

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 30, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-06403

WINNEBAGO
INDUSTRIES

WINNEBAGO INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction of incorporation or organization)

42-0802678

(I.R.S. Employer Identification No.)

13200 Pioneer Trail

Eden Prairie

Minnesota

55347

(Address of principal executive offices)

(Zip Code)

952-829-8600

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.50 par value per share	WGO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer
Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of December 12, 2024, there were 28,396,755 shares of common stock, par value \$0.50 per share, outstanding.

Winnebago Industries, Inc.
Quarterly Report on Form 10-Q
For the Quarterly Period Ended November 30, 2024

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PART I. FINANCIAL INFORMATION**Item 1. Consolidated Financial Statements****Winnebago Industries, Inc.
Consolidated Statements of Income
(Unaudited)**

	Three Months Ended	
	November 30, 2024	November 25, 2023
<i>(in millions, except per share data)</i>		
Net revenues	\$ 625.6	\$ 763.0
Cost of goods sold	548.8	647.2
Gross profit	76.8	115.8
Selling, general, and administrative expenses	72.1	71.1
Amortization	5.6	5.6
Total operating expenses	77.7	76.7
Operating (loss) income	(0.9)	39.1
Interest expense, net	5.8	4.1
Non-operating loss	—	0.6
(Loss) income before income taxes	(6.7)	34.4
Income tax (benefit) provision	(1.5)	8.6
Net (loss) income	\$ (5.2)	\$ 25.8
(Loss) earnings per common share:		
Basic	\$ (0.18)	\$ 0.87
Diluted	\$ (0.18)	\$ 0.78
Weighted average common shares outstanding:		
Basic	28.6	29.6
Diluted	28.6	34.7

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**Winnebago Industries, Inc.
Consolidated Balance Sheets**

(in millions, except per share data)	November 30, 2024	August 31, 2024
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 262.5	\$ 330.9
Receivables, less allowance for credit losses (\$0.2 and \$0.2, respectively)	171.4	183.5
Inventories, net	435.5	438.7
Prepaid expenses and other current assets	38.9	35.6
Total current assets	908.3	988.7
Property, plant, and equipment, net	338.1	338.9
Goodwill	484.2	484.2
Other intangible assets, net	473.4	479.0
Investment in life insurance	29.7	29.6
Operating lease assets	46.4	46.6
Other long-term assets	17.9	17.2
Total assets	\$ 2,298.0	\$ 2,384.2
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 113.6	\$ 144.7
Current maturities of long-term debt, net	59.2	59.1
Accrued expenses:		
Accrued compensation	29.7	35.9
Product warranties	72.5	78.9
Self-insurance	17.9	20.2
Promotional	27.7	30.4
Accrued interest and dividends	12.0	14.6
Other current liabilities	19.6	20.9
Total current liabilities	352.2	404.7
Non-current liabilities		
Long-term debt, net	637.7	637.1
Deferred income tax liabilities, net	3.8	3.0
Unrecognized tax benefits	5.5	5.4
Long-term operating lease liabilities	44.7	45.6
Other long-term liabilities	13.9	15.1
Total liabilities	1,057.8	1,110.9
Contingent liabilities and commitments (Note 9)		
Shareholders' equity:		
Preferred stock, par value \$0.01: 10.0 shares authorized; zero shares issued and outstanding	—	—
Common stock, par value \$0.50: 120.0 shares authorized; 51.8 shares issued	25.9	25.9
Additional paid-in capital	194.3	194.2
Retained earnings	1,718.1	1,723.3
Accumulated other comprehensive loss	(0.4)	(0.4)
Treasury stock, at cost: 23.4 and 23.0 shares, respectively	(697.7)	(669.7)
Total shareholders' equity	1,240.2	1,273.3
Total liabilities and shareholders' equity	\$ 2,298.0	\$ 2,384.2

