have historically experienced higher sales during the third quarter and fourth quarter versus the first quarter and second quarter during each fiscal year. This seasonality is caused primarily by ~~school districts ordering more school buses prior to the beginning of a school year,~~ the consumer buying habits for RVs, municipal spending and budget cycles, the impact of travel and construction in the summer months, as well as how certain seasonal months aggregate into our fiscal quarters which are different than calendar quarters. For example, our first fiscal quarter has less working days to complete and ship units due to the number of holidays and related vacation taken by employees. Dealer demand and buying patterns may also impact the timing of shipments from one quarter to another. In addition, severe weather conditions in some geographic areas may delay the timing of shipments from one quarter to another. Consequently, the results for any annual or quarterly prior period may not be indicative of results for any future annual or quarterly period. Intellectual property risks or failure to maintain the strength and value of our brands may adversely affect our business and may dilute our competitive advantage. Our brands are integral to our business as well as to the implementation of our strategies for expanding our business, and we rely on proprietary intellectual property, including numerous registered trademarks, as well as

licensed intellectual property for the manufacture and competitiveness of our products. However, we may be unable to prevent third parties from using our intellectual property without our authorization. To the extent we cannot protect our intellectual property, unauthorized use and misuse of our intellectual property could cause significant damage to our ~~brand~~ **brands name** and reputation, interfere with our ability to effectively represent our Company to our customers, contractors, suppliers and / or licensees and increase litigation costs, which could harm our competitive position and have a material adverse effect on our business, financial condition and results of operations. In addition, a claim or finding that we are infringing on the intellectual property of others could require changes to our products, negatively impact our operations, harm our reputation or otherwise have a material adverse effect on our business, financial condition or results of operations. Maintaining, enhancing, promoting and positioning our brands, particularly in new markets where we have limited brand recognition, will depend largely on the success of our marketing and merchandising efforts and our ability to provide high- quality services, warranty plans, products and resources and a consistent, high- quality customer experience. Our brands could be adversely affected if we fail to achieve these objectives, if we fail to comply with laws and regulations, if we are subject to publicized litigation or if our public image or reputation were to be tarnished by negative publicity. Some of these risks may be beyond our ability to control, such as the effects of negative publicity regarding our suppliers or third- party providers of services or negative publicity related to members of management. Any of these events could hurt our image, resulting in reduced demand for our products and a decrease in net sales. Further, maintaining, enhancing, promoting and positioning our brands' images may require us to make substantial investments in marketing and employee training, which could adversely affect our cash flow, and which may ultimately be unsuccessful. These factors could have a material adverse effect on our business, financial condition and results of operations. Changes in customer preferences for our products or our failure to gauge those preferences could lead to reduced sales and additional costs. Our ability to remain competitive depends heavily on our ability to provide a continuing and timely introduction of innovative product offerings. We cannot be certain that historical customer preferences for our products will remain unchanged. For example, most of our vehicles require gasoline or diesel fuel, which have historically experienced sharp price increases, that in turn increase demand for vehicles with better fuel economy. In addition, there is growing customer and regulatory preferences for alternative fuel vehicles. We believe that the introduction of new product features, designs and models will be critical to the future success of our operations as technological advancements are made and alternative fuels are developed. However, we may not be able to meet customer demands, including for alternative energy vehicles, or competitors may better meet those demands or be able to do so at a lower cost. To successfully execute our long- term strategy, we must continue to develop new product lines and adapt our existing product lines to consumer preferences, including product lines that have historically been outside of our core businesses, such as electric vehicles and other specialty vehicles that minimize emissions. The process of designing and developing new technology, products and services is complex, costly, and uncertain and requires extensive capital investment and the ability to retain and recruit talent. For example, many vehicle manufacturers foresee electric vehicle sales becoming an increasingly important to their businesses, and we may not have the expertise to successfully address these competitive pressures on a costly basis or at all. Accordingly, if we do not accurately predict, prepare for and respond to new kinds of technological innovations, market developments and changing customer needs, ~~including with respect to electric vehicles and other technologies that minimize emissions,~~ competition from ~~these~~ **other** companies could make our specialty vehicles less desirable in the marketplace. Managing frequent product introductions and transitions poses inherent risks and additional costs. Delays in the introduction or market acceptance of new product features, designs or models could have a material adverse