

# Baird 2024 Global Consumer, Technology & Services Conference

June 4, 2024

**WINNEBAGO**  
INDUSTRIES

# 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 cyclical 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 tables at the end of this presentation for reconciliations of these non-GAAP measures to the nearest GAAP measure.

We have not reconciled the forward-looking Adjusted EBITDA margin range and Free Cash Flow range to the most directly comparable forward-looking GAAP measures because this cannot be done without unreasonable effort due to the lack of predictability regarding the various reconciling items such as provision for income taxes and depreciation and amortization.

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.

# Overview

We help our customers explore the outdoor lifestyle, enabling mobile experiences as they travel, live, work and play

## Quick Facts

**\$3.1B**

Current Revenue <sup>1</sup>

**~6,120**

Highly Skilled Employees

## Significant Transformation

	<u>F16</u>	<u>Current</u>
Revenue	\$1.0B	\$3.1B
RV Market Share <sup>2</sup>	3.3%	11.4%
Market Cap <sup>3</sup>	\$0.7B	\$2.1B

## Products



Class A – Gas & Diesel



Class B – Gas & Diesel



Class C – Gas & Diesel



Travel Trailer



5<sup>th</sup> Wheel



Specialty Vehicles



Fiberglass Boats

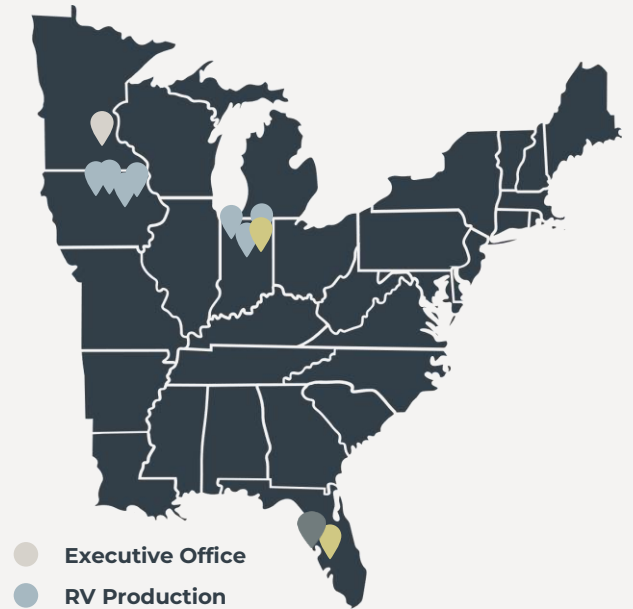


Pontoon Boats



Mobile Power

## Locations



- Executive Office
- RV Production
- Boat Production
- Battery Production

<sup>1</sup>Current Revenue is F24 Q2 TTM

<sup>2</sup>RV market share is TTM thru F16 and Jan 2024 TTM; per Statistical Surveys Inc. Data is based on the latest publicly available information and is often impacted by delays in reporting by various states.

<sup>3</sup>Market cap: F16 as of 8/30/16 and current as of 02/23/24

# Enterprise Strategic Priorities



## Strengthen

An Inclusive, High-Performance Culture

- Aligned to our purpose
- Building a world-class leadership team



## Grow

Exceptional Outdoor Lifestyle Brands

- QIS\* Driven
- Customer-focused innovation and service
- Dealer partnerships



## Broaden

Reach with Outdoor Customers

- RV leadership expansion
- Marine segment penetration
- Strategic partnerships



## Drive

Operational Excellence and Portfolio Synergy

- Flexible, dynamic operations
- Integrated CoEs\*\*
- Leverage best practices and scale



## Utilize

Technology and Information as Catalysts

- Digital capabilities deepening customer and channel connections
- Insights to action



