# Fiscal 2024 Results Third Quarter Earnings Presentation

June 20, 2024

# Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain and involve potential risks and uncertainties. A number of factors could cause actual results to differ materially from these statements, including, but not limited to general economic uncertainty in key markets and a worsening of domestic and global economic conditions or low levels of economic growth; availability of financing for RV and marine dealers; competition and new product introductions by competitors; ability to innovate and commercialize new products; ability to manage our inventory to meet demand; risk related to cyclicality and seasonality of our business; risk related to independent dealers; risk related to dealer consolidation or the loss of a significant dealer; significant increase in repurchase obligations; ability to retain relationships with our suppliers and obtain components; business or production disruptions; inadequate management of dealer inventory levels; increased material and component costs, including availability and price of fuel and other raw materials; ability to integrate mergers and acquisitions; ability to attract and retain qualified personnel and changes in market compensation rates; exposure to warranty claims; ability to protect our information technology systems from data security, cyberattacks, and network disruption risks and the ability to successfully upgrade and evolve our information technology systems; ability to retain brand reputation and related exposure to product liability claims; governmental regulation, including for climate change; increased attention to environmental, social, and governance ("ESG") matters, and our ability to meet our commitments; impairment of goodwill and trade names; and risks related to our 2025 Convertible Notes, 2030 Convertible Notes, and Senior Secured Notes, including our ability to satisfy our obligations under these notes. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission ("SEC") over the last 12 months, copies of which are available from the SEC or from the Company upon request. We caution that the foregoing list of important factors is not complete. The company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this presentation or to reflect any changes in the company's expectations after the date of this presentation or any change in events, conditions or circumstances on which any statement is based, except as required by law.

**INDUSTRY AND MARKET DATA**
In this presentation, we rely on and refer to information and statistics regarding market participants in the sectors in which we compete and other industry data. We obtained this information and statistics from third-party sources, including reports by market research firms. While such information is believed to be reliable, for the purposes used herein, we make no representation or warranty with respect to the accuracy of such information. Any and all trademarks and trade names referred to in this presentation are the property of their respective owners.

**NON-GAAP FINANCIAL MEASURES** This presentation includes financial information prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”), as well as certain adjusted or non-GAAP financial measures such as Adjusted diluted earnings per share ("EPS"), EBITDA, Adjusted EBITDA, Pro forma Adjusted EBITDA, and free cash flow. Adjusted diluted earnings per share is defined as diluted earnings per share adjusted for after-tax items that impact the comparability of our results from period to period. EBITDA is defined as net income before interest expense, provision for income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as net income before interest expense, provision for income taxes, depreciation and amortization expense, and other pre-tax adjustments made in order to present comparable results from period to period, while pro forma Adjusted EBITDA further accounts for certain acquisition adjustments. Free cash flow is defined as net cash provided by operating activities less purchases of property, plant, and equipment. Examples of items excluded from Adjusted diluted earnings per share include acquisition-related costs, amortization, change in fair value of note receivable, contingent consideration fair value adjustment, the tax impact of the adjustments, the impact of call spread overlay, and loss on note repurchase. Examples of items excluded from Adjusted EBITDA include acquisition-related costs, contingent consideration fair value adjustment, litigation reserves (settlement/adjustment), restructuring, acquisition-related fair value inventory step-up, gain on sale of property, plant and equipment, postretirement health care benefit income, change in fair value of note receivable, loss on note repurchase, and non-operating income or loss. These non-GAAP financial measures, which are not calculated or presented in accordance with GAAP, have been provided as information supplemental and in addition to the financial measures presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented herein. The non-GAAP financial measures presented may differ from similar measures used by other companies. Please see slides 16-19 for reconciliations of these non-GAAP measures to the nearest GAAP measure.

We have included these non-GAAP performance measures as comparable measures to illustrate the effect of non-recurring transactions occurring during the year and improve comparability of our results from period to period. Management uses these non-GAAP financial measures (a) to evaluate our historical and prospective financial performance and trends as well as our performance relative to competitors and peers; (b) to measure operational profitability on a consistent basis; (c) in presentations to the members of our Board of Directors to enable our Board of Directors to have the same measurement basis of operating performance as is used by management in its assessments of performance and in forecasting and budgeting for our company; (d) to evaluate potential acquisitions; and (e) to ensure compliance with covenants and restricted activities under the terms of our credit facility and outstanding notes. We believe these non-GAAP financial measures are frequently used by securities analysts, investors and other interested parties to evaluate companies in our industry.