effect on our business. Products may not be accepted for a number of reasons, including changes in customer preferences or our failure to properly gauge customer preferences. Further, we cannot be certain that new product introductions will not reduce sales from existing models and adversely affect our results of operations. In addition, we cannot ~~provide assurance~~ **assure you** that any of these new product features, designs or models will be introduced to the market in a timely manner or that they will be successful when introduced. Any of the foregoing factors could have a material adverse effect on our business, financial condition and operating results. Risks Relating to Acquisitions and Divestitures If we are unable to ~~identify and~~ successfully ~~identify and~~ integrate acquisitions, our results of operations could be adversely affected. Acquisitions have been and ~~may~~ **are likely to** continue to be a significant component of our growth strategy. From time to time, we seek to identify and complete acquisitions ~~. Our historical acquisitions include KME in April 2016, Renegade in December 2016, Ferrara and Midwest in April 2017, Lance Camper in January 2018 and Spartan Emergency Response in February 2020.~~ We may continue making strategic acquisitions in the future. Our previous or future acquisitions and the related strategies may not be successful or may not generate the financial benefits that we expected we would achieve at the time of acquisition. In addition, there can be no assurance that we will be able to locate suitable acquisition candidates in the future or acquire them on acceptable terms or ~~, because of competition in the marketplace and limitations imposed by the agreements governing our indebtedness or the availability of capital,~~ that we will be able to finance future acquisitions. Acquisitions involve special risks, including, without limitation, the potential assumption of unanticipated liabilities and contingencies, difficulty in assimilating the operations and personnel of the acquired businesses, disruption of our existing business, dissipation of our limited management resources and impairment of relationships with employees and customers of the acquired business as a result of changes in ownership. While we believe that strategic acquisitions can improve our competitiveness and profitability, these activities could have a material adverse effect on our business, financial condition and operating results. We may incur significant costs such as transaction fees, professional service fees and other costs related to future acquisitions. We may also incur integration costs following the completion of any such acquisitions as we integrate the acquired business with the rest of our Company. Although we ~~generally~~ **generally** expect that the realization of efficiencies related to the integration of any acquired businesses will offset the incremental transaction and acquisition- related costs over time, this net financial benefit may not be achieved in the near term, or at all. Divestitures could negatively impact our business and retained liabilities from businesses that we sell could adversely affect our financial results. As part of our portfolio management process, we review our operations

for businesses which may no longer be aligned with our strategic initiatives and long- term objectives. We continue to review our portfolio and may pursue additional divestitures. From time to time, we engage in discussions with third parties about potential acquisitions and divestitures of one or more of our businesses that, if fully consummated, could result in the divestiture of a material amount of assets and contribution to our results of operations. Divestitures pose risks and challenges that could negatively impact our business, including disputes with buyers or potential impairment charges. For example, ~~when if~~ we decide to sell a business, we may be unable to do so on our terms and within our anticipated time- frame, and even after reaching a definitive agreement to sell a business, the sale may be subject to satisfaction of pre- closing conditions, which may not be satisfied, as well as regulatory and governmental approvals, which may prevent us from completing a transaction on acceptable terms. Further, transaction terms typically include representations and warranties by the seller that are supported by indemnification obligations, and breaches could require us to indemnify the buyer for certain losses which could result in adverse impact on the expected financial benefit we expected from the divestiture transaction. If we do not realize the expected benefits of any divestiture transaction, our consolidated balance sheets, results of operations and cash flows could be negatively impacted. Risks Relating to Our Indebtedness, Contingent Obligations, Liquidity and Financial Position Our business has meaningful working capital requirements and a decline in operating results or access to financing may have an adverse impact on our liquidity position. Our business has meaningful working capital requirements. We had \$ ~~150-85.0~~ million of long- term debt outstanding as of October 31, ~~2023-2024~~. Our ability to make required payments of principal and interest on our debt will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, political and other factors, some of which are beyond our control. Accordingly, conditions could arise that could limit our ability to generate sufficient cash flows or to access borrowings to enable us to fund our liquidity needs, which could further limit our financial flexibility or impair our ability to obtain alternative financing sufficient to repay our debt at maturity. We believe that our cash on hand, together with funds generated by our operations and borrowings under our existing credit facilities, will provide us with sufficient liquidity and capital resources to meet our working capital, capital expenditures and other operating needs for the foreseeable future. Significant assumptions underlie this belief however, including, among other things, assumptions relating