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

Winnebago Industries, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Operating activities		
Net (loss) income	\$ (5.2)	\$ 25.8
Adjustments to reconcile net (loss) income to net cash used in operating activities		
Depreciation	9.7	8.1
Amortization	5.6	5.6
Amortization of debt issuance costs	0.8	0.8
Last in, first-out ("LIFO") expense	(0.2)	0.1
Stock-based compensation	5.5	4.6
Deferred income taxes	0.8	1.0
Contingent consideration fair value adjustment	—	0.8
Other, net	(1.2)	0.4
Change in operating assets and liabilities, net of assets and liabilities acquired		
Receivables, net	12.0	(9.1)
Inventories, net	3.4	(24.0)
Prepaid expenses and other assets	0.1	(1.7)
Accounts payable	(31.6)	(23.4)
Income taxes and unrecognized tax benefits	(1.5)	8.7
Accrued expenses and other liabilities	(14.9)	(19.1)
Net cash used in operating activities	(16.7)	(21.4)
Investing activities		
Purchases of property, plant, and equipment	(10.0)	(11.8)
Other, net	2.0	(2.9)
Net cash used in investing activities	(8.0)	(14.7)
Financing activities		
Borrowings on long-term debt	—	780.6
Repayments on long-term debt	—	(780.6)
Payments of cash dividends	(10.2)	(9.6)
Payments for repurchases of common stock	(33.6)	(44.2)
Other, net	0.1	(0.4)
Net cash used in financing activities	(43.7)	(54.2)
Net decrease in cash and cash equivalents	(68.4)	(90.3)
Cash and cash equivalents at beginning of period	330.9	309.9
Cash and cash equivalents at end of period	\$ 262.5	\$ 219.6
Supplemental Disclosures		
Income taxes (received) paid, net	\$ (0.1)	\$ —
Interest paid	0.7	2.5
Non-cash investing and financing activities		
Capital expenditures in accounts payable	\$ 5.0	\$ 2.9

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

Winnebago Industries, Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)

Three Months Ended November 30, 2024									
(in millions)	Common Shares		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Shareholders' Equity	
	Number	Amount				Number	Amount		
Balances at August 31, 2024	51.8	\$ 25.9	\$ 194.2	\$ 1,723.3	(0.4)	(23.0)	\$ (669.7)	\$ 1,273.3	
Stock-based compensation	—	—	5.5	—	—	—	—	5.5	
Issuance of stock for employee benefit and stock-based awards, net	—	—	(5.1)	—	—	0.2	5.6	0.5	
Repurchase of common stock	—	—	(0.3)	—	—	(0.6)	(33.6)	(33.9)	
Net loss	—	—	—	(5.2)	—	—	—	(5.2)	
Balances at November 30, 2024	51.8	\$ 25.9	\$ 194.3	\$ 1,718.1	(0.4)	(23.4)	\$ (697.7)	\$ 1,240.2	

Three Months Ended November 25, 2023									
(in millions)	Common Shares		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Shareholders' Equity	
	Number	Amount				Number	Amount		
Balances at August 26, 2023	51.8	\$ 25.9	\$ 197.7	\$ 1,747.8	(0.4)	(22.0)	\$ (602.9)	\$ 1,368.1	
Stock-based compensation	—	—	4.6	—	—	—	—	4.6	
Issuance of stock for employee benefit and stock-based awards, net	—	—	(5.6)	—	—	0.1	5.6	—	
Repurchase of common stock	—	—	(0.3)	—	—	(0.7)	(44.2)	(44.5)	
Net income	—	—	—	25.8	—	—	—	25.8	
Balances at November 25, 2023	51.8	\$ 25.9	\$ 196.4	\$ 1,773.6	(0.4)	(22.6)	\$ (641.5)	\$ 1,354.0	

The accompanying Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

Winnebago Industries, Inc.
Notes to Consolidated Financial Statements
(Unaudited)

(All amounts are in millions, except share and per share data, unless otherwise designated)

Note 1. Basis of Presentation

The consolidated financial statements include the accounts of Winnebago Industries, Inc. and its wholly-owned subsidiaries. Intercompany account balances and transactions have been eliminated in consolidation.