# Agenda

01
Performance Overview

02
Financial Results

03
Closing Comments

04
Q&A

# F24 Q3 Highlights

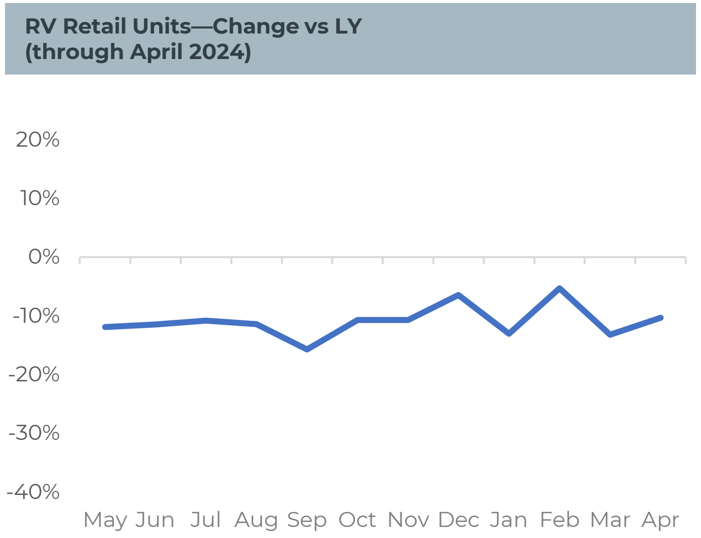
Resilient profitability and an unwavering commitment to operational discipline, despite continued market softness

- Solid sequential top- and bottom-line improvement, paced by Towable RV and Marine segments
- Grand Design announces entry into Motorized RV segment with introduction of Lineage Class C
- Barletta continues to gain market share in the U.S. Aluminum Pontoon category, growing to double digits in the latest 3- and 6-month periods[1]
- Returned more than $29 million to shareholders through share repurchases and dividends in Q3
- Generated robust free cash flow of $88M in Q3

[1] *Statistical Surveys, Inc., representing trailing three- and six-month U.S. aluminum pontoon market share through April 2024. This data is continuously updated and often impacted by delays in reporting by various states*