to future sales volumes, the successful implementation of our business strategies, the continuing availability of trade credit from certain key suppliers and that there will be no material adverse developments in our competitive market position, business, liquidity or capital requirements. Any failure to achieve earnings expectations may have an adverse impact on our available liquidity. As a result, we cannot ~~provide assure assurance you~~ that we will continue to have sufficient liquidity to meet our operating needs. In the event that we do not have sufficient liquidity, we may be required to seek additional capital, reduce or cut back our operating activities, capital expenditures or otherwise alter our business strategy. If we obtain additional capital by issuing equity, the interests of our existing stockholders will be diluted. If we incur additional debt, the agreements governing that debt may contain significant financial and other covenants that may materially restrict our operations. We cannot assure you that we could obtain refinancing or additional financing on favorable terms or at all. We have meaningful contingent obligations, which could negatively impact our results of operations. We have meaningful contingent liabilities with respect to certain items that, if realized, could have a material adverse effect on our business, financial condition and operating results. In particular, we obtain certain vehicle chassis from automobile manufacturers under converter pool agreements. Upon being put into production, we become obligated to pay the manufacturer for the chassis. Chassis are typically converted and delivered to customers within 90 to 120 days of receipt. If the chassis are not converted within this timeframe of delivery, we generally purchase the chassis and record it as inventory or we are obligated to begin paying an interest charge on this inventory until purchased. **We also obtain vehicle chassis directly from our customers in connection with specific vehicle orders. These vehicle chassis are stored at the Company's various production facilities until the related value- added work is completed and the finished unit is shipped back to the customer. The customer does not transfer the vehicle chassis certificate of origin to the Company. If damage or theft were to occur to these chassis, we would be responsible for related costs incurred to repair or replace the customer- provided chassis.** Further, in connection with dealers' wholesale floor- plan vehicle financing programs, we enter into repurchase agreements with certain lending institutions, customary in the industries in which we operate, which may require us to repurchase previously sold vehicles. Although our exposure under these agreements is limited by the expected resale value of the inventory we may repurchase, we may receive less than anticipated on such resale and ~~would could~~ collect payment on such resale later than originally expected. Additionally, we are party to multiple agreements whereby we guarantee indebtedness of others, including losses under loss pool agreements. Also, the Company is contingently liable under bid, performance and specialty bonds issued by the Company' s surety companies and has open standby letters of credit issued by the Company' s banks in favor of third parties. While we do not expect to experience material losses under these agreements, we cannot provide any assurance that these contingent liabilities will not be realized. ~~See Note 17 to our 2023 audited consolidated financial statements appearing elsewhere in this Annual Report on Form 10- K for additional discussion of these contingent liabilities.~~ Our 2021 Asset- based Lending Facility (" 2021 ABL Facility ") contains, and agreements governing future indebtedness may contain, restrictive covenants that may impair our ability to access sufficient capital and operate our business. Our 2021 ABL Facility contains various provisions that limit our ability (subject to a number of exceptions) to, among other things: • incur additional indebtedness; • incur certain liens; • consolidate or merge with other parties; • alter the business conducted by us and our subsidiaries; • make investments, loans, advances, guarantees and acquisitions; • sell, lease or transfer assets, including capital stock of our subsidiaries; • enter into certain sale and leaseback transactions; • pay dividends on capital stock or issue, redeem, repurchase or retire capital stock; • repay any subordinated indebtedness we may issue in the future; • agree in other documents to negative pledges that limit our ability to grant liens; • amend the terms of certain unsecured or subordinated debt; • engage in transactions with affiliates; and • enter into agreements restricting our subsidiaries' ability to pay dividends. In addition, the restrictive covenants in our 2021 ABL Facility require us to maintain specified financial ratios and other business or financial conditions. ~~See " Item 7. Management' s Discussion and~~

~~Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—2021 ABL Facility” and “Description of Certain Indebtedness.”~~ Our ability to comply with these financial ratios or other covenants may be affected by events beyond our control, and our failure to comply with these ratios or other covenants could result in an event of default. These covenants may affect our ability to operate and finance our business as we deem appropriate. Our inability to meet obligations as they become due or to comply with various financial covenants contained in the instruments governing our current or future indebtedness could constitute an event of default under the instruments governing our indebtedness. If there were an event of default under our 2021 ABL Facility, or any future instruments governing our indebtedness, the holders of the affected indebtedness could declare all of the affected indebtedness immediately due and payable, which, in turn, could cause the acceleration of the maturity of all of our other indebtedness. We may not have sufficient funds available, or we may not have access to sufficient capital