

Risk Factors Comparison 2024-09-24 to 2023-09-25 Form: 10-K

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The following risk factors should be considered carefully in addition to the other information contained in this filing. The risks and uncertainties described below are not the only ones we face and represent risks that our management believes are **currently** material to our Company and our business. Additional risks and uncertainties not presently known to us or that we currently deem not material may also harm our business. If any of the following risks actually occur, our business, financial condition or results of operations could be harmed. MACROECONOMIC, MARKET AND STRATEGIC RISKS RV industry sales volumes can be volatile as the industry is both cyclical and seasonal, making our business subject to significant fluctuations in production rates, sales, net income and stock price. The RV industry has historically been characterized by cycles of growth and contraction in consumer demand, generally reflecting prevailing economic and demographic conditions which affect disposable income for leisure- time activities. Changes can impact the RV industry suddenly and severely. Consequently, the results of any prior period may not be indicative of results for any future period. In addition to the RV industry cyclicality, we have experienced, and expect to experience in future periods, significant variability in quarterly production rates, sales and net income as a result of annual seasonality in our business. Because recreational vehicles are used primarily by vacationers and campers, demand, sales and profits in the RV industry generally decline during the fall and winter months, while demand, sales and profits are generally highest during the spring and summer months. Various factors such as ~~public health issues~~, constraints in the labor pool, supply chain disruptions, economic conditions and desired dealer stocking levels have disrupted, and may disrupt in the future, the historical trends in the seasonality of our business in both North America and Europe. Our business is structured to quickly align production rates and cost structure to meet rapidly changing market conditions. However, if we are unable to ramp production, and the corresponding workforce, up or down quickly enough in response to rapid changes in demand, we may not be able to effectively manage our costs, which could negatively impact operating results, and we may also lose sales and market share. The stock market, in general, experiences volatility that has often been unrelated to the underlying operating performance of companies. Likewise, at various points in our history, our stock price has experienced volatility that has not been correlated to our operating results. If this volatility were to occur in the future, the trading price of our common stock could decline significantly, independent of our actual operating performance. The market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including, among other things, the following: • Development of new products and features by our competitors; • Development of new collaborative arrangements by us, our competitors or other parties; • Actual or anticipated changes in government regulations applicable to our business in the various jurisdictions in which we operate; • Changes in investor perception of our business and / or management; • Changes in global economic conditions or general market conditions in our industry; • Changes in interest rates and credit availability and their impact on our industry; • Changes in market expectations of our future growth and profitability; • **Future Occurrence of disruptive or catastrophic** ~~health crisis developments, including the imposition of various governmental mandates;~~ • ~~Occurrence of disruptive or catastrophic~~ economic or political events; and • Sales of our common stock held by certain equity investors or members of management. The Company's stock price may also reflect expectations regarding our stock repurchase activity and our dividend rate. If we fail to meet expectations related to future growth, profitability, dividends, share repurchases or other market expectations, analysts or investors could change their opinions and / or recommendations regarding our stock and our stock price may decline, which could have a material adverse impact on investor confidence. With our global footprint, our business could be adversely affected by macroeconomic and geopolitical developments ~~as well as actual or~~ **other events** ~~potential public health emergencies~~. Due to the interconnectedness of the global economy, the challenges of a financial crisis, economic downturn or recession, natural disaster, war, geopolitical crisis, public health emergency or other significant event in one area of the world can have a sudden material adverse impact on markets around the world. RV industry sales volume in our key markets can be volatile and could decline if there is a financial crisis, recession or significant geopolitical event. Our results of operations are generally sensitive to changes in overall economic and political conditions, including recessionary conditions, inflationary or deflationary pressures, prolonged high unemployment rates, significant changes in the cost and / or availability of fuel or energy, low consumer confidence, higher interest rates, restrictions and / or shortages of natural gas or other fuels, terrorism and military conflicts. Historically, we have seen that in times of economic uncertainty, consumers who have less discretionary income generally defer spending on high- cost, discretionary products, such as RVs. ~~Although the RV industry recently~~ **Recently** ~~experienced increased sales and operating results as a result of the unique consumer demand for recreational vehicles associated with the COVID-19 pandemic, more recently~~ we have seen demand for RVs decrease, **particularly in North America**, amid high inflation, rising interest rates, political uncertainty and numerous other macroeconomic indices which have generally worsened in the regions in which we operate. ~~If~~ ~~In the event of future~~ ~~economic~~ ~~and~~ ~~political~~ ~~conditions~~ **worsen** ~~or health crises, we may experience an~~ ~~and~~ ~~adverse effect on~~ **RV sales decline**, our **operating results and** financial condition **would be negatively affected** ~~and on our operational performance~~. The industry in which we operate is highly competitive both in North America and in Europe and our requirements as a public company may put us at a competitive disadvantage. The RV industry is generally characterized by relatively low barriers to entry, which results in a highly competitive business environment. According to Stat Surveys and CIVD, respectively, there are approximately 80 RV manufacturers in the U. S. and Canada and approximately 30 RV manufacturers across Europe. Competition within the industry is based upon price, design, value, quality, service, brand awareness and reputation, as well as other factors. Competitive pressures have, from time to time, resulted in a reduction of our profit margins and / or a reduction in our market share. **In**