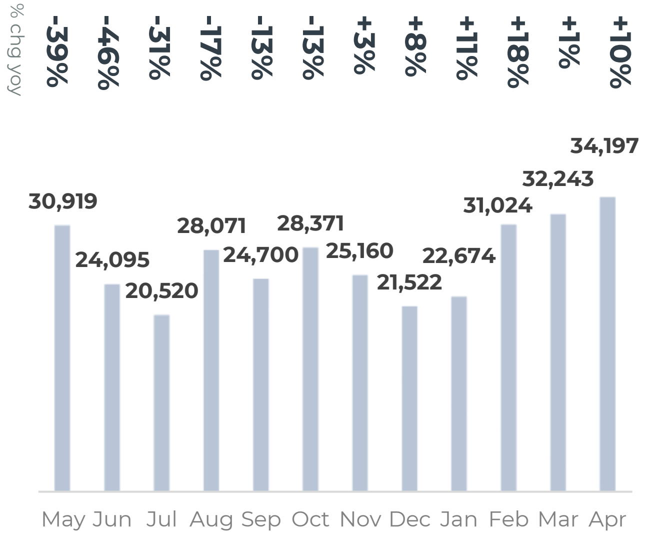
# Key RV Trends

## North America RV Industry Retail Sales



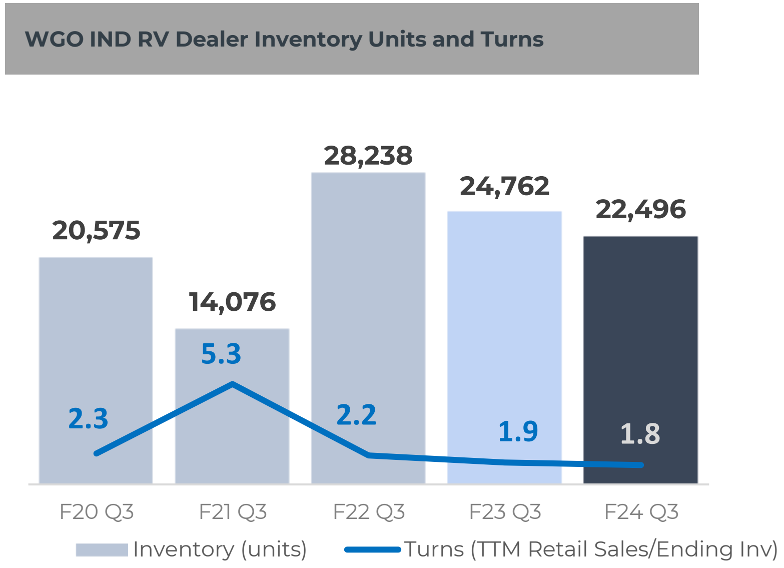

*Source: Statistical Surveys Inc.*

## North America RV Industry Wholesale Shipments



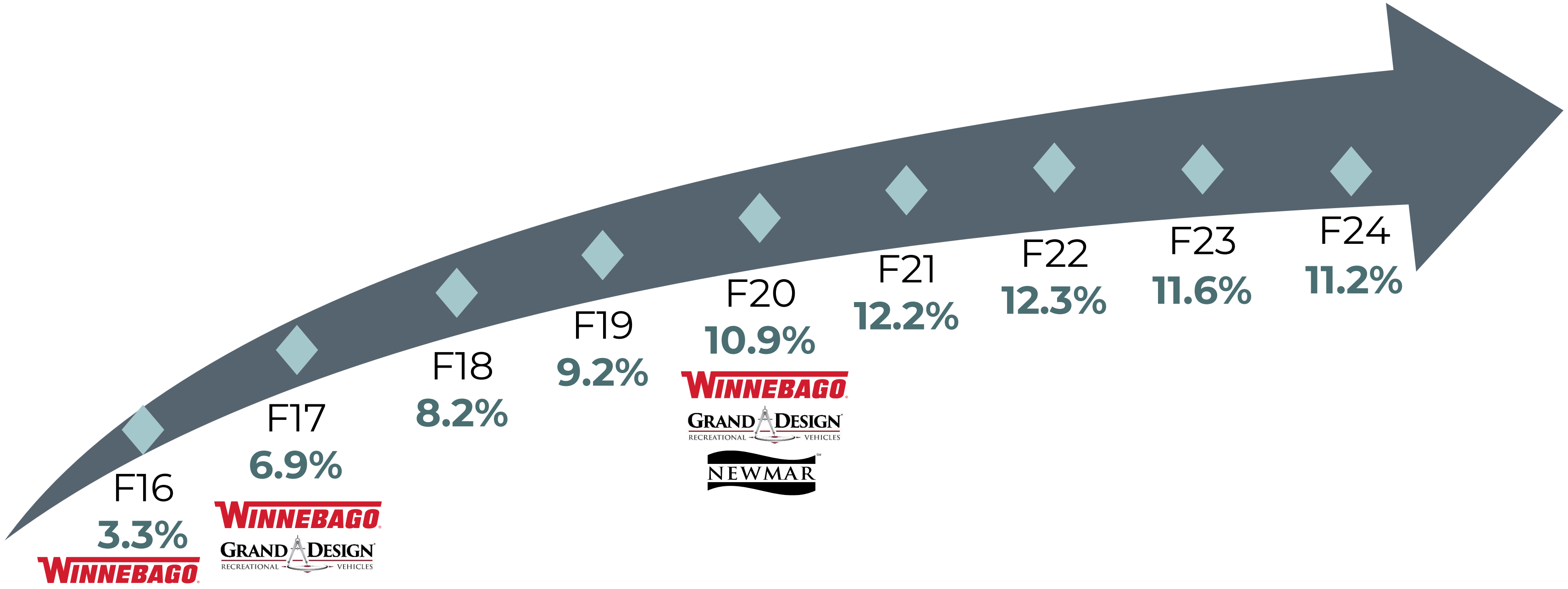

*Source: Recreation Vehicle Industry Association*

## WGO IND RV Dealer Inventory Turns

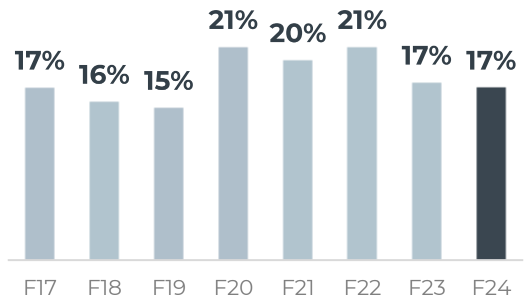



- We now anticipate industry-wide, CY 2024 wholesale RV shipments of 330,000 - 335,000 units, slightly below the midpoint of the RVIA's most recent estimate.
- Based on industry results to date, ongoing economic softness, and reduced backlogs across the industry, we expect additional destocking by dealers for the remainder of CY 2024.

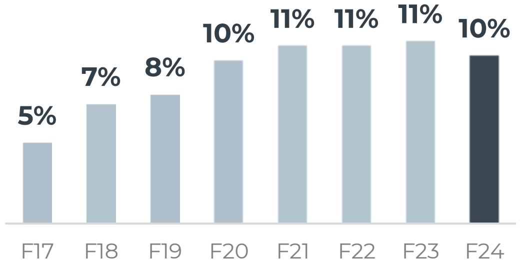
# North America RV Market Share Performance