Accelerate Growth in Core

Pursue Profitable Strategic Expansion

Integrate Doing Well with Doing Good

\* QIS – Quality, Innovation, Service  
\*\* CoEs – Centers of Excellence

# Products & Brands Recognized as the Best

## RV



Most Recognized  
RV Brand



Fastest Growing  
Towable Brand



Leader in Luxury  
Class A

## MARINE



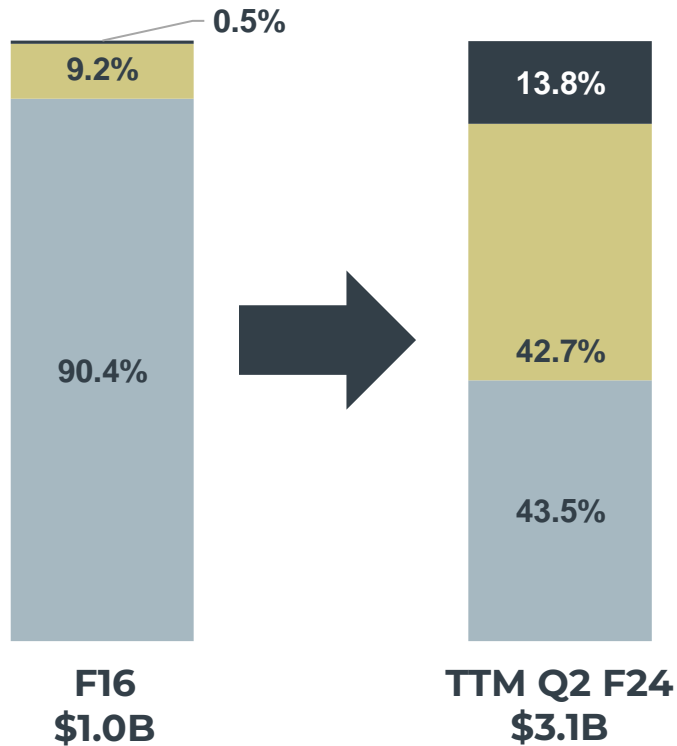
Most Recognized  
Luxury Boat Brand



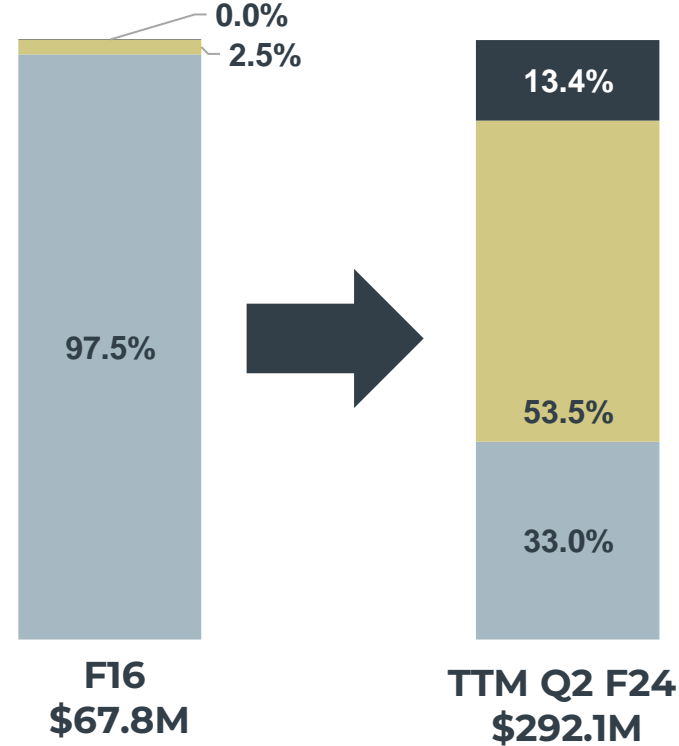
Fastest Growing  
Pontoon Brand

# Diversified Portfolio Evolving for Growth

**NET REVENUE  
CONTRIBUTION BY SEGMENT**



**ADJUSTED EBITDA<sup>1</sup>  
CONTRIBUTION BY SEGMENT**



Diversification has expanded WGO's addressable market and enhanced overall profitability

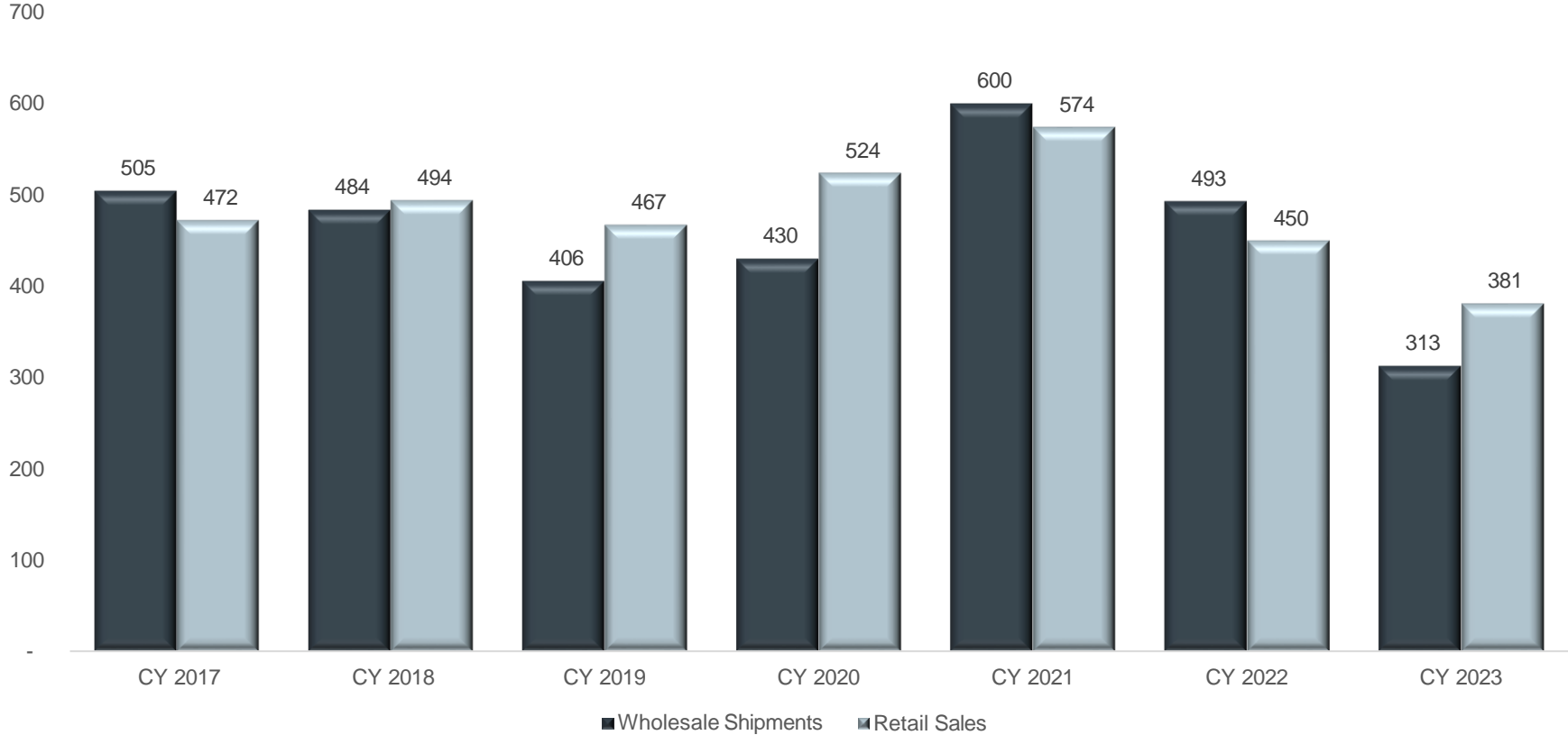
<sup>1</sup> Non-GAAP measure; see reconciliation on slide 34