from other sources, to repay any accelerated debt. Even if we could obtain additional financing, the terms of the financing may not be favorable to us. In addition, substantially all of our assets are subject to liens securing our 2021 ABL Facility. If amounts outstanding under our 2021 ABL Facility were accelerated, our lenders could foreclose on these liens, and we could lose substantially all of our assets. Any event of default under the instruments governing our indebtedness could have a material adverse effect on our business, financial condition and results of operations. If we are required to write down goodwill or other intangible assets, our financial condition and operating results would be negatively affected. We have a substantial amount of goodwill and other finite and indefinite-lived intangible assets on our balance sheet as a result of acquisitions we have completed. If we determine goodwill and other intangible assets are impaired, we will be required to write down all or a portion of these assets. Any write-downs would have a negative effect on our results of operations. The method to compute the amount of impairment incorporates quantitative data and qualitative criteria including new information and highly subjective judgments that can dramatically change the determination of the valuation of goodwill and an intangible asset in a very short period of time. These determinations are sensitive to minor changes in underlying assumptions as management’s assumptions change with more information becoming available. The timing and amount of realized losses reported in earnings could vary if management’s conclusions were different. Any resulting impairment loss could have a material adverse effect on our results of operations for any particular quarterly or annual period. We ~~may not~~ cannot assure you that we will continue to declare dividends or have sufficient funds to pay dividends on our common stock. Future dividends on shares of common stock will be at the sole discretion of our Board of Directors ~~and we~~. We may reduce or discontinue entirely the payment of such dividends at any time. Our Board of Directors may take into account general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders or by our subsidiaries to us, and such other factors as our Board of Directors may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness we or our subsidiaries incur, including under the 2021 ABL Facility. Moreover, because we are a holding company, our ability to pay dividends is dependent upon the financial results and cash flow of our operating subsidiaries and the distribution or other payment of cash to us in the form of dividends or otherwise, which may further restrict our ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness we or our subsidiaries incur. Furthermore, Delaware law requires that our Board of Directors determine that we have adequate surplus ~~capital~~ prior to the declaration of dividends. While we do not currently believe that these restrictions will impair our ability to pay regular quarterly cash dividends, there can be no assurance that we will not need to reduce or eliminate the payment of dividends on our common stock in the future. ~~Therefore, any return on investment in our common stock may be solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur. See “Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy” for more detail.~~ Risks Related to Legal, Regulatory and Compliance Matters Our business is subject to numerous laws and regulations. We are subject to numerous federal, state and local regulations governing the manufacture and sale of our products, including the provisions of the National Traffic and Motor Vehicle Safety Act (“NTMVSA”) and the safety standards for vehicles and components which have been promulgated under the NTMVSA by the Department of Transportation. The NTMVSA authorizes the National Highway Traffic Safety Administration to require a manufacturer to recall and repair vehicles which contain certain hazards or defects. Sales into foreign countries may be subject to similar regulations. ~~School buses are also subject to heightened safety standards in many jurisdictions.~~ Any recalls of our vehicles, voluntary or involuntary, could have a material adverse effect on our reputation and our business and operating results. In addition, we face an inherent risk of exposure to product liability claims if our products or their use results, or is alleged to result, in personal injury and / or property damage. If we manufacture, or are alleged to have manufactured, a defective product or if component failures result in damages, we may experience material product liability losses in the future. In addition, we may incur significant costs to defend product liability claims and reputational damage from such claims, even if we are ultimately successful in defending them. We are also subject to potential recalls of our products to cure manufacturing defects or in the event of a failure to comply with customers’ order specifications or applicable regulatory standards, and may have to conduct recalls of our products due to defects in components or parts manufactured by suppliers which we purchase and incorporate into our products. We may also be required to remedy or retrofit vehicles in the event that an order is not built to a customer’s specifications or where a design error has been made or other problems arise. The cost and impact to our reputation of significant retrofit and remediation events or product recalls could have a material adverse effect on our business and operating results. We are also subject to federal, state and foreign consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles, including so-called “lemon laws.” In addition, certain laws and regulations affect other areas of our operations, including, labor, advertising, consumer protection, real estate, promotions, quality of services, intellectual property, tax, import and export duties, tariffs, anti-corruption ~~and~~, anti-competitive conduct ~~and regulations relating to the sale to government entities~~.