The use of the terms "Winnebago Industries," "Winnebago," "we," "our," and "us" in this Quarterly Report on Form 10-Q, unless the context otherwise requires, refers to Winnebago Industries, Inc. and its wholly owned subsidiaries.

The interim unaudited consolidated financial statements included herein are prepared pursuant to the rules and regulations of the United States ("U.S.") Securities and Exchange Commission ("SEC"). The information furnished in these consolidated financial statements includes normal recurring adjustments, unless noted otherwise in the Notes to Consolidated Financial Statements, and reflects all adjustments that are, in management's opinion, necessary for a fair presentation of such financial statements. The consolidated financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). GAAP requires us to make estimates and assumptions that affect amounts reported. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to SEC rules and regulations.

The consolidated financial statements included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended August 31, 2024 filed with the SEC. Interim results of operations are not necessarily indicative of the results to be expected for the full fiscal year ending August 30, 2025.

Segment Update

In conjunction with the Grand Design RV entrance into the motorized RV category, we established a Grand Design motorhomes operating segment in the first quarter of Fiscal 2025. This newly created operating segment is included in the Motorhome RV reportable segment. Prior period amounts have not been reclassified as the impact was not significant.

Comprehensive Income

Comprehensive income represents the change in stockholders' equity from transactions and other events and circumstances from sources other than shareholders. As of November 30, 2024 and November 25, 2023, the difference between comprehensive income and net (loss) income was not material.

Subsequent Events

In preparing the accompanying unaudited consolidated financial statements, we have evaluated subsequent events for potential recognition and disclosure through the date of this filing, noting no material subsequent events.

Recently Issued Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-04, which clarifies the assessment of whether certain settlements of convertible debt instruments should be accounted for as an inducement conversion or extinguishment of convertible debt. The new guidance is effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual periods. We are currently evaluating the impact of the standard on our consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, which requires disclosure of additional disaggregated information about significant expenses within relevant income statement captions, such as purchases of inventory, employee compensation, depreciation, amortization and depletion. The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. We are currently evaluating the impact of the standard on our consolidated financial statements and related disclosures. We will adopt the standard in our Annual Report on Form 10-K for our fiscal year ending August 26, 2028 and filings thereafter.

In March 2024, the SEC adopted a final rule under SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*. The new rule will require disclosure of greenhouse gas emissions, including Scope 1 and Scope 2 emissions; climate-related risks, governance, and oversight; and the financial impacts of severe weather events and other natural conditions, subject to certain materiality thresholds. These disclosures are required to be phased in to our annual reporting beginning in Fiscal 2026. However, in April 2024, the SEC stayed the implementation of this rule pending the outcome of legal challenges. We continue to monitor developments and evaluate the impact of adoption on our Consolidated Financial Statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires expanded disclosures primarily related to the effective tax rate reconciliation and income taxes paid. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of the standard on our consolidated financial statements and related disclosures. We will adopt the standard in our Annual Report on Form 10-K for our fiscal year ending August 29, 2026 and annual filings thereafter.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires incremental disclosures about significant segment expenses regularly provided to the Chief Operating Decision Maker. The new guidance is effective for annual reporting periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We are currently evaluating the impact of the standard on our consolidated financial statements and related disclosures. We will adopt the standard in our Annual Report on Form 10-K for our fiscal year ending August 30, 2025 and filings thereafter.

Note 2. Business Segments

We have nine operating segments: 1) Grand Design towables, 2) Winnebago towables, 3) Winnebago motorhomes, 4) Newmar motorhomes, 5) Grand Design motorhomes, 6) Chris-Craft marine, 7) Barletta marine, 8) Winnebago specialty vehicles, and 9) Lithionics. Financial performance is evaluated based on each operating segment's Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"), as defined below, which excludes certain corporate administration expenses and non-operating income and expense.