<sup>2</sup> F16 and F24 Q2 Adjusted EBITDA excludes Corporate/All Other, see detail on slide 38

Note: Percentages may not add due to rounding

# RV Industry Volumes

Pandemic Impact and Volatility (in 000s of units)



Source: RV Industry Association / Statistical Surveys Inc

## Interest in outdoor lifestyle stronger than ever<sup>1</sup>

89%

of respondents participated in outdoor activities in 2023  
(up 29% since 2020)

86%

of respondents plan to be as active/more active  
outdoors in 2024 vs LY

95%

of respondents participate in outdoor activities  
during the summer



## Consumers get significant benefits from the outdoors<sup>1</sup>

71%

of respondents strongly agree that outdoor activities  
are beneficial to their health

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Greatest benefits consumers cite  
from outdoor activities:

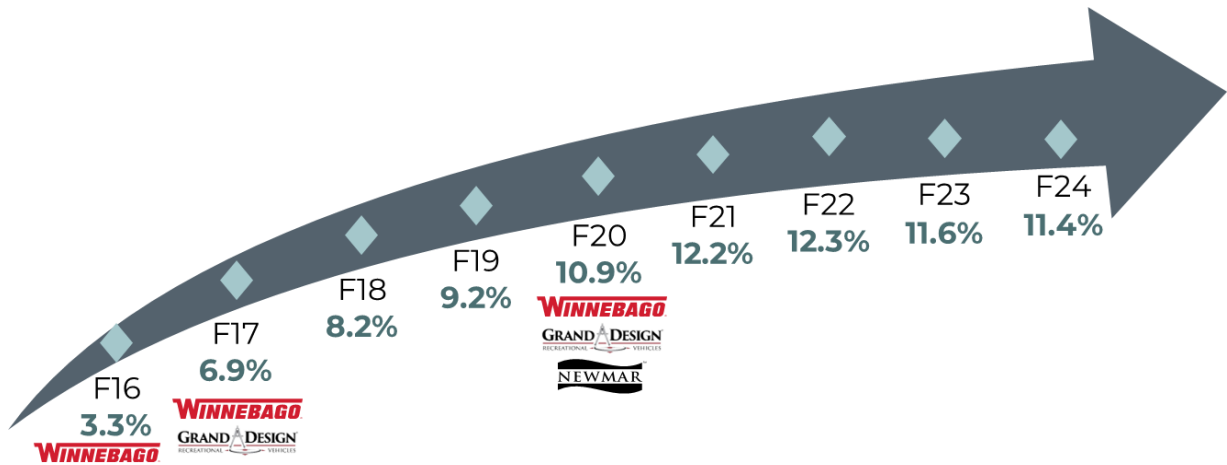
1. Improves physical health
2. Improves mental health
3. Reduces stress





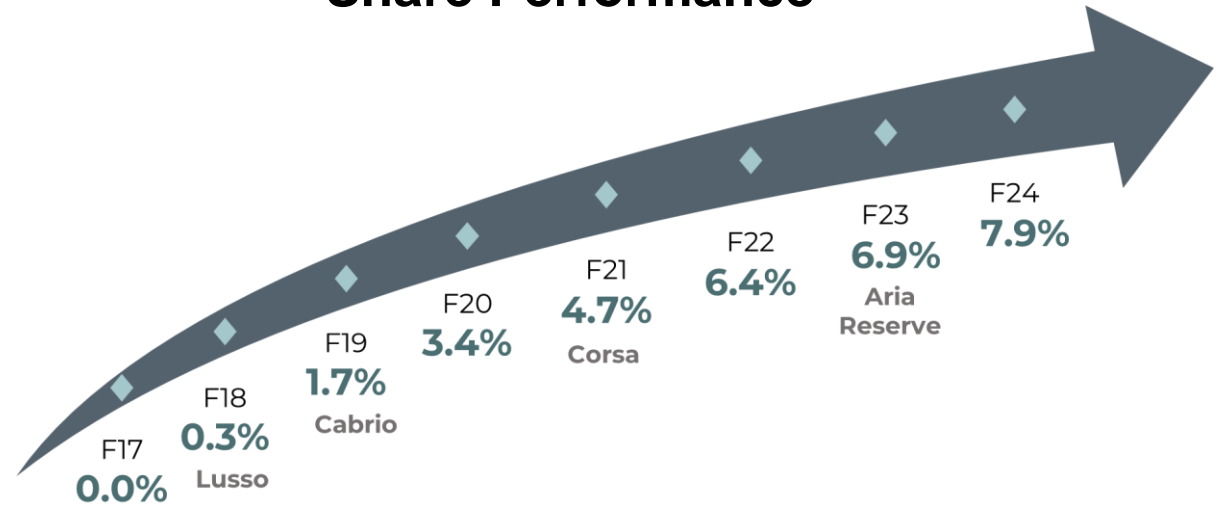
# Strong Market Share Performance

## North American RV Market Share Performance



Source: Statistical Surveys Inc TTM thru Jan 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 January 2024 TTM.