periods of economic downturn, these competitive pressures can increase as RV manufacturers compete for a share of a smaller RV market. Sustained increases in these competitive pressures could have a material adverse effect on our results of operations. In addition, as a public company, we are required to disclose certain information that may put us at a competitive disadvantage compared to certain of our competitors who are either non-public or are not required to disclose specific industry-related information due to the immateriality of that information to their parent company's consolidated operations. Due to the ~~robust~~ **anticipated long-term** interest in the RV lifestyle, a number of start-up companies in North America, and certain automotive manufacturers, in both North America and Europe, have ~~recently~~ entered the RV industry ~~with~~ **within** the ~~introduction of~~ **last few years and introduced** products that directly compete with our products. If existing or new competitors develop products that are superior to, are more innovative than, achieve better consumer acceptance than, or are offered at a lower net price to dealers than our products, our market share, sales volume and profit margins may be adversely affected. Not only does our Company compete against numerous existing RV manufacturers, but a number of our operating subsidiaries directly compete with each other. In addition to direct competition from other RV manufacturers, we also continuously compete against consumer demand for used recreational vehicles, particularly during periods of economic downturn. Increased availability of used recreational vehicles and significant price differences between new and used recreational vehicles, as a result of an economic downturn or otherwise, could have a material adverse effect on demand for our products and our results of operations. Finally, we also face competition from other consumer leisure, discretionary and vacation spending alternatives, such as cruises, vacation homes, timeshares, tent camping and other traditional vacations along with other recreational products like boats and motorcycles. Changes in actual or perceived value among these alternatives by consumers could impact our future sales volume and profitability. Our long-term success and competitiveness ~~depends~~ **depend** on the successful execution of our innovation initiatives. A key driver in our historical performance and growth has been our ability to maintain our strong brands and to continuously develop and introduce innovative new and improved products at a reasonable cost that are desired by consumers. Adoption of new technological advances and changing governmental regulatory mandates could result in changes **to product offerings and** in consumer preferences for recreational vehicles or the types of recreational vehicles consumers prefer. These changes could include shifts to smaller recreational vehicles, electric recreational vehicles, autonomous recreational vehicles, **connected recreational vehicles,** or other currently unanticipated changes. Our ~~long-term success~~ **ability to successfully maintain our market position or grow through investments in the areas of electrification, connectivity and competitiveness** ~~digital services~~ depends on **many factors** our ability to ~~timely, effectively~~ **including advancements in technology, regulatory changes, infrastructure development (e.g., a widespread vehicle charging network)** and accurately ~~other factors that are difficult to predict or identify and respond to changing consumer preferences, including an anticipated continued shift in consumer desire for connected recreational vehicles with a focus on ease of use and a high-quality customer experience.~~ To successfully execute our long-term strategy, we believe we must continue to develop and successfully market our existing products as well as new products, including lightweight motorized and towable recreational vehicles, electric recreational vehicles with sufficient user range capability and innovative services that enrich the end users' RV experience. Our initiatives to invest in the future of the RV industry, including automation of certain of our production processes and investments in new product and service innovation, are likely to be costly and may not be successful. The uncertainties associated with developing and introducing innovative new and improved products and services, such as gauging changing consumer demands and preferences and successfully developing, manufacturing, marketing and selling these products, may impact the success of our product introductions. Further, we cannot be certain that our new product introductions will not reduce revenues from existing models and adversely affect our results of operations. If the products we introduce do not gain widespread market acceptance, or if our competitors' new products obtain better market acceptance or render our products obsolete, we could lose sales or be required to reduce our prices, which could adversely impact our results of operations and financial position. In addition, there is no guarantee that our innovation or automation efforts will lead to products or services that will be introduced to market or that an initial product or service concept or design will result in a unit that generates sales in sufficient quantities and at high enough prices to be profitable.

OPERATIONAL RISKS We are highly dependent on our suppliers to deliver raw materials and component parts timely and in sufficient quantities to meet our production demands. We depend on timely and sufficient delivery of raw materials and component parts from our suppliers. If there is a shortage of raw materials or component parts in our supply chain or a supplier is unable to deliver raw materials and component parts to us because of ~~a production issue~~ **issues, labor constraints**, limited availability of materials, shipping problems or other ~~reason~~ **reasons**, the shortage may disrupt our operations or increase our cost of production. For example, **we have experienced supply shortages and delivery delays of non-chassis raw material components in Europe. This negatively impacted the efficiency of our production** in fiscal 2023-2024 ~~ongoing supply chain constraints and resulted in an elevated level of work in process inventory on component parts other than chassis, primarily within our European operations, had hand a compared to historical norms.~~ **Such conditions could reoccur in Europe in the future and could have** negative ~~impact~~ **impacts** on our business ~~net sales~~ and our consolidated financial results ~~due to not completing units on~~ and financial position, and we expect supply constraints of certain of these ~~the production line and carrying higher volumes~~ other components to continue through at least the first half of fiscal 2024 **incomplete units than historical norms**. Raw materials and component parts are generally sourced from a number of suppliers that may not have: (1) the ability to meet our needs timely or completely, (2) the financial reserves or borrowing power to successfully manage through an economic hardship or (3) the ability to financially support potential warranty or recall demands. Additionally, some of our suppliers have in the past discontinued, or could in the future discontinue, their business or the materials or component parts we currently acquire from them with little to no warning. If we are not adequately sourced for certain raw materials or key component parts, the discontinuation of even some smaller suppliers could have an adverse effect on our business. The North American and European RV industries have, from time to time in the past, experienced shortages of chassis for various ~~other~~ reasons, including component shortages, production delays, capacity