Our three reportable segments are: Towable RV (an aggregation of the Grand Design towables and the Winnebago towables operating segments); Motorhome RV (an aggregation of the Winnebago motorhomes, Newmar motorhomes, and Grand Design motorhomes operating segments); and Marine (an aggregation of the Chris-Craft marine and Barletta marine operating segments). Towable RV is comprised of non-motorized RV products that are generally towed by another vehicle, along with other related manufactured products and services. Motorhome RV is comprised of products that include a motorhome chassis, along with other related manufactured products and services. Marine is comprised of products that include boats, along with other related manufactured products and services.

The Corporate / All Other category includes the Winnebago specialty vehicles and Lithionics operating segments as well as certain corporate administration expenses related to the oversight of the enterprise, such as corporate leadership and administration costs.

Identifiable assets of the reportable segments exclude general corporate assets, which principally consist of cash and cash equivalents and certain deferred tax balances. The general corporate assets are included in the Corporate / All Other category.

Our Chief Executive Officer (the Chief Operating Decision Maker ("CODM")) regularly reviews consolidated financial results in their entirety and operating segment financial information through Adjusted EBITDA and has ultimate responsibility for enterprise decisions. Our CODM is responsible for allocating resources and assessing performance of the consolidated enterprise, reportable segments and between operating segments. Management of each operating segment has responsibility for operating decisions, allocating resources and assessing performance within their respective operating segment. The accounting policies of all reportable segments are the same as those described in Note 1 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024.

We monitor and evaluate operating performance of our reportable segments based on Adjusted EBITDA. EBITDA is defined as net (loss) income before interest expense, provision for income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as net (loss) income before interest expense, provision for income taxes, depreciation and amortization expense, and other pretax adjustments made in order to present comparable results period over period. Examples of items excluded from Adjusted EBITDA include acquisition-related costs, contingent consideration fair value adjustment, and non-operating income or loss.

Financial information by reportable segment is as follows:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Net Revenues		
Towable RV	\$ 254.0	\$ 330.8
Motorhome RV	271.7	334.4
Marine	90.5	87.3
Reportable segment net revenues	616.2	752.5
Corporate / All Other	9.4	10.5
Consolidated net revenues	\$ 625.6	\$ 763.0
Adjusted EBITDA		
Towable RV	\$ 13.6	\$ 33.1
Motorhome RV	2.7	21.3
Marine	8.4	7.2
Reportable segment Adjusted EBITDA	24.7	61.6
Corporate / All Other	(10.3)	(7.5)
Consolidated Adjusted EBITDA	\$ 14.4	\$ 54.1
Capital Expenditures		
Towable RV	\$ 0.9	\$ 2.4
Motorhome RV	7.5	7.3
Marine	1.3	1.2
Reportable segment capital expenditures	9.7	10.9
Corporate / All Other	0.3	0.9
Consolidated capital expenditures	\$ 10.0	\$ 11.8

(in millions)	November 30, 2024	August 31, 2024
Assets		
Towable RV	\$ 684.0	\$ 719.0
Motorhome RV	840.7	788.0
Marine	376.7	377.8
Reportable segment assets	1,901.4	1,884.8
Corporate / All Other	396.6	499.4
Consolidated assets	\$ 2,298.0	\$ 2,384.2

Reconciliation of net (loss) income to consolidated Adjusted EBITDA is as follows:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Net (loss) income	\$ (5.2)	\$ 25.8
Interest expense, net	5.8	4.1
Income tax (benefit) provision	(1.5)	8.6
Depreciation	9.7	8.1
Amortization	5.6	5.6
EBITDA	14.4	52.2
Acquisition-related costs	—	1.3
Contingent consideration fair value adjustment	—	0.8
Non-operating income	—	(0.2)
Adjusted EBITDA	\$ 14.4	\$ 54.1