## Motorhome RV Segment Market Share (Units)



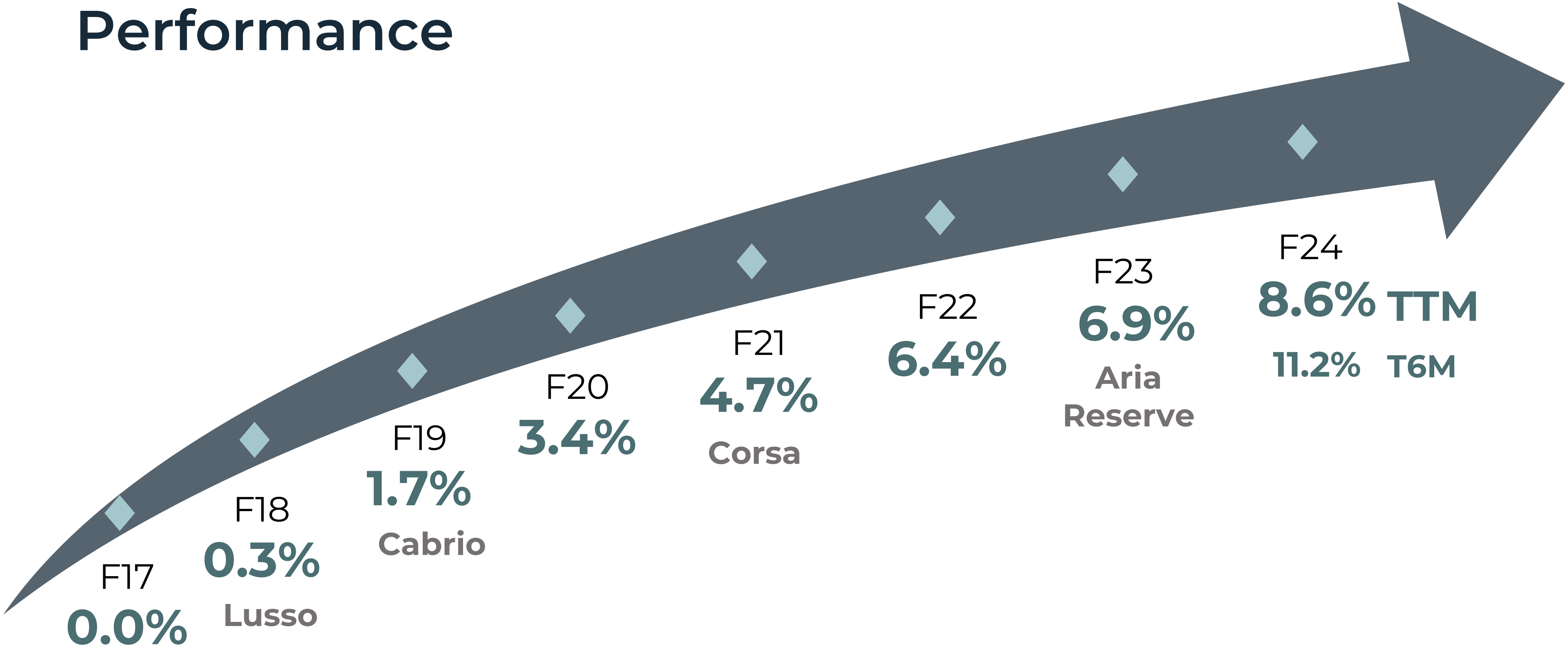

## Towable RV Segment Market Share (Units)






*Source: Statistical Surveys Inc TTM thru Apr F24; represents unit retail volume market share. Data is based on the latest publicly available information and is often impacted by delays in reporting by various states. F24 data is April 2024 TTM.*

# Barletta U.S. Aluminum Pontoon Market Share Performance






*Source: Statistical Surveys Inc TTM thru April 2024; represents unit retail volume market share of the U.S. aluminum pontoon segment; Data is based on the latest publicly available information and is often impacted by delays in reporting by various states (F24 data is April 2024 TTM and T6M - 35 states reporting for F24 April).*