constraints, labor constraints and work stoppages at the chassis manufacturers. For example, from calendar year 2020 through 2023, a number of our North American and European chassis suppliers have experienced supply constraints of key components that they require **required** to manufacture chassis, including semiconductor chips, which limited their production of chassis. The reduced supply of chassis negatively impacted our production rates and sales of motorized RVs, particularly in Europe, during this period. In addition, within our European operations, unpredictable deliveries of chassis by the chassis manufacturers during this same period, **and in calendar 2024,** had a further negative impact on our results of operations due to missed sales **plus and / or** increased labor and overhead costs related to adjusting our own production schedules to accommodate the chassis received versus the chassis expected to be delivered. Such conditions could reoccur in the future and would have a negative impact on our results of operations. **Government regulations aimed at reducing emissions and increasing fuel efficiency that impact our motorized chassis suppliers could negatively impact their production capacity and cost structure which could in turn negatively impact the supply of motorized chassis and / or result in increased input costs for our products. Government regulations could also accelerate the transition to electric vehicles, which may impact our product offerings and increase the cost of motorized chassis. Such rise in cost could outweigh the perceived benefits to consumers, negatively affecting our sales mix and pricing, resulting in decreased sales and / or margins.** In addition, certain raw materials and component parts are sourced from countries where we do not currently have operations. We rely on the free flow of goods through open and operational ports on a consistent basis for a portion of our raw materials and components. Changes in trade policy and resulting tariffs that have or may be imposed, along with port, production or other delays, have, in the past, and could, in the future, cause increased costs for, or shortages of, certain raw materials and components. We may not be able to source alternative supplies as necessary without increased costs or at all. If alternative sources of these raw materials and components are not readily available, our sales and earnings could be negatively affected. Fluctuations in the prices of raw material and component parts may adversely affect our business. Raw material and component part prices have fluctuated significantly in the past and may continue to fluctuate considerably in the future. Competition and business conditions may limit the amount or timing of cost increases that can be passed on to our customers in the form of increased sales prices. Conversely, as raw material costs decline, we may not be able to maintain selling prices consistent with higher- cost raw materials in our inventory, which could adversely affect our operating results. We rely on a small number of suppliers for certain key components, including chassis, and we may not be able to source these key components from alternative suppliers. Certain key components are currently produced by only a small group of suppliers that have the capacity to supply large quantities, primarily: (1) motorized chassis, where there are a limited number of chassis suppliers, and (2) doors, towable frames, slide- out mechanisms, axles and upholstered furniture for our recreational vehicles, where LCI Industries is a major supplier for these items within the North American RV industry. Continued consolidation within our key component supplier base inhibits our ability to source components from alternative suppliers and could result in increased component costs and / or a lack of adequate supply, which in turn may result in decreased margins, higher wholesale product costs or limited production output, which could, ultimately, result in lower demand for our products, decreased sales and reduced operating results. **Our motorized chassis suppliers may need to substantially modify their product offerings to comply with regulations related to emissions, fuel economy, autonomous driving technology, environmental and other regulations which could result in increased costs and / or a lack of adequate motorized chassis supply to us, which in turn may result in higher wholesale product input costs and decreased margins, which would have an adverse impact on our financial condition or results of operations.** In addition, as is standard in the industry, our arrangements with chassis and other suppliers are generally terminable at any time either by us or by the supplier. If we cannot obtain an adequate supply of chassis, raw materials or other key components, this would result in a decrease in our sales and earnings. ~~We may incur material costs related to product~~ **Product** recalls, customer satisfaction actions and complying with our recall obligations for both our products and for component parts supplied by vendors **could adversely affect our financial condition and harm our reputation.** We provide warranties on the products we sell. These warranties vary depending on the type of product and geographic location of the sale; however, in general, our warranties promise, **within certain specified time periods following a retail sale,** that we will repair, replace or adjust parts on our products that are not performing within acceptable standards or tolerances. These warranties extend to some, but not all, of our vendor- supplied raw materials and component parts as well. Estimated warranty costs are accounted for at the time of product sale and adjusted on a quarterly basis to reflect our best estimate of the amounts necessary to settle existing and future claims on our products. An increase in actual warranty claim costs as compared to our estimates could result in increased warranty liabilities and expense which could have an adverse impact on our earnings. Government safety standards require manufacturers to remedy issues related to vehicle safety through safety recall campaigns, and we regularly engage in voluntary recalls when we determine our products may have a safety issue. Issues subject to recall include both materials and workmanship from our companies as well as component parts supplied by vendors. The cost of certain recall and customer satisfaction actions have been substantial in the past and future recalls or customer satisfaction actions to remedy issues in products that have been sold could also be substantial and could have a material adverse effect on our financial condition and results of operations. In addition, multiple recalls to address safety or significant operating concerns could erode consumer confidence in our brands **and adversely affect our reputation or the public perception and market acceptance of our products,** resulting in lower sales and an adverse impact on our business and results of operations. Although we maintain appropriate reserves for such recall contingencies, from time to time we have been and likely will again be faced with specific campaigns that result in material expense. To mitigate this risk, we endeavor to compel our suppliers to maintain appropriate levels of insurance coverage and agree to commercially reasonable indemnification requirements. Our efforts may not be successful and the failure of suppliers to maintain sufficient insurance coverage or provide meaningful indemnification protection could result in increased expense and adversely affect our financial condition and results of operations. Our business and results of operations may be harmed if the frequency and size of product liability or other claims against us increase. We are subject, in the ordinary course of business, to litigation involving product liability, consumer