## Barletta U.S. Aluminum Pontoon Market Share Performance



Source: Statistical Surveys Inc TTM thru January 2024; represents US unit retail volume market share of the 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 January 2024 TTM - 31 states reporting for F24 January).

# Future Mid-Cycle Organic Growth Targets

	F24 Q2 TTM	Mid-Cycle	Implied Growth (at the midpoint)
<b>Financial Targets</b>			
<b>Net Revenue</b>	\$3.1B	\$4.5-5.0B	51%
<b>Gross Margin</b>	15.9%	18.0-18.5%	230 bps
<b>Adjusted EBITDA Margin</b>	8.7% <sup>1</sup>	11.0-11.5% <sup>2</sup>	255 bps
<b>Free Cash Flow</b>	\$225M <sup>1</sup>	\$325-375M <sup>2,3</sup>	56% <sup>2,3</sup>

	F24 Q2 TTM	Mid-Cycle	Implied Growth
<b>Non-Financial Targets</b>			
<b>North American RV Market Share</b>	11.4%	13% <sup>+4</sup>	160+ bps
<b>U.S. Aluminum Pontoon Market Share</b>	7.9%	13% <sup>4</sup>	510 bps
<b>Non-RV Revenue Mix, Organic</b>	13.8%	15-20%	120-620 bps

Note: Numbers may not foot due to rounding.

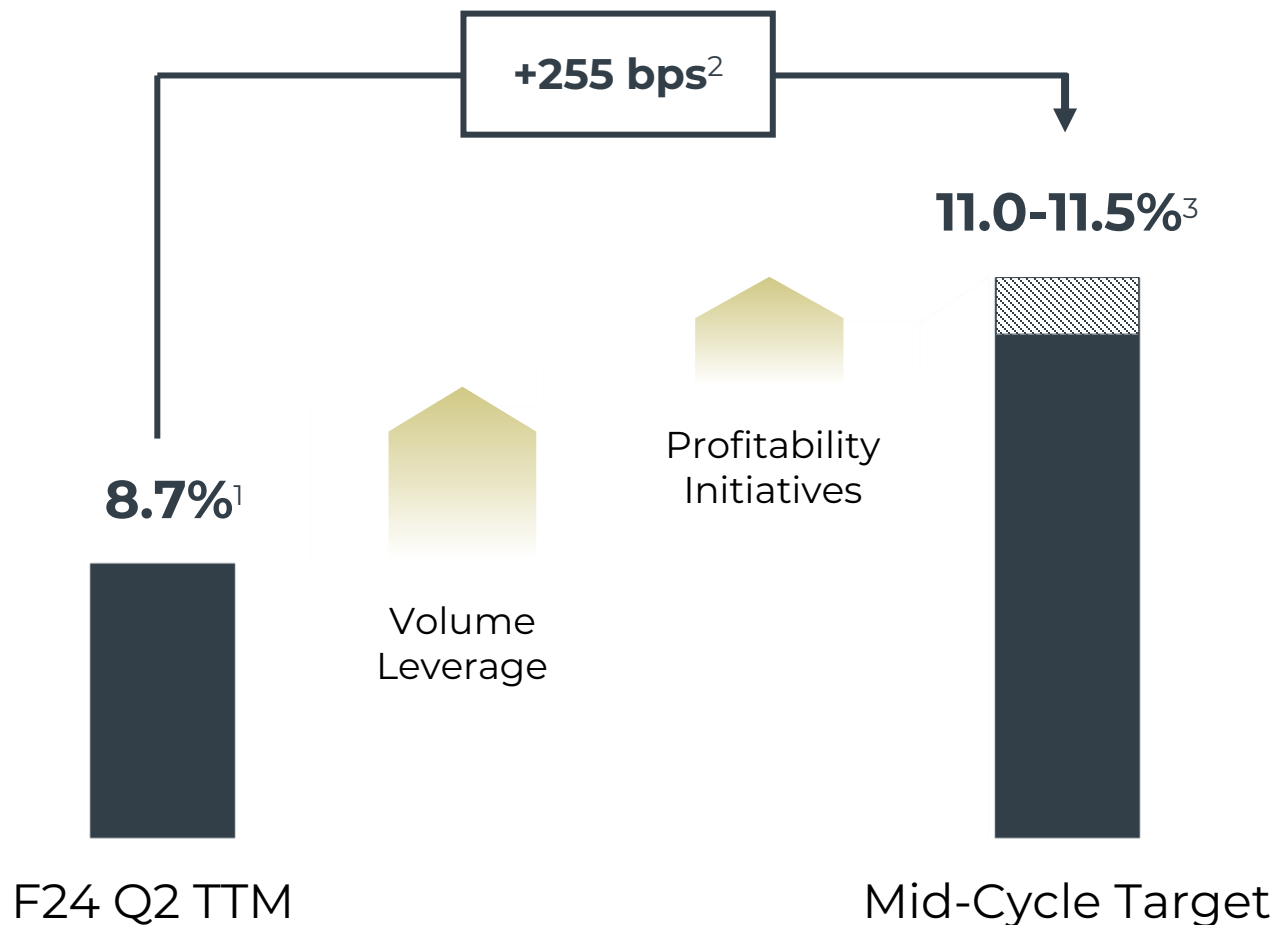
1. Non-GAAP measures; see reconciliations at the end of this presentation.

2. The Company has not reconciled the forward-looking Adjusted EBITDA margin range and Free Cash Flow range to the most directly comparable forward-looking GAAP measures because this cannot be done without unreasonable effort due to the lack of predictability regarding the various reconciling items such as provision for income taxes and depreciation and amortization.