Note 3. Investments and Fair Value Measurements

In determining the fair value of financial assets and liabilities, we utilize market data or other assumptions that we believe market participants would use in pricing the asset or liability in the principal or most advantageous market and adjust for non-performance and/or other risks associated with us as well as counterparties, as appropriate. Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date:

Level 1 — Unadjusted quoted prices which are available in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 — Inputs other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 — Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Assets and Liabilities that are Measured at Fair Value on a Recurring Basis

Financial assets and liabilities measured at fair value on a recurring basis are as follows:

(in millions)	Fair Value at November 30, 2024	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Assets that fund deferred compensation				
Domestic equity funds	\$ 2.2	\$ 2.2	\$ —	\$ —
International equity funds	0.1	0.1	—	—
Total assets at fair value	\$ 2.3	\$ 2.3	\$ —	\$ —

(in millions)	Fair Value at August 31, 2024	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Assets that fund deferred compensation				
Domestic equity funds	\$ 2.1	\$ 2.1	\$ —	\$ —
International equity funds	0.1	0.1	—	—
Total assets at fair value	\$ 2.2	\$ 2.2	\$ —	\$ —

Assets that Fund Deferred Compensation

Our assets that fund deferred compensation are marketable equity securities measured at fair value using quoted market prices and primarily consist of equity-based mutual funds. These securities, used to fund the Executive Deferred Compensation Plan, are

classified as Level 1 as they are traded in an active market for which closing stock prices are readily available. Refer to Note 11 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024 for additional information regarding these plans.

The proportion of the assets that will fund the deferred compensation payments within a year are included in prepaid expenses and other current assets on the Consolidated Balance Sheets. The remaining assets are classified as non-current and are included in other long-term assets on the Consolidated Balance Sheets.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Certain non-financial assets are measured at fair value on a nonrecurring basis. These assets primarily include goodwill, intangible assets, property, plant and equipment, and right-of-use lease assets. These assets were originally recognized at amounts equal to the fair value determined at date of acquisition or purchase. If certain triggering events occur, or if an annual impairment test is required, we will evaluate the non-financial asset for impairment. If an impairment has occurred, the asset will be written down to its current estimated fair value. No impairments were recorded for non-financial assets in the three months ended November 30, 2024 or November 25, 2023.

Assets and Liabilities Not Measured at Fair Value

Certain financial instruments are not measured at fair value but are recorded at carrying amounts approximating fair value based on their short-term nature. These financial instruments include cash and cash equivalents, receivables, accounts payable, and other payables. If these instruments were measured at fair value in the financial statements, they would be classified as Level 1 in the fair value hierarchy.

Our debt obligations are recorded at amortized cost but measured at fair value for disclosure purposes. The fair value of our debt was determined using current quoted prices in active markets for our publicly traded debt obligations, which is classified as Level 1 in the fair value hierarchy. See Note 8 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q for the fair value of our debt.

Note 4. Inventories

Inventories consist of the following:

(in millions)	November 30, 2024	August 31, 2024
Finished goods	\$ 89.0	\$ 81.3
Work-in-process	151.0	171.9
Raw materials	247.4	237.6
Total	487.4	490.8
Less: Excess of First-in, first-out ("FIFO") over LIFO cost	51.9	52.1
Inventories, net	\$ 435.5	\$ 438.7

Inventory valuation methods consist of the following:

(in millions)	November 30, 2024	August 31, 2024
LIFO basis	\$ 244.1	\$ 264.6
FIFO basis	243.3	226.2
Total	\$ 487.4	\$ 490.8

The above value of inventories, before reduction for the LIFO reserve, approximates replacement cost at the respective dates.