protection and other claims against us. In North America, we generally self-insure a portion of our exposure to product liability and certain other claims and also purchase product liability coverage above our self-insured retention. In Europe, we generally fully insure similar risks with insurance offering relatively low deductibles and premiums. Not all risks we face are covered by insurance, nor can we be certain that our insurance coverage will be sufficient to cover all future claims against us. Any material change in the aforementioned factors could have an adverse impact on our operating results. Any increase in the frequency and / or size of claims, as compared to our experience in prior years, may cause the premiums that we are required to pay for insurance to increase significantly, may negatively impact future self-insured retention levels and may also increase the amounts we pay in punitive damages, not all of which are covered by our insurance policies. While we record, and adjust on a quarterly basis, reserves for known claims or possible claims to reflect our best estimate of the amount necessary to settle the claim, litigation is unpredictable by its nature and final adjudications may be materially worse than our estimate. The loss of our largest independent dealer or an increase in independent dealer consolidations could have a material negative effect on our business. Sales to FreedomRoads, LLC accounted for approximately ~~13-14~~ **14** % of our consolidated net sales for fiscal ~~2023~~ **2024**. During recent years, FreedomRoads, LLC has acquired a number of formerly independent RV dealerships. The leverage to negotiate better terms with us arising from FreedomRoads, LLC's acquisitions or the loss of independent dealers could have a material adverse effect on our business. In addition, deterioration in the liquidity or creditworthiness of FreedomRoads, LLC could negatively impact our sales and accounts receivable and could, in the event of a financing default, trigger repurchase obligations under our repurchase agreements, which would have a significant adverse effect on our liquidity and results of operations. Recently, a number of other U. S.- based independent dealers have acquired, and continue to acquire, formerly independent RV dealerships, resulting in further independent dealer concentration and improved negotiating leverage for these multi-location dealers. Continued consolidation in the U. S. independent dealer network could negatively impact our sales or gross margins and increase the concentration of our exposure under repurchase obligations related to **these** independent dealers. A material portion of our revenue is derived from sales of our products to international sources. Combined sales from the United States to foreign countries (predominately Canada) and sales from our foreign subsidiaries to countries other than the U. S. (predominately within the European Union) represented approximately ~~33-38~~ **38** ~~+4~~ % of THOR's consolidated sales for fiscal ~~2023~~ **2024**. Global political uncertainty poses risks of volatility in global markets, which could negatively affect our operations and financial results. Changes in U. S. policy regarding foreign trade or manufacturing may create negative sentiment about the U. S. among non- U. S. dealers, end customers, employees or prospective employees, all of which could adversely affect our business, sales, hiring and employee retention. Implications related to our non- U. S. sales have negatively impacted our financial operating results in the past and are likely to reoccur in the future at varying levels. These implications include foreign currency effects, tariffs, customs duties, inflation, difficulties in enforcing agreements and collecting receivables through foreign legal systems, compliance with international laws, treaties and regulations, unexpected changes in regulatory or tax environments, disruptions in supply or distribution, dependence on foreign personnel and various employee work agreements, foreign governmental action, as well as economic and social instability. In addition, there may be tax inefficiencies in repatriating cash from non- U. S. subsidiaries or unfavorable tax law changes. Our U. S.- based subsidiaries have expenses and sales denominated in U. S. dollars. Sales by our U. S.- based subsidiaries into the Canadian market are subject to currency risk as devaluation of the Canadian dollar versus the U. S. dollar may negatively impact U. S.- dollar denominated sales into Canada. Our European- based subsidiaries primarily have Euro- denominated expenses, sales and assets which are subject to changes in the Euro and U. S. dollar currency exchange rate. To offset a portion of this currency risk, the EHG acquisition was partially funded through a Euro- denominated Term Loan B, which provides an economic hedge. Fluctuations in foreign currency exchange rates in the future could have a material negative effect on our reported revenues and results of operations. Business acquisitions pose integration and other risks. Our growth has been achieved both organically and through acquisition. Business acquisitions, including joint ventures and other equity investment arrangements, pose a number of risks, including integration risks, that may result in negative consequences to our business, financial condition or results of operations. The pace and significance of acquisitions and the nature and extent of integration of acquired companies, assets, operations, joint venture arrangements and other equity investment arrangements involve a number of related risks including, but not limited to: • The diversion of management's attention from the management of existing operations to various transaction and integration activities; • The potential for disruption to existing operations and strategic plans; • The assimilation and retention of employees, including key employees; • Risks related to transacting business in geographies outside the U. S., including but not limited to: foreign currency exchange rate changes, expanded macroeconomic risks due to operations in and sales to a wide base of countries, political and regulatory exposures to a wide array of countries, varying employee / employer relationships, including the existence of ~~Works-works Councils-councils~~ **Works-works Councils-councils** and labor organizations and other challenges caused by distance, language and cultural differences, making it harder to do business in certain jurisdictions; • Risks related to regulatory environments or product categories with which we have limited or no experience ~~;~~ **;** • Risks related to acquisitions outside of our historical RV OEM operations, which may carry new and less well ~~-~~ **-** known operational challenges; • The ability of our management teams to manage expanded operations, including international operations, to meet operational and financial expectations; • The integration of departments and systems, including accounting systems, technologies, books and records, controls and procedures; • The adverse impact on profitability if acquired operations, joint ventures or other equity investments do not achieve expected financial results or realize the synergies and other benefits expected; • The potential loss of, or adverse effects on, existing business relationships with suppliers and customers; • The assumption of liabilities of the acquired businesses, which could be greater than anticipated; • The potential failure of our due diligence efforts to identify and properly evaluate risks or liabilities acquired or assumed in acquisition transactions; • The potential negative impact on available cash and / or future cash flows to support acquisitions, joint ventures or equity investments and related commitments; and • The potential adverse impact on operating results if, in future periods, impairments of significant amounts of goodwill and other assets occur.