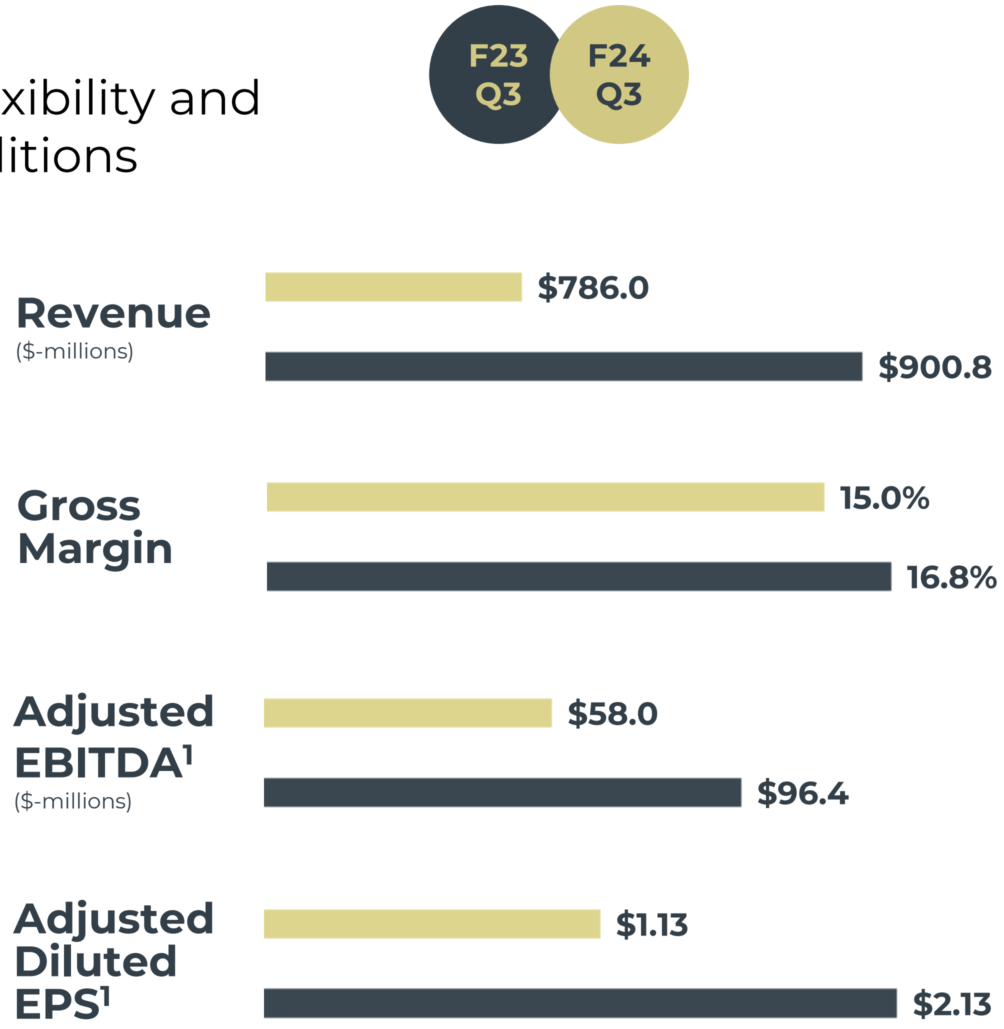
# Introducing the Lineage Series M


- First motorized RV in Grand Design's 12-year history
- Reflects Grand Design's commitment to brand quality and service excellence
- Celebrating launch with Ultimate Glamping Pop-Up on June 22 in New York City's Bryant Park
- Limited shipments on track to begin late this quarter, with most stocking deliveries taking place in FY 2025

# F24 Q3 Consolidated Results

Variable cost operating model provides production flexibility and enables us to swiftly respond to dynamic market conditions

- Revenue decreased 13% vs. F23 Q3, driven by:
  - Product mix
  - Lower volume related to market conditions
- Gross margin decreased 180 bps vs. F23 Q3, due to:
  - Deleveraging effect of slowing sales
  - Operational efficiency challenges
  - Higher warranty expense due to a favorable prior year trend
  - Partially offset by cost containment efforts
- Adjusted EBITDA margin[1] of 7.4% is down 330 basis points vs. F23 Q3
- Adjusted earnings per share[1] decreased 46.9% vs. F23 Q3



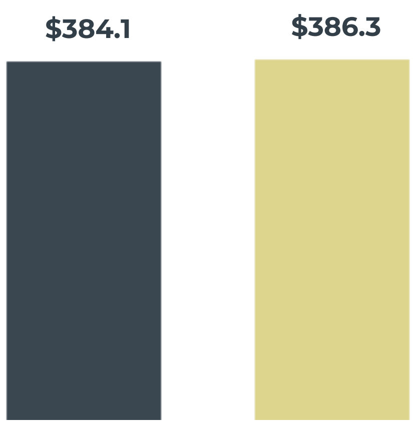



[1] *Non-GAAP measures; see reconciliations on slides* 16-19.

# Towable RV Segment Results

F23 Q3 | F24 Q3

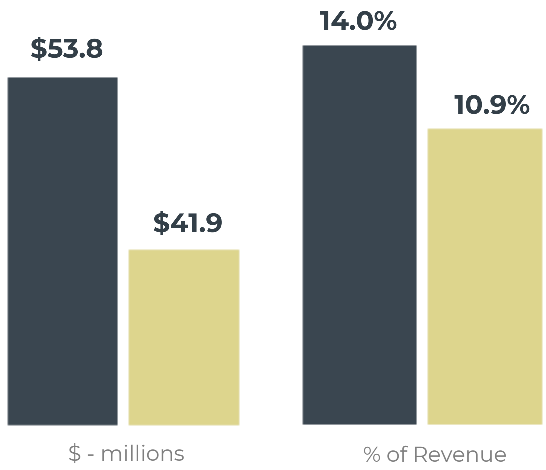
## Revenue ($-millions)




Revenues increased 1% vs. F23 Q3 driven by:

- Increase in unit volume
- Partially offset by reduction in average selling price per unit related to product mix

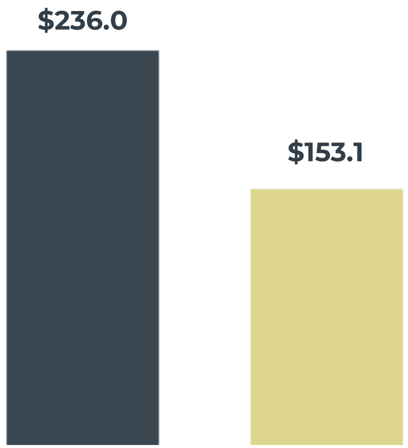
## Adjusted EBITDA[1]




Adjusted EBITDA[1] decreased 22% and Adjusted EBITDA[1] margin decreased 310 bps vs. F23 Q3, primarily due to:

- Operational efficiency challenges
- Higher warranty expense due to a favorable prior year trend
- Partially offset by lower discounts and allowances

## Backlog ($-millions)




Backlog decreased 35% vs. F23 Q3 driven by:

- Continued softness in market conditions
- Cautious dealer network

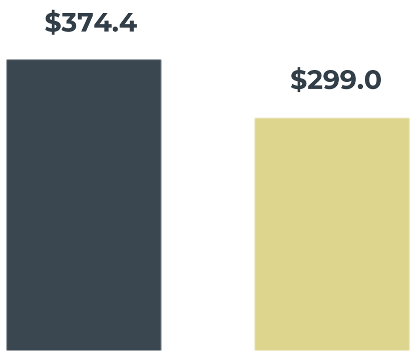

WINNEBAGO INDUSTRIES

[1] *Non-GAAP measures; see reconciliations on slides* 16-19.