Note 5. Property, Plant, and Equipment

Property, plant, and equipment is stated at cost, net of accumulated depreciation, and consists of the following:

(in millions)	November 30, 2024	August 31, 2024
Land	\$ 14.6	\$ 14.6
Buildings and building improvements	278.3	279.3
Machinery and equipment	175.4	171.8
Software	72.8	72.0
Transportation	7.6	7.8
Construction in progress	27.3	24.5
Property, plant, and equipment, gross	576.0	570.0
Less: Accumulated depreciation	237.9	231.1
Property, plant, and equipment, net	<u>\$ 338.1</u>	<u>\$ 338.9</u>

Depreciation expense was \$9.7 million and \$8.1 million for the three months ended November 30, 2024 and November 25, 2023, respectively.

Note 6. Goodwill and Intangible Assets

The carrying amount of goodwill by reportable segment is as follows:

(in millions)	Towable RV	Motorhome RV	Marine	Corporate / All Other	Total
Balances at November 30, 2024 and August 31, 2024 ⁽¹⁾	\$ 244.7	\$ 73.1	\$ 136.1	\$ 30.3	\$ 484.2

⁽¹⁾ There was no activity in the three months ended November 30, 2024.

Other intangible assets, net of accumulated amortization, consist of the following:

(in millions)	November 30, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Indefinite-lived trade names	\$ 352.3	\$ —	\$ 352.3
Finite-lived trade name	4.1	1.0	3.1
Dealer networks/customer relationships	183.6	95.4	88.2
Backlog	43.6	43.3	0.3
Developed technology	38.3	8.8	29.5
Non-compete agreements	6.6	6.6	—
Other intangible assets	<u>\$ 628.5</u>	<u>\$ 155.1</u>	<u>\$ 473.4</u>

(in millions)	August 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
Indefinite-lived trade names	\$ 352.3	\$ —	\$ 352.3
Finite-lived trade name	4.1	0.8	3.3
Dealer networks/customer relationships	183.6	91.5	92.1
Backlog	43.6	43.2	0.4
Developed technology	38.3	7.4	30.9
Non-compete agreements	6.6	6.6	—
Other intangible assets	<u>\$ 628.5</u>	<u>\$ 149.5</u>	<u>\$ 479.0</u>

The weighted average remaining amortization period for finite-lived intangible assets as of November 30, 2024 was approximately six years.

Estimated future amortization expense related to finite-lived intangible assets is as follows:

(in millions)	Amortization	
Remainder of Fiscal 2025	\$	16.5
Fiscal 2026		21.7
Fiscal 2027		21.7
Fiscal 2028		21.4
Fiscal 2029		15.5
Fiscal 2030		12.3
Thereafter		12.0
Total amortization expense remaining	\$	<u>121.1</u>

Note 7. Product Warranties

We provide certain service and warranty on our products. From time to time, we also voluntarily incur costs for certain warranty-type expenses occurring after the normal warranty period expires to help protect the reputation of our products and maintain the goodwill of our customers. Estimated costs related to product warranty are accrued at the time of sale and are based upon historical warranty and service claims experience. Adjustments are made to accruals as claim data and cost experience becomes available.

In addition to the costs associated with the contractual warranty coverage provided on products, we also occasionally incur costs as a result of additional service actions not covered by warranties, including product recalls and customer satisfaction actions. Although we estimate and reserve for the cost of these service actions when probable and estimable, there can be no assurance that expense levels will remain at current levels or such reserves will continue to be adequate.

Changes in the product warranty liability are as follows:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Balance at beginning of period	\$ 78.9	\$ 97.8
Provision	20.5	18.4
Claims paid	(26.9)	(24.4)
Balance at end of period	<u>\$ 72.5</u>	<u>\$ 91.8</u>

Note 8. Debt

The following table summarizes our outstanding debt:

(in millions)	November 30, 2024	August 31, 2024
ABL Credit Facility	\$ —	\$ —
Senior Secured Notes	300.0	300.0
2030 Convertible Notes	350.0	350.0
2025 Convertible Notes	59.3	59.3
Total debt, gross	<u>709.3</u>	<u>709.3</u>
Unamortized debt issuance cost, net	(12.4)	(13.1)
Current maturities of long-term debt, net	(59.2)	(59.1)
Long-term debt, net	<u>\$ 637.7</u>	<u>\$ 637.1</u>

Credit Agreements

On July 15, 2022, we amended and restated our asset-backed revolving credit agreement ("ABL Credit Facility") to, among other things, increase the commitments available from \$192.5 million to \$350.0 million and extend the maturity date from October 22, 2024 to July 15, 2027 (subject to certain factors which may accelerate the maturity date). The \$350.0 million credit facility is on a revolving basis, subject to availability under a borrowing base consisting of eligible accounts receivable and eligible inventory. The ABL Credit Facility is available for issuance of letters of credit to a specified limit of \$35.0 million. We pay a commitment fee of 0.25% based on the average daily amount of the facility available, but unused during the most recent quarter. We can elect to base

the interest rate on various rates plus specific spreads depending on the borrowing amount outstanding. If drawn, interest on ABL Credit Facility borrowings is at a floating rate based upon our election, either term SOFR or REVSOFR30 (as defined in the ABL Credit Facility agreement), plus, in each case, a credit spread adjustment of 0.10%, as well as an applicable spread between 1.25% and 1.75%, depending on the usage of the facility during the most recent quarter. Based on current usage, we would pay an applicable spread of 1.25%. In connection with the amendment, we capitalized \$1.2 million of issuance costs that are being amortized over the five-year term of the ABL Credit Facility.

Senior Secured Notes

On July 8, 2020, we closed our private offering (the "Senior Secured Notes Offering") of \$300.0 million aggregate principal amount of 6.25% Senior Secured Notes due 2028 (the "Senior Secured Notes"). The Senior Secured Notes were issued in accordance with an Indenture dated as of July 8, 2020 (the "Indenture"). The Senior Secured Notes will mature on July 15, 2028 unless earlier redeemed or repurchased. Interest on the Senior Secured Notes accrues starting July 8, 2020 and is payable semi-annually in arrears on January 15 and July 15 of each year, which began on January 15, 2021.

Debt issuance costs incurred and capitalized are amortized on a straight-line basis over the term of the associated debt agreement. If early principal payments are made on the Senior Secured Notes, a proportional amount of the unamortized debt issuance costs is expensed. As part of the Senior Secured Notes Offering, we capitalized \$7.5 million in debt issuance costs that are being amortized over the eight-year term of the agreement.

2030 Convertible Notes

On January 23, 2024, we issued \$350.0 million in aggregate principal amount of 3.25% unsecured convertible senior notes due 2030 (the "2030 Convertible Notes"). The net proceeds from the issuance of the 2030 Convertible Notes, after deducting the initial purchasers' transaction fees and offering expenses payable by us, were approximately \$339.8 million. The 2030 Convertible Notes bear interest at the annual rate of 3.25%, payable on January 15 and July 15 of each year, beginning on July 15, 2024, and will mature on January 15, 2030, unless earlier repurchased, redeemed, or converted in accordance with their terms prior to such date.

The 2030 Convertible Notes may be converted at any time on or after July 15, 2029, until the close of business on the second scheduled trading day immediately preceding their maturity date. Upon conversion, we will settle the principal amount of the 2030 Convertible Notes in cash, and any conversion premium in excess of the principal amount in cash, or a combination of cash and shares of common stock, at our election.