Our long- term viability and financial success **is-are** dependent upon our ability to attract and retain an experienced and skilled workforce, including within our management teams, while also maintaining a flexible and competitive compensation and benefit cost structure. We rely on the existence of an available, qualified workforce to manufacture our products and on our ability to recruit and retain talented hourly and salaried employees. Competition for such employees is intense in the areas where we operate, particularly during periods of high industry demand as such periods require us to pay higher wages to attract and retain a sufficient number of qualified employees. We cannot be certain that we will be able to attract and retain qualified employees to meet future manufacturing needs at a reasonable cost, or at all. Within our U. S.- based operations, we incur significant costs with respect to employee healthcare and workers compensation benefits. We are self- insured for these employee healthcare and workers compensation benefits up to certain defined retention limits. If costs related to these or other employee benefits increase as a result of increased healthcare costs in the U. S., increased utilization of such benefits as a result of increased claims, new or revised U. S. governmental mandates or otherwise, our operating results and financial condition may suffer. Within our European- based operations, we incur significant costs with respect to employee benefits which are largely governed by country and regional regulations. New or revised governmental mandates may also cause our operating results and financial condition to suffer. In addition to compensation considerations, potential employees are placing an increasing premium on various tangible and intangible benefits, such as working for companies with a clear purpose, flexible work arrangements, limited overtime requirements, increased benefit packages and other considerations. If we are not perceived as an employer of choice, we may be unable to recruit and retain skilled employees. Further, if we lose existing employees with needed skills or we are unable to upskill and develop existing employees, particularly with the introduction of new technologies, it could have a substantial adverse effect on our business and results of operations. We rely heavily upon the knowledge, experience and skills of our executive management and key operating company management employees to compete effectively in the RV industry and manage our operations. Our future success depends on, among other factors, our ability to attract and retain executive management and key leadership level personnel and, upon the departure of such key employees, the existence of adequate succession plans. The loss of members of our executive management or other key employees could have a material adverse effect on our business and results of operations in the event that our succession plans prove inadequate. We could be impacted by the potential adverse effects of union activities. Our European- based operations are subject to employee contracts, Works Councils and certain other labor organizations, and a small number of our North American employees are currently represented by a labor union. Any disruption in our relationships with these third- party associations could adversely affect the cost of our labor and our ability to attract and retain qualified employees to meet our manufacturing needs. Additional unionization of our North American facilities could result in higher costs and increased risk of work stoppages. We also are, directly or indirectly, dependent upon companies with unionized work forces, such as parts suppliers, chassis suppliers and trucking and freight companies. Work stoppages or strikes organized by such third- party unions have in the past and could again in the future have a material adverse impact on our business. If a work stoppage occurs, it could delay the manufacture, sale and distribution of our products and have a material adverse effect on our business, operating results or financial condition. Our business depends on the performance of independent, non- franchise authorized dealers and independent transportation carriers. We distribute all of our North American and the majority of our European products through a system of independent, non- franchise authorized dealers, many of whom sell products from competing manufacturers. As of July 31, **2023-2024**, we distributed our products to approximately 2, 400 independent dealerships in the United States and approximately 1, 100 independent dealerships in Europe. We operate two dealerships in Europe. We depend on the capability of these independent dealers to develop and implement effective retail sales plans to create demand among retail consumers for the products that the dealers purchase from us. If our independent dealers are not successful in these endeavors, then we may be unable to maintain or grow our revenues and meet our financial expectations. The geographic coverage of our independent dealers and their individual business conditions can affect the ability of our independent dealers to sell our products to consumers. If our independent dealers are unsuccessful, they may exit or be forced to exit the business or, in some cases, we may seek to terminate relationships with certain dealerships. As a result, we could face adverse consequences related to the termination of independent dealer relationships. In addition, ongoing consolidation of independent dealers, as well as the growth of large, multi- location dealers, has in the past and could in the future result in increased bargaining power on the part of these independent dealers. Given the independent nature of the dealers who sell our product, they generally maintain control over which manufacturers, and which brands, they will do business with, often carrying more than one manufacturer’ s products. Independent dealers can, and do, change the brands and manufacturers they sell. If our products are not perceived by the independent dealers as being desirable and profitable for them to carry, the dealers may terminate their relationship with our operating subsidiaries or may drop certain of our brands, which would in turn adversely affect our sales and profit margins if we are unable to replace those dealers. In the United States and Canada, our products are generally delivered to our independent dealers via a system of independent transportation contractors. The network of carriers is limited, and in times of high demand and limited availability, we have experienced in the past, and could face again, the disruption of our distribution channel. ~~As an example, the network of carriers and their ability to deliver units to certain locations was negatively impacted by the COVID- 19 pandemic due to driver concerns, border crossing restrictions and vaccination requirements.~~ If future health emergencies or other circumstances that inhibit transportation of our products emerge in the regions in which we operate or sell our products, ~~the~~ transportation contractors may ~~again~~ have difficulty finding drivers who are willing to deliver in those regions, or governmental agencies or other actors may restrict movement of goods in those regions. The inability to timely deliver our products to our independent dealers could adversely affect our relationships with those dealers and negatively impact our sales and net income. Interruption of information systems service or misappropriation or breach of our information systems could cause disruption to our operations, disclosure of confidential or personal information or cause damage to our reputation. Our business relies on information systems and other technology (“ information systems ”) **some of which are managed or hosted by third parties,** to support aspects of our global business operations, including, but not