3. Assumes a consistent tax rate and regulatory environment.

4. Based on North American RV retail volume at a mid-cycle fiscal year range of 425,000-450,000 units and U.S. aluminum pontoon retail volume at a mid-cycle fiscal year range of 60,000-63,000 units

# Expecting Strong Adjusted EBITDA<sup>1</sup> Margin Expansion



## ADJUSTED EBITDA<sup>1</sup> MARGIN DRIVERS

### Volume Leverage

Improved operating leverage through flexible, high-variable cost operating model drives margin expansion across all segments

### Profitability Initiatives

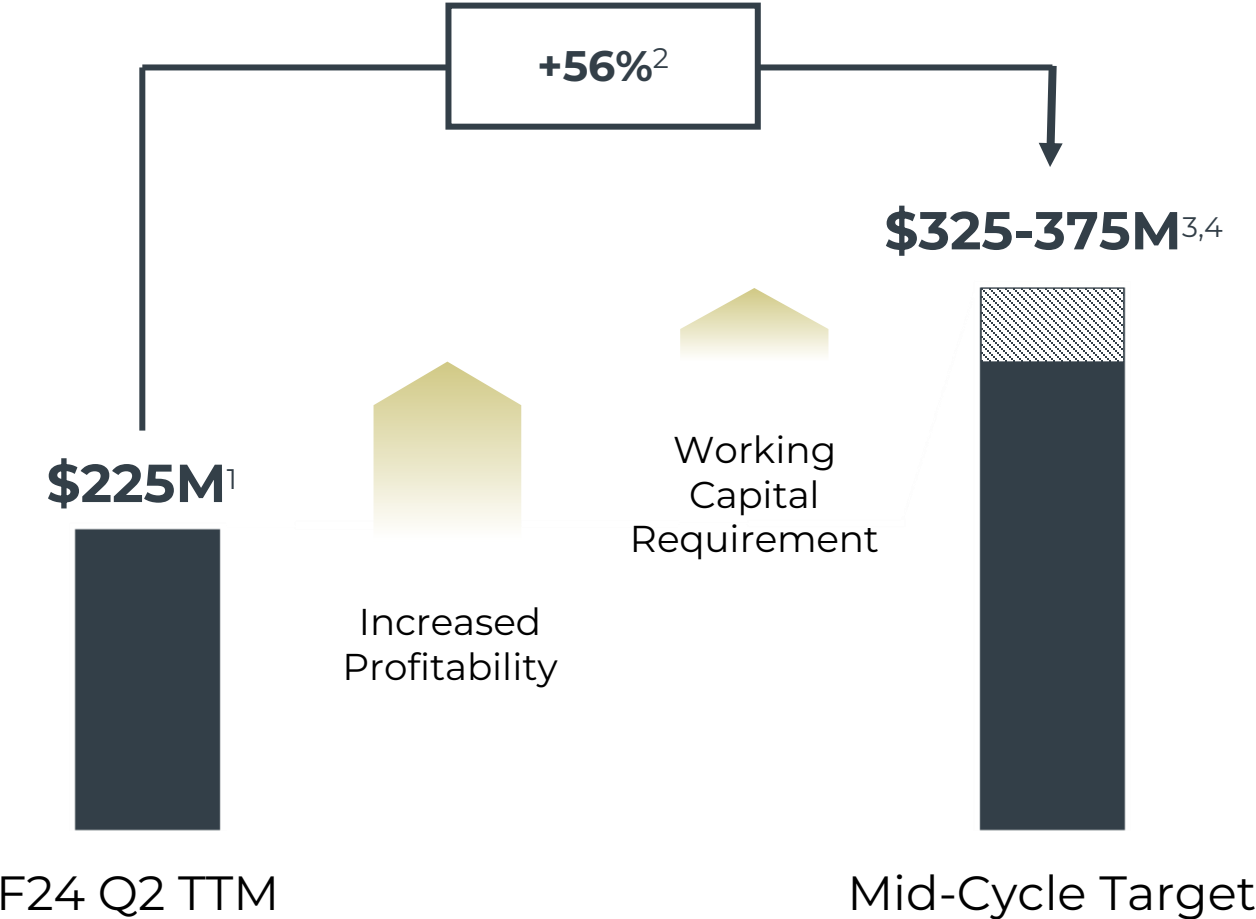
Incremental margin improvements from innovation, operational excellence and strategic sourcing

<sup>1</sup> Non-GAAP measures; see reconciliations at the end of this presentation.

<sup>2</sup> Implied bps improvement at the midpoint of the range.

<sup>3</sup> The Company has not reconciled the forward-looking Adjusted EBITDA margin range and Free Cash Flow range to the most directly comparable forward-looking GAAP measures because this cannot be done without unreasonable effort due to the lack of predictability regarding the various reconciling items such as provision for income taxes and depreciation and amortization.