# Motorhome RV Segment Results

F23 Q3 | F24 Q3

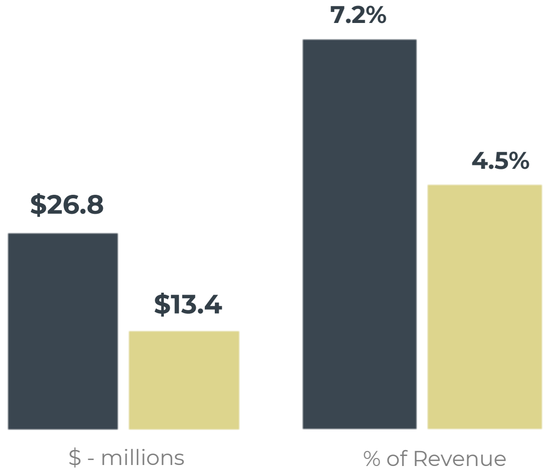
## Revenue ($-millions)




Revenues decreased 20% vs. F23 Q3 primarily driven by:

- Lower unit sales associated with market conditions
- Higher levels of discounts and allowances
- Partially offset by price increases related to higher motorized chassis costs

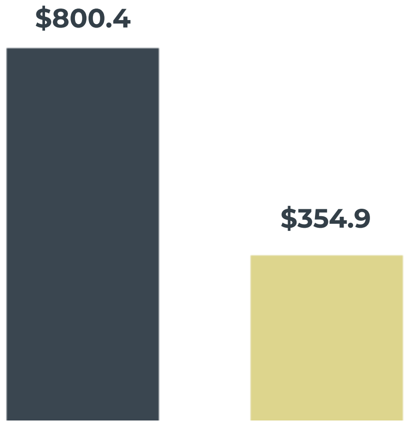
## Adjusted EBITDA[1]




Adjusted EBITDA[1] decreased 50% and Adjusted EBITDA[1] margin decreased 270 bps vs. F23 Q3, due to:

- Deleverage
- Operational efficiency challenges
- Partially offset by cost containment efforts

## Backlog ($-millions)




Backlog decreased 56% vs. F23 Q3, driven by:

- Continued softness in market conditions
- Cautious dealer network

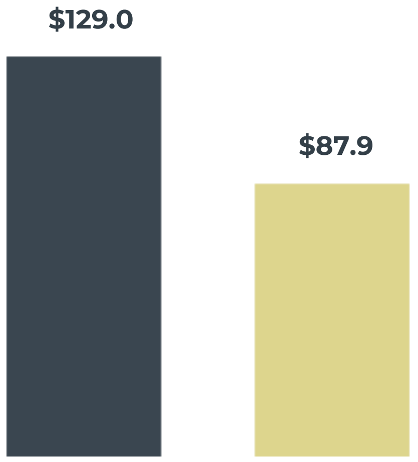


[1] *Non-GAAP measures; see reconciliations on slides* 16-19.

# Marine Segment Results

F23 Q3
F24 Q3

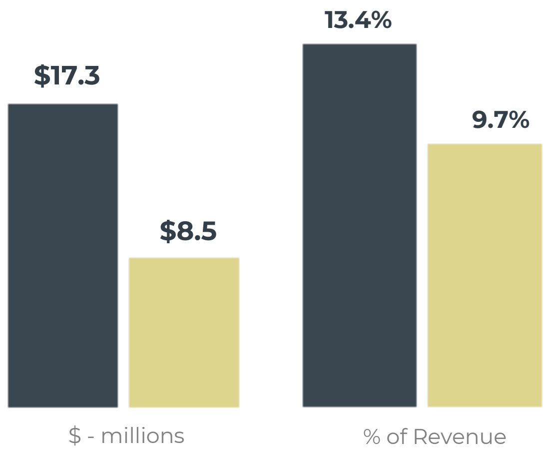
## Revenue ($-millions)




Revenues decreased 32% vs. F23 Q3, primarily driven by:

- Unit volume declines associated with market conditions
- Product mix

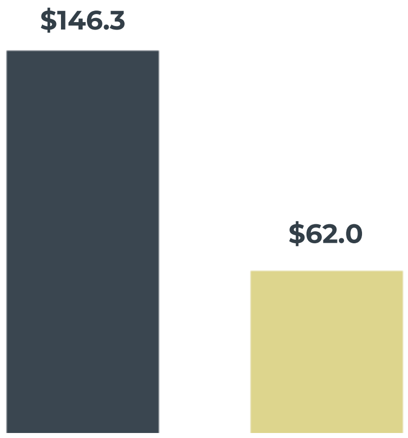
## Adjusted EBITDA[1]




Adjusted EBITDA[1] decreased 51% and Adjusted EBITDA[1] margin decreased 370 bps vs. F23 Q3, primarily driven by:

- Deleverage
- Partially offset by cost containment efforts

## Backlog ($-millions)




Backlog decreased 58% vs. F23 Q3, primarily driven by:

- Cautious dealer network





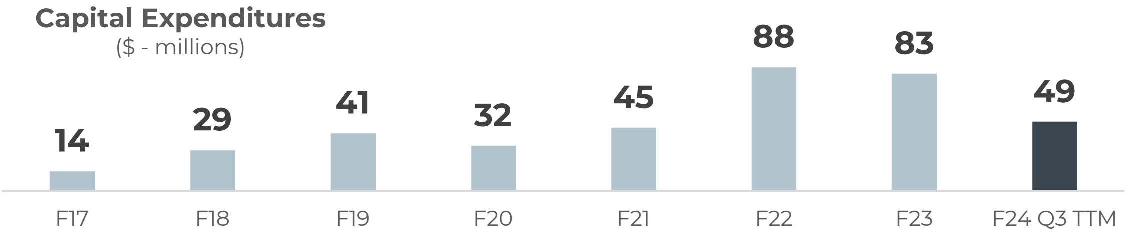
[1] *Non-GAAP measures; see reconciliations on slides* 16-19.

# Well-Capitalized Balance Sheet Provides Financial Flexibility

**Liquidity Highlights** as of May. 25, 2024

| $318M | $391M | 1.7x |
|---|---|---|
| Cash and cash equivalents | Net Debt[1] | Leverage ratio[2] |

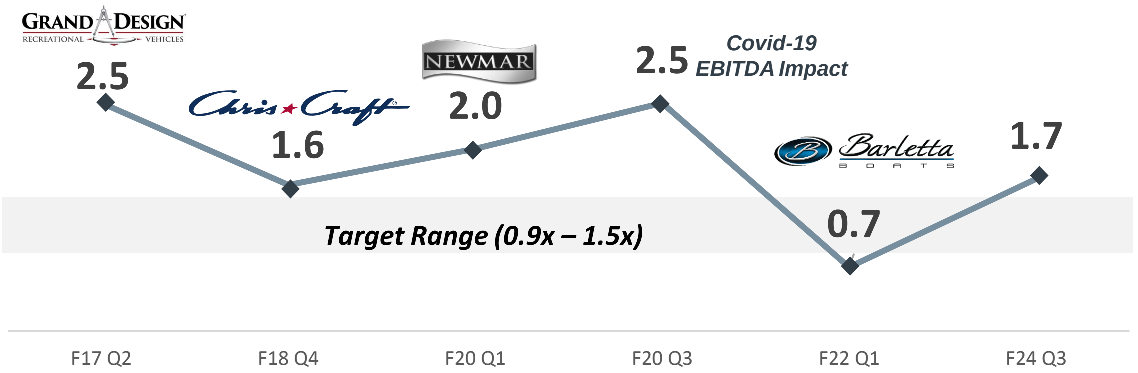
**Reinvesting in the profitable growth of our core businesses**; talent, capacity expansion, innovation, process improvements, digital capabilities




**Continue to invest inorganically;** strategic and cultural fit, financially accretive

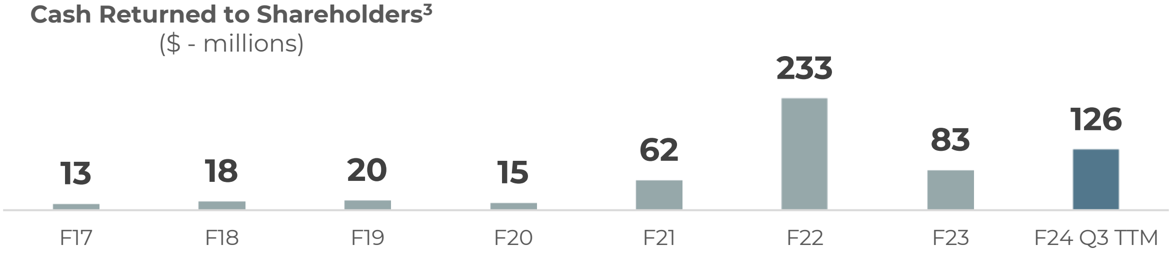
Grand Design Recreational Vehicles · Chris-Craft · Newmar · Barletta Boats · Lithionics Battery

**Maintain adequate liquidity**; optimize capital structure




- Expanded ABL credit agreement from $192.5M to $350M in Q4 F22

**Return cash to shareholders;** grow dividends & share repurchases




- Increased dividend by 15% YOY in Q1 F24, following 50% YOY increases in Q1 F22 and Q1 F23
- Spent $90M in share repurchase over last 12 months
- BOD approved new share repurchase authorization of up to $350M in 2022 ($240M remaining at quarter-end Q3 F24)

*1 Net Debt is defined as gross debt, less cash and cash equivalents*
*2 Leverage ratio defined as net debt /TTM Proforma Adjusted EBITDA. Proforma Adjusted EBITDA is a non-GAAP measure; see reconciliation on slide 17.*
*3 Defined as dividends plus share repurchases, excluding shares repurchased for employee compensation purposes.*

# What Differentiates Winnebago Industries

***Uniquely positioned*** **to drive long-term profitable growth as a trusted leader in premium outdoor recreation:**

- **Portfolio of premium outdoor recreation brands** support strong profitability and margin expansion over the long-term
- **Enterprise-wide centers of excellence** promote synergies for accelerated growth and profitability
- **Robust technology engine** generates continuous product innovation, competitive differentiation, and margin enhancement
- **Flexible integrated operating model** and highly variable cost structure enable durable profitability through economic cycles
- **Strong balance sheet and cash flows** provide ample dry powder to invest for growth while returning capital to shareholders
- **Proven management team** brings deep operational experience and a track record of accretive M&A