limited to, procurement, supply chain management, manufacturing, design, distribution, invoicing, financial transactions with banks and financing institutions and other transactions with various third- party providers. We also use information systems to accumulate, analyze and report our operational results. In connection with our use of information systems, we obtain, create and maintain confidential and personal information. Additionally, we rely upon information systems in our marketing and communication efforts. Due to our reliance on our information systems, we have established various levels of security as well as backup and disaster recovery procedures. Despite our security measures and business continuity plans, our information technology systems may be vulnerable to damage, disruption or shutdowns caused by cyber- attacks, including state- sponsored attacks, computer viruses, malware, ransomware, phishing attacks or breaches due to errors or malfeasance by employees and others who have access, or gain access, to these systems. The occurrence of any of these events could compromise the confidentiality, operational integrity and accessibility of these systems and the data that resides within them and our business processes and operations may be negatively impacted in the event of a substantial or prolonged disruption of service caused by such events. THOR, along with others within the RV industry, including suppliers, dealers and third- party providers, have been the target of cyber- attacks in the past, and such attacks are expected to continue and evolve in the future. While we continually employ capabilities, processes and other security measures designed to reduce and mitigate the risk of cyber- attacks, we rely on our suppliers, independent dealers and third- party providers to do the same for their operations; however, we may not be aware of all vulnerabilities and such preventative measures cannot provide absolute security and may not be sufficient in all circumstances to mitigate all potential risks. The methods and technologies used to obtain unauthorized access to our information systems are constantly changing as are laws and regulations concerning data protection and privacy. While we have implemented and regularly review robust security measures and processes designed to prevent and detect unauthorized access to our information systems, we may not be able to anticipate and effectively prevent unauthorized access or data loss in the future. The misuse, leakage, unauthorized access or falsification of information could result in a violation of privacy laws, including the European Union’ s General Data Protection Regulation (“ GDPR ”) and laws applicable in North America and the United States, and damage to our reputation which could, in turn, have a significant, negative impact on our results of operations, as a result of fines, remediation costs or other direct or indirect ramifications. Our U. S.- based operations are primarily centered in northern Indiana. The majority of our U. S. operations are located in northern Indiana, which is home to a large proportion of the U. S. RV industry. The concentration of our operations in northern Indiana creates certain risks, including those listed below which we have experienced in the past and may experience in the future: • Competition for workers skilled in the industry, especially during times of low unemployment or periods of high demand for RVs, which has in the past, and may, in the future, increase the cost of our labor or limit the speed at which we can respond to changes in consumer demand; • Retention and recruitment challenges as employees with industry knowledge and experience have been, and may continue to be, attracted to other positions or opportunities within or external to the RV industry, and their ability to change employers is relatively easy; and • The potential for greater adverse impact from natural disasters, such as weather- related events and public health emergencies. In addition, a number of our key suppliers are also located in northern Indiana and are impacted by similar risks. **Adverse weather conditions and weather- related events could have a negative impact on our revenues. Changes in seasonal weather conditions can have a significant effect on our operating and financial results. Sales of our products are typically stronger just before and during spring and summer, and favorable weather during these months generally has a positive effect on consumer demand. Severe weather events, such as flooding, tornados and hail, have had in the past and could have in the future, negative impacts on our operations due to disruptions to production. While we carry property and business interruption insurance to address such events, there is no guarantee that we will be able to fully insure such losses in the future. In addition, the long- term impact of weather- related events, such as rising temperatures and water scarcity, could impact our global manufacturing operations, which could impact our ability to manufacture products to fulfill customer demand. Additionally, the chronic, physical risks of temperature increases, rising sea levels and other gradual changes to the climate could adversely impact global ecosystems. This impact could potentially threaten the availability and existence of camping and RV facilities, thus, potentially limiting the use of our products and possibly impacting the future growth of our business.** **LEGAL AND REGULATORY RISKS** Climate- related regulations and ongoing compliance requirements with chassis emissions standards designed to address climate change may result in additional required disclosures and related compliance costs, in both the U. S. and Europe. Our operations and certain motorized products we sell are subject to rules limiting emissions and other climate- related regulations in certain jurisdictions where we operate or sell our products. **The impacts of changing emissions and other related climate regulations (including revised emission standards applying to heavy- duty trucks by the EPA as well as zero- emission vehicle regulations such as the California Air Resources Board’ s Advanced Clean Truck and Advanced Clean Fleet Regulations adopted in California and other U. S. jurisdictions) could result in different or more limited product offerings in those jurisdictions which may result in lower sales and material increased costs to the Company. Climate- related reporting regulations, such as the Securities and Exchange Commission’ s final climate rules and litigation regarding its enforceability as well as the European Corporate Sustainability Reporting Directive, in the various jurisdictions in which our products are produced, used and / or sold could result in additional material costs of compliance**. In addition, our towable products are generally towed by vehicles that would also be subject to emission and climate- related regulations. Concerns regarding climate change at numerous levels of government in various jurisdictions may lead to additional and potentially more stringent international, national, regional and local legislative and regulatory responses, and compliance with any new rules could be difficult and costly. Climate change regulation combined with public sentiment could result in reduced demand for our products, higher energy and fuel prices or carbon taxes, limitations on where we can produce or sell our products, limitations on where our products can be used or other restrictions or costs, all of which could materially adversely affect our business and results of operations. Furthermore, we obtain motorized chassis from a number of different chassis suppliers who are required to comply with strict emission standards.