# Anticipating Robust Free Cash Flow<sup>1</sup> Generation



## FREE CASH FLOW<sup>1</sup> DRIVERS

**Increased Profitability**  
 Volume leverage and profitability initiatives generate higher free cash flow

**Working Capital Requirement**  
 Higher working capital to support revenue growth, partially offset by efficiencies demonstrated by improved cash conversion cycle

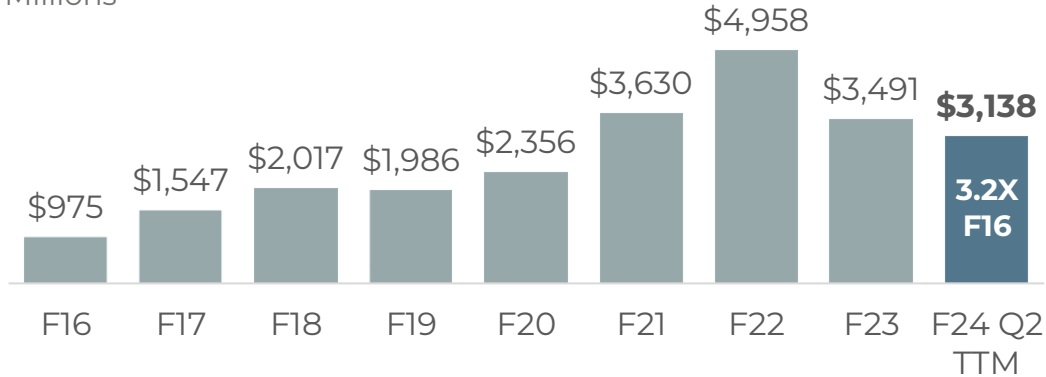
**Capex**  
 Maintenance capital is ~1% of revenue  
 Growth capital is ~1% of revenue

<sup>1</sup> Non-GAAP measures; see reconciliations at the end of this presentation.  
<sup>2</sup> Implied bps improvement at the midpoint of the range.  
<sup>3</sup> The Company has not reconciled the forward-looking Adjusted EBITDA margin range and Free Cash Flow range to the most directly comparable forward-looking GAAP measures because this cannot be done without unreasonable effort due to the lack of predictability regarding the various reconciling items such as provision for income taxes and depreciation and amortization.  
<sup>4</sup> Assumes a consistent tax rate and regulatory environment