# WINNEBAGO INDUSTRIES

WINNEBAGO

GRAND DESIGN RECREATIONAL VEHICLES

Chris-Craft

NEWMAR

Barletta BOATS

# Winnebago Industries Adjusted EBITDA Reconciliation

| ($ - millions) | F24 Q3 | F23 Q3 |
|---|---|---|
| Net income | $29.0 | $59.1 |
| Interest expense, net | 5.8 | 5.2 |
| Provision for income taxes | 6.5 | 16.0 |
| Depreciation & amortization | 14.5 | 12.0 |
| **EBITDA** | **$55.8** | **$92.3** |
| Acquisition-related costs | -- | 3.9 |
| Non-operating loss | 2.2 | 0.2 |
| **Adjusted EBITDA** | **$58.0** | **$96.4** |
| **Adjusted EBITDA Margin[1]** | **7.4%** | **10.7%** |

*[1] Adjusted EBITDA Margin reflects Adjusted EBITDA as a percentage of revenue. Our revenue for Q3 FY24 and Q3 FY23 was $786M and $901M respectively*
*Note: EBITDA and Adj. EBITDA numbers may not foot due to rounding*

# Winnebago Industries Pro Forma Adjusted EBITDA Reconciliation

| ($ - millions) | TTM F24 Q3 | TTM F22 Q1 | TTM F20 Q3 | TTM F20 Q1 | TTM F18 Q4 | TTM F17 Q2 |
|---|---|---|---|---|---|---|
| Net income | $85.9 | $324.1 | $50.9 | $103.7 | $102.4 | $54.6 |
| Interest expense, net | 19.5 | 40.7 | 27.8 | 19.5 | 18.2 | 6.3 |
| Provision for income taxes | 33.0 | 98.2 | 12.2 | 24.3 | 40.3 | 25.8 |
| Depreciation & amortization | 56.2 | 38.3 | 36.7 | 24.7 | 19.2 | 18.8 |
| **EBITDA** | **$194.6** | **$501.2** | **$127.5** | **$172.2** | **$180.1** | **$105.5** |
| Acquisition-related costs | 3.5 | 4.1 | 9.8 | 10.0 | 2.2 | 6.3 |
| Contingent consideration fair value adjustment | (0.4) | 6.4 | -- | -- | -- | -- |
| Litigation reserves (settlement/adjustment) | (0.4) | 4.0 | -- | -- | -- | (3.4) |
| Restructuring | -- | -- | 1.0 | 0.9 | -- | -- |
| Acquisition-related fair value inventory step-up | -- | -- | 4.8 | 1.2 | -- | -- |
| Gain on sale of property, plant and equipment | -- | (1.2) | -- | -- | -- | -- |
| Postretirement health care benefit income | -- | -- | -- | -- | -- | (28.0) |
| Change in fair value of note receivable | 3.0 | -- | -- | -- | -- | -- |
| Loss on note repurchase | 32.7 | -- | -- | -- | -- | -- |
| Non-operating loss (income) | 1.9 | (0.5) | (0.7) | (0.9) | (0.5) | (0.4) |
| **Adjusted EBITDA** | **$234.9** | **$514.0** | **$142.4** | **$183.2** | **$181.7** | **$80.0** |
| Acquisition Adjustments | -- | 16.8 | 15.9 | 47.2 | -- | 51.5 |
| **Pro Forma Adj EBITDA** | **$234.9** | **$530.8** | **$158.3** | **$230.4** | **$181.7** | **$131.4** |



*Note: Numbers may not add due to rounding*

# Winnebago Industries Adjusted EPS Reconciliation

| | F24 Q3 | F23 Q3 |
|---|---|---|
| **Diluted earnings per share (GAAP)** | **$0.96** | **$1.71** |
| Acquisition-related costs[1] | -- | 0.11 |
| Amortization[1] | 0.19 | 0.13 |
| Tax impact of adjustments[2] | (0.04) | (0.06) |
| Impact of call spread overlay[3] | 0.03 | 0.25 |
| **Adjusted diluted earnings per share (non-GAAP)[4]** | **$1.13** | **$2.13** |

[1] *Represents a pre-tax adjustment*

[2] *Income tax charge calculated using the statutory tax rate for the U.S. of 23.0% for F24 and 24.1% for F23*

[3] *Represents the impact of a call spread overlay that was put in place upon issuance of the convertible notes and which economically offsets dilution risk*

[4] *Per share numbers may not foot due to rounding*

# Winnebago Industries Free Cash Flow Reconciliation

| ($ - millions) | F24 Q3 TTM | F23 |
|---|---|---|
| Net cash provided by operating activities | $241.4 | $294.5 |
| Purchases of property, plant, and equipment | (49.0) | (83.2) |
| **Free Cash Flow** | **$192.3** | **$211.3** |



*Note: Numbers may not foot due to rounding*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