As governmental agencies revise those standards, the chassis manufacturers must comply within the timeframes established. Uncertainties created by continued emission standards compliance requirements or the adoption of revised emission standards include the ability of the chassis manufacturer to comply with such standards on a timely and ongoing basis as well as the ability to produce sufficient quantities of compliant chassis to meet our demand. In the past, certain chassis manufacturers have experienced difficulties in meeting one or both of these requirements. In addition, revisions to chassis by the suppliers often impact our engineering and production processes and may result in increased chassis costs and / or other costs to us. Increased public 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, increased attention is being directed towards publicly traded companies regarding environmental, social and governance (“ ESG ”) matters. A failure, or perceived failure, to achieve stated ESG 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, our RV products are powered by gasoline and diesel engines or are required to be towed 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 workforce where everyone feels valued and respected, a failure, or perceived failure, to properly address inclusivity 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 may lead to negative investor sentiment which could have a negative impact on our stock price. **More stringent privacy, data use, data protection and artificial intelligence laws and regulations as well as consumers’ heightened expectations to safeguard their personal information may have an adverse impact on our business. We are subject to laws, rules and regulations in the United States and other countries (such as the European Union’ s and the U. K.’ s General Data Protection Regulations and the California Consumer Privacy Act) relating to the collection, use, cross-border data transfer and security of personal information of consumers, employees or others, including laws that may require the Company to notify regulators and affected individuals of a data security incident. Existing and newly developed laws and regulations may contain broad definitions of personal information, are subject to change, are subject to uncertain interpretations by courts and regulators and may be inconsistent from state to state or country to country. Accordingly, complying with such laws and regulations may lead to a decline in consumer engagement or cause us to incur substantial costs to modify our business practices. Moreover, regulatory actions seeking to impose significant financial penalties for noncompliance and / or legal actions (including pursuant to laws providing for private rights of action by consumers) could be brought against the Company in the event of a data compromise, misuse of consumer information or perceived or actual non- compliance with data protection, privacy or artificial intelligence requirements. The rapid evolution and increased adoption of artificial intelligence technologies may intensify these risks. Further, any unauthorized release of personal information could harm our reputation, disrupt our business, cause us to expend significant resources and lead to a loss of consumer confidence resulting in an adverse impact on our business.** Our business is subject to numerous national, regional, federal, state and local regulations in the various countries in which we operate, sell and / or use our products. Our operations are subject to numerous national, regional, federal, state and local regulations governing the manufacture and sale of our products, including various vehicle and component safety and compliance standards. In various jurisdictions, governmental agencies require a manufacturer to recall and repair vehicles which contain certain hazards or defects. Any recalls of our products, voluntary or involuntary, could have a material adverse effect on our results of operations and could harm our reputation. Additionally, changes in policy, regulations or the imposition of additional regulations could have a material adverse effect on our business. Our U. S. operations are also subject to federal and numerous state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles, including so- called “ lemon laws –” U. S. federal and state, as well as various European laws and regulations, impose upon vehicle operators’ various restrictions on the weight, length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions. U. S. federal and state, as well as various European, authorities have environmental control standards relating to air, water, noise pollution and hazardous waste generation and disposal which affect our business and operations. Numerous other U. S. and European laws and regulations affect a wide range of the Company’ s activities. A suggestion of or an investigation into potential violations of the laws and regulations to which our business or operations are subject could lead to significant penalties, including restraints on our export or import privileges, monetary fines, criminal or civil proceedings and regulatory or other actions that could materially adversely affect our operating results. We are also subject, in the ordinary course of business, to litigation and claims arising from numerous labor and employment laws and regulations, including potential class action claims arising from alleged violations of such laws and regulations. Any liability arising from such claims would not ordinarily fall within the scope of our insurance coverages. An adverse outcome from such litigation could have a material effect on operating results. Anti- takeover provisions in our organizational documents could delay or prevent a change of control. Certain provisions of our Amended and Restated Certificate of Incorporation, our Amended and Restated By- Laws and the Delaware General Corporation Law may have an anti- takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions provide for, among other things: • The ability of our Board of Directors to issue one or more series of preferred stock without further stockholder action; • Advance notice for nominations of directors by stockholders and for stockholders to present matters to be considered at our annual meetings; • Certain limitations on convening special stockholder meetings; • A requirement of the

affirmative vote of the holders of 75 % of our shares entitled to vote generally in the election of directors voting as a single class to remove a director without cause; • A requirement that any “ business combination, ” as defined in our Amended and Restated Certificate of Incorporation, that has not been approved or authorized by 75 % of our directors then in office be approved by the affirmative vote of the holders of at least 75 % of our shares entitled to vote generally for the election of directors, voting as a single class; and • The prohibition on engaging in a “ business combination ” with an “ interested stockholder ” for three years after the time at which a person became an interested stockholder unless certain conditions are met, as set forth in Section 203 of the Delaware General Corporation Law. These anti- takeover provisions could make it more difficult for a third party to acquire us, even if the third party’ s offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares.

FINANCIAL RISKS As is customary, we have executed repurchase agreements with numerous lending institutions who finance certain of our independent dealers’ purchases of our products. In accordance with customary practice in the RV industry, upon the request of a lending institution financing an independent dealer’ s purchase of our products, we will generally execute a repurchase agreement with the lending institution. Repurchase agreements provide that, typically for a period of up to 18 months after a recreational vehicle is financed and in the event of default by the dealer, we will repurchase the recreational vehicle repossessed by the lending institution for the amount then due, which is usually less than 100 % of the dealer’ s cost. In addition to the obligations under these repurchase agreements, we may also be required to repurchase inventory relative to dealer terminations in certain states in accordance with state laws or regulatory requirements. The difference between the gross repurchase price and the price at which the repurchased product can then be resold, which is typically at a discount to the original sale price, is an expense to us. Thus, if we are obligated to repurchase a substantial number of recreational vehicles or incur substantial discounting to resell these units in the future, we would incur increased costs and our profit margins and results of operations would be negatively affected. In difficult economic times, this amount could increase significantly compared to other years. Changes in tax rates, tax legislation or exposure to additional tax liabilities or