Compliance with these laws and others may be onerous and costly, at times, and may vary from jurisdiction to jurisdiction which further complicates compliance efforts. Violations of these laws and regulations could lead to significant penalties, including restraints on our export or import privileges, monetary fines, criminal proceedings and regulatory or other actions that could materially adversely affect our results of operations. We have instituted various and comprehensive policies and procedures designed to ensure compliance. However, we cannot assure that employees, contractors, vendors or our agents will not violate such laws and regulations or our policies and procedures. Lastly, while our non- U. S. operations are limited, we are subject to various anti- corruption laws that prohibit improper payments or offers of payments to foreign governments and their officials for the purpose of obtaining or retaining business. Our activities in less developed countries with potentially more corrupt business environments create the risk of unauthorized payments or offers of payments by one of our employees or agents that could be in violation of various anti- corruption laws including the Foreign Corrupt Practices Act (“FCPA”) and the U. K. Bribery Act. We have implemented safeguards and policies to discourage these practices by our employees, dealers and agents. However, our existing safeguards and any future improvements may prove to be less than effective, and our employees or agents may engage in conduct for which we might be held responsible. Violations of the FCPA, U. K. Bribery Act, other anti- corruption laws, export controls or economic sanctions laws may result in severe criminal or civil sanctions and penalties, and we may be subject to other liabilities which could have a material adverse effect on our business, results of operations and financial condition. Our operations, products, and the industries in which we operate are subject to environmental, health and safety laws and regulations, and we may face significant costs or liabilities associated with environmental, health and safety matters. Our operations are subject to a variety of federal, state, local and foreign environmental and workers’ health and safety laws and regulations concerning, among other things, water and air discharges, noise pollution, solid and hazardous waste generation, management and disposal, remediation of releases of hazardous materials, employee health and safety, and engine fuel economy and emissions from the vehicles we manufacture. Environmental, health and safety laws and regulations continue to evolve, and we may become subject to increasingly stringent environmental standards in the future, which could increase costs of compliance or require us to manufacture with alternative technologies and materials. We are required to obtain and maintain environmental, health and safety permits and approvals for our facilities and operations. Our failure to comply with such laws, regulations, permits and approvals could result in a negative impact on our operations, subject us to increased employee healthcare and workers’ compensation costs, liabilities, fines and other penalties or compliance costs, and could otherwise have a material adverse effect on our business, financial condition and operating results. Environmental remediation laws such as the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) and state analogues impose liability, without regard to fault or to the legality of a party’s conduct, on certain categories of persons (known as “potentially responsible parties” or “PRPs”) who are considered to have contributed to the release of “hazardous substances” into the environment. Although we are not currently incurring material liabilities pursuant to CERCLA or state analogues, in the future we may incur such material liabilities with regard to our (or our predecessors’) current or former facilities, adjacent or nearby third- party facilities, or off- site disposal locations. Product compliance laws and regulations impose a variety of environmental requirements, including emissions and performance standards, on the vehicles we manufacture. These laws and regulations govern vehicle fuel efficiency, emissions (including greenhouse gas emissions), noise and safety, and are expected to continue to add to the cost of our products and increase the engineering and product development programs of our business. For example, the EPA began to enforce limits on diesel exhaust emissions, initially restricted to nonroad diesel engines in 1996, and stationary diesel- engine generator sets in 2006. Implemented in a series of steps called Tier levels, these regulations, over time, have introduced successively more stringent limitations on nitrogen oxides (NOx), carbon monoxide (CO), particulate matter (PM) and non- methane hydrocarbons (NMHC). The current “Tier 4” regulations promulgated under the Clean Air Act have imposed increasingly stringent motor vehicle emissions standards on our diesel exhaust emissions beginning with the 2011 model year. In addition, in August 2011, the EPA and the National Highway Traffic Safety Administration (“NHTSA”) issued initial rules on GHG emissions and fuel economy for medium and heavy- duty vehicles and engines. The emissions standards established required minimum fuel economy and GHG emissions levels for both engines and vehicles beginning in model year 2014 primarily through the increased use of existing technology. In August 2016, the EPA and the NHTSA finalized a second phase of GHG emissions reductions