# Strong Financial Results Over Time

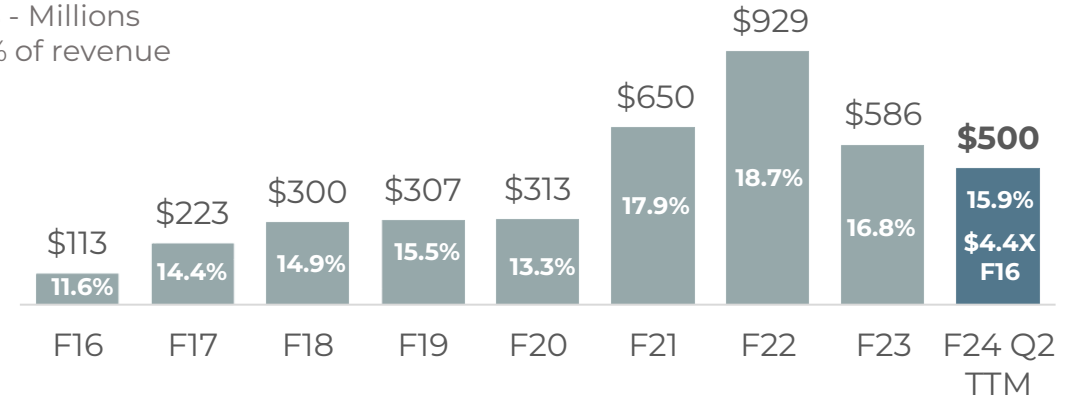
## WGO IND Net Revenue

\$ - Millions



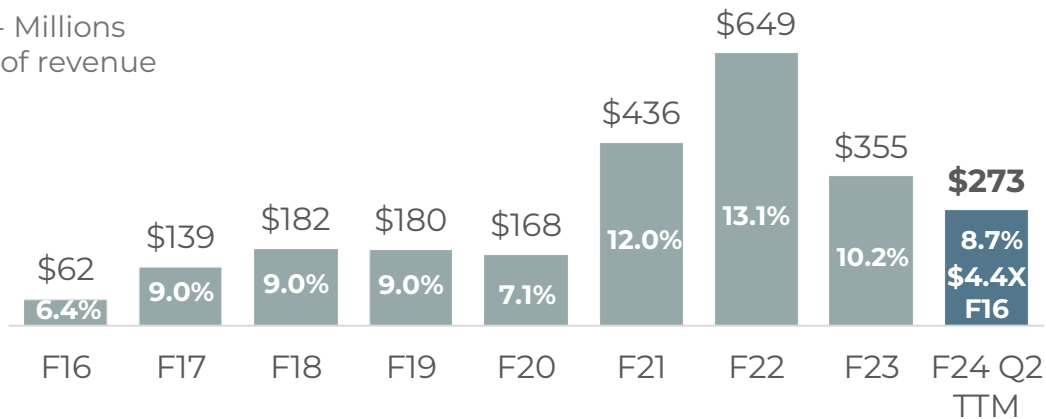
## WGO IND Gross Profit

\$ - Millions  
% of revenue



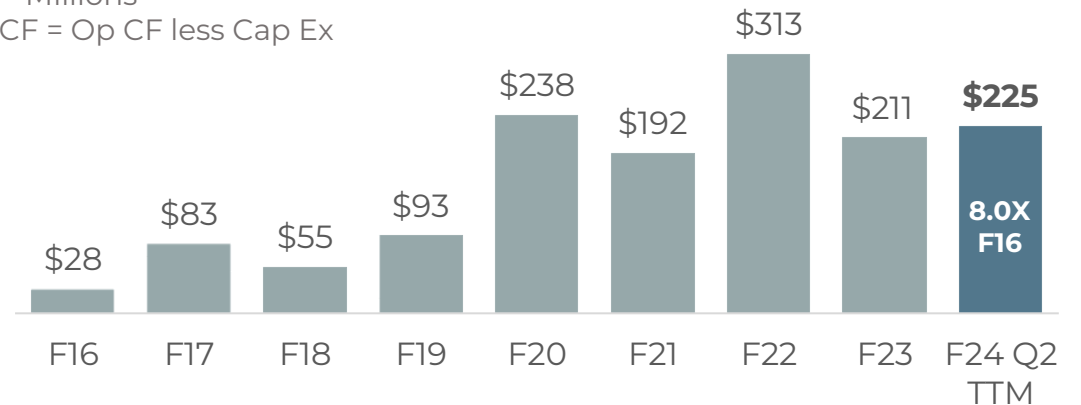
## WGO IND Adjusted EBITDA <sup>1</sup>

\$ - Millions  
% of revenue



## WGO IND Free Cash Flow <sup>2</sup>

\$ - Millions  
FCF = Op CF less Cap Ex



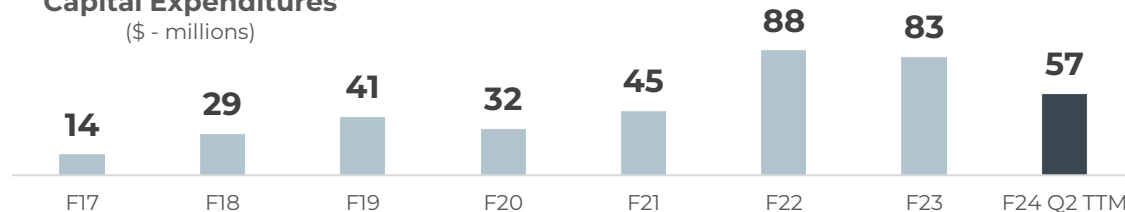
# Well-Capitalized Balance Sheet Provides Financial Flexibility

**Liquidity Highlights** as of Feb. 24, 2024

**\$266M** Cash and cash equivalents  
**\$444M** Net Debt<sup>1</sup>  
**1.6x** Leverage ratio<sup>2</sup>

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

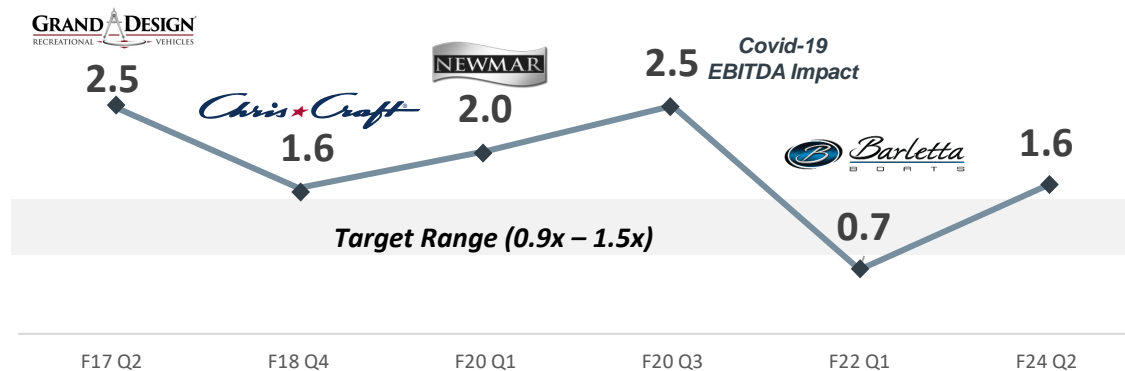
**Capital Expenditures**  
(\$ - millions)



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



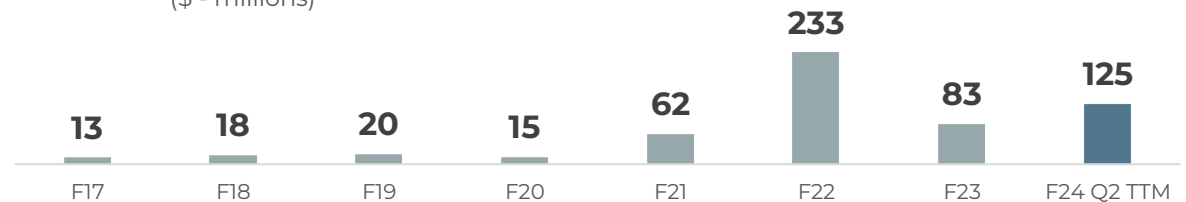
**Maintain adequate liquidity;** optimize capital structure



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

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

**Cash Returned to Shareholders<sup>3</sup>**  
(\$ - millions)



- o Increased dividend by 15% YOY in Q1 F24, following 50% YOY increases in Q1 F22 and Q1 F23
- o BOD approved new share repurchase authorization of up to \$350M in 2022
- o Spent \$90M in share repurchase over last 12 months

<sup>1</sup> Net Debt is defined as gross debt, less cash on hand.

<sup>2</sup> Leverage ratio defined as net debt / TTM Proforma Adjusted EBITDA. Proforma Adjusted EBITDA is a non-GAAP measure; see reconciliation on slide 35.

<sup>3</sup> 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

The logo for Winnebago, featuring the word "WINNEBAGO" in a bold, red, sans-serif font with a horizontal line above it.The logo for Grand Design, featuring the words "GRAND DESIGN" in a serif font with a compass-like graphic between "GRAND" and "DESIGN". Below it, the words "RECREATIONAL" and "VEHICLES" are written in a smaller font, separated by a horizontal line.The logo for Chris Craft, featuring the words "Chris Craft" in a blue, cursive script font with a red star between the two words.The logo for Newmar, featuring the word "NEWMAR" in a bold, black, sans-serif font with a wavy black banner above and below the text.The logo for Barletta, featuring a blue circular emblem with a white "B" inside, followed by the word "Barletta" in a blue, cursive script font, and the word "BOATS" in a small, blue, sans-serif font below it.