tariffs could have a negative impact on our results of operations, cash flows, financial condition, dividend payments or strategic plan. We are subject to income taxes in the U. S. and numerous foreign jurisdictions. Our domestic and international tax liabilities are dependent upon the location of earnings among, and the applicable tax rates in, these different jurisdictions. Tax rates in various jurisdictions in which we operate or sell our products may increase to fund past or future governmental programs. The United States or other governmental authorities may adjust tax rates, impose new income taxes or indirect taxes, or revise interpretations of existing tax rules and regulations. Further, the outcome of future elections and the associated political party with power to enact legislation could make tax increases more likely and more severe. Our effective income tax rate could also be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in statutory rates, changes in the valuation of deferred tax assets and liabilities or changes in tax laws or their interpretation. If our effective tax rate were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our operating results, cash flows and financial condition could be adversely affected, which, in turn, could negatively impact the availability of cash for dividend payments or our strategic plan. We could incur asset impairment charges for goodwill, intangible assets, equity investments or other long- lived assets. We have a material amount of goodwill, intangible assets, equity investments and other long- lived assets, including property, plant and equipment. At least annually, we review goodwill for impairment. Long- lived assets, equity investments, identifiable intangible assets and goodwill are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. ~~A~~ If the carrying value of a long- lived asset is considered impaired, a non- cash impairment charge is recorded for the amount by which the carrying value of the intangible or long- lived asset, asset group or reporting unit exceeds its fair value at the time of measurement. Our determination of future cash flows, future recoverability and fair value of our long- lived assets includes significant estimates and assumptions. Changes in those estimates or assumptions or lower- than- anticipated future financial performance may result in the identification of an impaired asset and a non- cash impairment charge, which could be material. Any such charge could adversely affect our operating results and financial condition. Our business is affected by the availability and terms of financing to independent dealers and retail purchasers. Generally, independent recreational vehicle dealers finance their purchases of inventory with financing provided by lending institutions. A decrease in the availability of this type of wholesale financing, more restrictive lending practices or an increase in the cost of such wholesale financing has historically limited or prevented independent dealers from carrying normalized levels of inventory, which led to reduced demand for our products, lower sales, higher discounts to entice sales and an adverse impact to our results of operations. The impact of recent inflation on consumer confidence, which historically has been highly correlated with RV retail sales, and the impact of inflation on the availability of discretionary funds of our end consumers, combined with significantly higher interest rates compared to recent years impacting both our independent dealers and the end consumer, has had a negative impact on demand for our products at both the wholesale and retail levels. ~~Future- future~~ **Ongoing elevated interest rates or future future** substantial or sudden increases in interest rates and decreases in the general availability of credit could have an adverse impact on our independent dealers and therefore on our business and results of operations. A decrease in availability of consumer credit resulting from unfavorable economic conditions, or **ongoing elevated interest rates or future** additional increases 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. Two major floor plan financial institutions held approximately ~~51-50~~ % of our products’ portion of our independent dealers’ total floored dollars outstanding at July 31, ~~2023-2024~~. In the event that either of these lending institutions limit or discontinue dealer financing, we could experience a material adverse effect on our results of operations. The Company’ s debt arrangements, ~~maturity dates~~ and provisions in our debt agreements may make us more sensitive to the effects of economic downturns. As of July 31, ~~2023-2024~~, total gross outstanding debt was \$ 1, ~~327-151~~, ~~405~~

279, consisting of \$ 758,594, 094,361 outstanding on our term loan facility which matures on February 1, November 15, 2026 2030; \$ 500,000 of Senior Unsecured Notes due October 15, 2029 and \$ 69,56, 311,918 outstanding on other debt facilities with varying maturity dates through September 2032. Our loan documents contain restrictions which could prevent or restrict, in certain circumstances, operations, payment of dividends or incurrence of additional debt. In addition, we must make mandatory prepayments of principal under the term loan agreement upon the occurrence of certain specified events, including certain asset sales, debt issuance and generation of annual cash flows in excess of certain amounts. Our level of debt impacts our profit before tax and cash flows as a result of the interest expense and periodic debt and interest payments. In addition, our debt level could limit our ability to raise additional capital, if necessary, or increase borrowing costs on future debt if we are unable to replace existing debt with comparable new debt and may have the effect, among other things, of reducing our flexibility to respond to changing business and economic conditions, requiring us to use a portion of our cash flows to repay indebtedness and placing us at a disadvantage compared to competitors with lower debt obligations. Our ability to make payments on ~~and to refinance~~ our indebtedness depends on our ability to generate cash in the future. If we do not generate sufficient cash flows to meet our debt service, capital investment and working capital requirements, we may need to fund those requirements with additional borrowings from the asset-based credit facility (" ABL "), reduce or cease our payments of dividends, reduce our level of capital investment and / or working capital or we may need to seek additional financing or sell assets. Availability under the ABL agreement is subject to a borrowing base calculated based on a percentage of applicable eligible receivables and eligible inventory. As such, we may not have full access to our current ABL availability based on the actual borrowing base calculation at any future period. Changes in market liquidity conditions, credit ratings and other factors may impact our access to future funding and the cost of debt. Significant changes in market liquidity conditions and changes in our credit ratings could impact our access to future funding, if needed, and funding costs, which could negatively impact our earnings and cash flows. If general economic conditions deteriorate or capital markets are volatile, future funding, if needed, could be unavailable or insufficient. A debt crisis, particularly in the United States or Europe, could negatively impact currencies, global financial markets, social and political stability, funding sources, availability and costs, asset and obligation values, customers, suppliers, demand for our products and our operations and financial results. Financial market conditions could also negatively impact dealer or retail customer access to capital for purchases of our products and consumer confidence and purchase decisions which could, in turn, reduce demand for our products and have a negative impact on our financial condition and results of operations. Our risk management policies and procedures may not be fully effective in achieving their purposes. There is no assurance our monitoring and oversight activities to manage our enterprise risks will be fully effective in achieving their purpose and may leave exposure to identified or unidentified risks. Past or future misconduct by our employees or vendors could result in violations of law by us, regulatory sanctions and / or serious reputational or financial harm. The Company monitors its policies, procedures and controls; however, our policies, procedures and controls may not be sufficient to prevent all forms of misconduct. We review our compensation policies and practices as part of our overall enterprise risk management program, but it is possible that our compensation policies could incentivize inappropriate risk taking or misconduct. Such inappropriate risk taking or misconduct could have a material adverse effect on our results of operations and / or our financial condition.