to be implemented over time beginning in model year 2022-2021 through model year 2027 (with standards for certain trailers beginning in model year 2018). **The EPA also finalized a NOx reduction standard to be implemented in model year 2027 and a third phase of GHG emissions reductions to be implemented over time beginning in model year 2027 and later. These new EPA standards set lower standards for NOx, More more stringent standards for fuel economy (CO2), and longer emission related warranty requirements. California and certain other states including Oregon, Washington, New York, New Jersey and Massachusetts have issued a number of stringent emissions standards in recent years, have been issued by California and certain other states as well as restrictions that could limit our ability to sell recreational vehicles built on certain chassis in those states.** These standards, as well as other federal and state emissions and other standards applicable to the vehicles we manufacture, have increased and will continue to increase costs of development for engines and vehicles and administrative costs arising from implementation of the standards, and have impacted in recent years and may continue to impact the cost or availability of certain chassis used in our products. In addition, regulatory proposals under consideration or those that are proposed in the future may set standards that are difficult to achieve or adversely affect our results of operations due to increased research, development, and/or warranty costs or otherwise. We are subject to litigation in the ordinary course of business, and uninsured judgments, settlements or other costs, or a rise in insurance premiums may adversely impact our results of operations. In the ordinary course of business, we are subject to various claims and litigation. Any such claims, whether with or without merit, could be time- consuming and expensive to defend, could divert management’s attention and resources, could result in reputational damage to the company Company, could result in significant damages or other costs, and could otherwise have a material adverse effect on our business, financial condition and

results of operations. Some of our businesses have in the past and may in the future face claims and litigation regarding accidents involving their products, including accidents involving passenger-injuries and deaths, and the increasing amount of our vehicles on the road may increase our exposure to such matters. In accordance with customary practice, we maintain insurance against some, but not all, of these potential claims. We may elect not to obtain insurance if we believe that the cost of available insurance is excessive relative to the risks presented. The levels of insurance we maintain may not be adequate to fully cover any and all losses or liabilities. Further, we may not be able to maintain insurance at commercially acceptable premium levels or at all. For product liability claims arising in recent policy years, we have a self-insured retention (“SIR”). Amounts above this SIR, up to a certain dollar amount, are covered by our excess insurance policy. Currently, we maintain this excess liability insurance with outside insurance carriers to minimize our risks related to catastrophic claims in excess of our self-insured positions for product liability and personal injury matters. Any material change in the aforementioned factors could have an adverse impact on our operating results. Any increase in the frequency and size of these claims, as compared to our experience in prior years, may cause the premium that we are required to pay for insurance to increase significantly and may negatively impact future SIR levels. In addition, it is possible that we may be found liable for punitive damages, which may not be covered by our insurance. If any significant accident, judgment, claim or other event is not fully insured or indemnified against, then in either case that could have a material adverse impact on our business, financial condition and results of operations. We cannot assure that the outcome of all current or future litigation will not have a material adverse impact on our business and-or results of operations. Changes to tax laws or exposure to additional tax liabilities may have a negative impact on our operating results. Changes in U. S. federal and state tax laws and rates could adversely affect our results of operations and cash flows. It is also possible that changes in overall profitability, changes in generally accepted accounting principles in the United States (“U. S. GAAP”), or changes in the valuation of deferred tax assets could adversely affect our future results of operations. In addition, we regularly undergo tax audits in various jurisdictions in which we operate. Although we believe that our income tax provisions and accruals are reasonable and in accordance with U. S. GAAP, and that we prepare our tax filings in accordance with all applicable tax laws, the final determination with respect to any tax audits and any related litigation, could be materially different from our historical income tax provisions and accruals. The results of a tax audit or litigation could materially affect our operating results and cash flows in the periods for which that determination is made. In addition, future period net income may be adversely impacted by litigation costs, settlements, penalties and interest assessments. Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price. We are required to make an annual assessment of our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, and generally requires in the same report a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. As a public company, we must and do in fact undertake various actions, such as implementing internal controls and procedures and hiring accounting staff and internal auditors. ~~Testing and maintaining internal controls can divert our management’s attention from other matters that are important to the operation of our business.~~ Our independent registered public accounting firm is required to formally attest to the effectiveness of our internal controls over financial reporting. Our independent registered public accounting firm may issue a report that is adverse, in the event it is not satisfied with the level at which our controls are documented, designed or operating. If we are unable to conclude that we have effective internal control over financial reporting, our independent registered public accounting firm is unable to provide us with an unqualified report as required by Section 404, or we are required to restate our financial statements, we may fail to meet our public reporting obligations and investors could lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock. Our risk management policies and procedures may not be fully effective in achieving their purposes. Our policies, procedures, controls and oversight to monitor and manage our enterprise risks may not be fully effective in achieving their purpose and may leave us exposed to identified or unidentified risks. Past or future misconduct by our employees or vendors could result in violations of law, regulatory sanctions and / or serious reputational harm or financial harm. We monitor our policies, procedures and controls; however, we cannot provide assure assurance you that our policies, procedures and controls will be sufficient to prevent all forms of misconduct. We review our compensation policies and practices as part of our risk management program, but it is possible that our compensation policies could incentivize management and other employees to subject us to inappropriate risk or to engage in misconduct. If such inappropriate risks or misconduct occurs, it is possible that it could have a material adverse effect on our results of operations and / or our financial condition. ~~Risks Relating to Our Largest Shareholder AIP is party to the Shareholders Agreement (as defined below) and has significant influence over us, including control over decisions that require the approval of stockholders, which could limit your ability to influence the outcome of matters submitted to stockholders for a vote. As of October 31, 2023, AIP owned 27,562,505 shares of our common stock, which represents approximately 46.3% of our total outstanding shares of common stock. AIP is also party to an amended and restated shareholders agreement (the “Shareholders Agreement”) that, among other things, imposes certain transfer restrictions on the shares held by such stockholders and requires such stockholders to vote in favor of certain nominees to our Board of Directors. For a discussion of the Shareholders Agreement, see “Item 13. Certain Relationships and Related Person Transactions, and Director Independence.” In addition, pursuant to the Shareholders Agreement, AIP has the following rights so long as it holds at least 15% of the then outstanding common stock: • to nominate the greater of five members of our Board of Directors or a majority of directors; • to designate the Chairman of our Board of Directors and one member to each of the audit committee, the compensation committee and the nominating and corporate governance committee; • to approve the commencement of any proceeding for the voluntary dissolution, winding up or bankruptcy of us or any material subsidiary; • to approve any non-pro rata reduction to the share capital of us or any material subsidiary, except as required by law; • to approve amendments to the amended and restated certificate of incorporation and amended and restated bylaws that would change our name, our jurisdiction~~

of incorporation, the location of our principal executive offices, the purpose or purposes for which we are incorporated or the approval requirements as provided in the Shareholders Agreement; • to approve special dividends greater than \$ 10 million; • to approve any merger, amalgamation or consolidation of us or the spinoff of a business of ours with assets in excess of 15 % of the consolidated assets or revenues of us and our subsidiaries; • the sale, conveyance, transfer or other disposition of all or more than 15 % of the consolidated assets or revenues of us and our subsidiaries; and • any designation to the Board of Directors contrary to the Shareholders Agreement or the amended and restated certificate of incorporation and amended and restated bylaws. See “ Item 13. Certain Relationships and Related Party Transactions, and Director Independence ” for more detail. Lastly, AIP’s interests as an equity holder may not be aligned in all cases with those of other equity investors, or of our lenders as creditors. In addition, AIP may have an interest in pursuing or not pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, even though such transactions might be contrary to the wishes of other equity investors or involve risks to our lenders. Furthermore, AIP may in the future own businesses that directly or indirectly compete with us. AIP may also pursue acquisition opportunities that may be complementary to our business separately from us and, as a result, those acquisition opportunities may not be available to us.