# WINNEBAGO INDUSTRIES

Be great, outdoors.

**WINNEBAGO**

GRAND DESIGN  
RECREATIONAL VEHICLES

Chris Craft

NEWMAR

Barletta  
BOATS

**For the team at Winnebago Industries, the outdoors is a calling.**

One that removes the line between what we love and what we do. We are a family of brands with rich legacies that are as unique as our customers but unified in how we work.

**We promise...**

**quality delivered** by empowered, passionate employees. We're part of a team **caring for customers** through a lifetime of experiences with us. And we purposefully **innovate to delight** customers with new ways to travel, live, work and play.

WINNEBAGO  
INDUSTRIES



# Winnebago Industries Adjusted EBITDA Reconciliation

(\$ - millions)	F24 Q2	F23 Q2
Net (loss) income	(\$12.7)	\$52.8
Interest expense, net	5.3	5.3
Provision for income taxes	7.1	16.9
Depreciation & amortization	14.2	10.5
<b>EBITDA</b>	<b>\$13.9</b>	<b>\$85.5</b>
Acquisition-related costs	0.2	1.1
Change in fair value of note receivable	3.0	--
Contingent consideration fair value adjustment	0.3	1.6
Loss on note repurchase	32.7	--
Non-operating (income) loss	(0.3)	0.2
<b>Adjusted EBITDA</b>	<b>\$49.8</b>	<b>\$88.4</b>
<b>Adjusted EBITDA Margin<sup>1</sup></b>	<b>7.1%</b>	<b>10.2%</b>

# Winnebago Industries Pro Forma Adjusted EBITDA Reconciliation

(\$ - millions)	TTM F24 Q2	TTM F22 Q1	TTM F20 Q3	TTM F20 Q1	TTM F18 Q4	TTM F17 Q2
Net income	\$116.0	\$324.1	\$50.9	\$103.7	\$102.4	\$54.6
Interest expense, net	18.8	40.7	27.8	19.5	18.2	6.3
Provision for income taxes	42.5	98.2	12.2	24.3	40.3	25.8
Depreciation & amortization	53.7	38.3	36.7	24.7	19.2	18.8
<b>EBITDA</b>	<b>\$231.1</b>	<b>\$501.2</b>	<b>\$127.5</b>	<b>\$172.2</b>	<b>\$180.1</b>	<b>\$105.5</b>
Acquisition-related costs	7.3	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 income	(0.1)	(0.5)	(0.7)	(0.9)	(0.5)	(0.4)
<b>Adjusted EBITDA</b>	<b>\$273.2</b>	<b>\$514.0</b>	<b>\$142.4</b>	<b>\$183.2</b>	<b>\$181.7</b>	<b>\$80.0</b>
Acquisition Adjustments	--	16.8	15.9	47.2	--	51.5
<b>Pro Forma Adj EBITDA</b>	<b>\$273.2</b>	<b>\$530.8</b>	<b>\$158.3</b>	<b>\$230.4</b>	<b>\$181.7</b>	<b>\$131.4</b>

# Winnebago Industries Adjusted EPS Reconciliation

	F24 Q2	F23 Q2
<b>Diluted (loss) earnings per share (GAAP)</b>	<b>(\$0.43)</b>	<b>\$1.52</b>
Acquisition-related costs <sup>1</sup>	0.01	0.03
Amortization <sup>1</sup>	0.19	0.11
Change in fair value of note receivable <sup>1</sup>	0.10	--
Contingent consideration fair value adjustment <sup>1</sup>	0.01	0.04
Tax impact of adjustments <sup>2</sup>	(0.07)	(0.04)
Impact of call spread overlay <sup>3</sup>	--	0.22
Loss on note repurchase	1.12	--
<b>Adjusted diluted earnings per share (non-GAAP)<sup>4</sup></b>	<b>\$0.93</b>	<b>\$1.88</b>

<sup>1</sup> Represents a pre-tax adjustment

<sup>2</sup> Income tax charge calculated using the statutory tax rate for the U.S. of 23.0% for F24 and 24.1% for F23

<sup>3</sup> 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.

<sup>4</sup> Per share numbers may not foot due to rounding

# Winnebago Industries Free Cash Flow Reconciliation

(\$ - millions)	F24 Q2 TTM	F23
Net cash provided by operating activities	\$281.5	\$294.5
Purchases of property, plant, and equipment	(56.6)	(83.2)
<b>Free Cash Flow</b>	<b>\$224.9</b>	<b>\$211.3</b>

# Winnebago Industries Net Revenue and Adjusted EBITDA By Segment

## Net Revenue

(\$ - millions)	F24 Q2 TTM	F16
Motorhome RV	\$1,364.9	\$881.4
Towable RV	1,341.0	89.4
Marine	382.5	-
Corporate / All Other	49.9	4.5
<b>Consolidated Revenue</b>	<b>\$3,138.3</b>	<b>\$975.2</b>

## Adjusted EBITDA

(\$ - millions)	F24 Q2 TTM	F16
Motorhome RV	\$96.5	\$66.1
Towable RV	156.4	1.7
Marine	39.1	-
Corporate / All Other	(18.9)	(5.5)
<b>Consolidated Adjusted EBITDA</b>	<b>\$273.2</b>	<b>\$62.3</b>