The initial conversion rate of the 2030 Convertible Notes was 11.3724 shares of common stock per \$1,000 principal amount of 2030 Convertible Notes, which is equal to an initial conversion price of approximately \$87.93 per share. The conversion rate is subject to adjustment upon the occurrence of events specified in the Indenture to the 2030 Convertible Notes but will not be adjusted for accrued and unpaid interest on any 2030 Convertible Note being converted. In addition, upon the occurrence of a make-whole fundamental change (as defined in the Indenture to the 2030 Convertible Notes) during the make-whole fundamental change conversion period (as defined in the Indenture to the 2030 Convertible Notes), we will, in certain circumstances, increase the conversion rate by the number of additional shares described in the Indenture to the 2030 Convertible Notes for a holder that elects to convert such holder's 2030 Convertible Notes in connection with such make-whole fundamental change. As of November 30, 2024, there have been no changes to the initial conversion rate.

Prior to the close of business on the business day immediately preceding July 15, 2029, the 2030 Convertible Notes will be convertible only under the following circumstances:

1. during any calendar quarter commencing after the calendar quarter ended on March 31, 2024 (and only during such calendar quarter), if the last reported sale price (as defined in the Indenture to the 2030 Convertible Notes) per share of the common stock is more than 130% of the applicable conversion price (as defined in the Indenture to the 2030 Convertible Notes) on each applicable trading day for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter;
2. during the five consecutive business day period immediately after any five consecutive trading day period (the "measurement period to the 2030 Convertible Notes") in which the trading price (as defined in the 2030 Convertible Notes) per \$1,000 principal amount of 2030 Convertible Notes for each trading day of the measurement period to the 2030 Convertible Notes was less than 98% of the product of the last reported sale price per share of the common stock and the conversion rate for the 2030 Convertible Notes on each such trading day;
3. upon the occurrence of certain specified corporate events set forth in the Indenture to the 2030 Convertible Notes; or
4. if we call such 2030 Convertible Notes for redemption (as described below).

The 2030 Convertible Notes will be redeemable, in whole or in part (subject to certain limitations), for cash at our option at any time, and from time to time, on or after January 15, 2028 and on or before the 40th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of our common stock exceeds 130% of the conversion price for a

specified period of time (as set forth in the Indenture to the 2030 Convertible Notes). The redemption price will be equal to the principal amount of the 2030 Convertible Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

On January 18, 2024 and January 19, 2024, in connection with the offering of the 2030 Convertible Notes, we entered into privately negotiated convertible note hedge transactions (collectively, the "2030 Hedge Transactions") that cover, subject to customary anti-dilution adjustments, the number of shares of our common stock that initially underlie the 2030 Convertible Notes.

On January 18, 2024 and January 19, 2024, we also entered into privately negotiated warrant transactions (collectively, the "2030 Warrant Transactions" and, together with the 2030 Hedge Transactions, the "2030 Call Spread Transactions"), whereby we sold warrants at a higher strike price relating to the same number of shares of our common stock that initially underlie the 2030 Convertible Notes, subject to customary anti-dilution adjustments.

The 2030 Hedge Transactions and the 2030 Warrant Transactions are separate transactions, and in each case, are not part of the terms of the 2030 Convertible Notes and will not affect any holder's rights under the 2030 Convertible Notes. Holders of the 2030 Convertible Notes will not have any rights with respect to the 2030 Call Spread Transactions.

Accounting Treatment of the 2030 Convertible Notes and Related 2030 Hedge Transactions and 2030 Warrant Transactions

The 2030 Convertible Notes are accounted for as a single liability measured at amortized cost. Interest expense, representing the amortization of the \$10.2 million of debt issuance costs as well as the contractual interest expense are amortized using an effective interest rate of 3.8% over the term of the 2030 Convertible Notes. We recorded \$3.2 million of interest expense during the three months ended November 30, 2024.

The net after-tax cost incurred in connection with the 2030 Call Spread Transactions was \$20.6 million. These transactions are classified as equity and are not remeasured each reporting period.

2025 Convertible Notes

On November 1, 2019, we issued \$300.0 million in aggregate principal amount of 1.5% unsecured convertible senior notes due 2025 (the "2025 Convertible Notes"), of which \$59.3 million of aggregate principal amount of 2025 Convertible Notes remain outstanding at November 30, 2024. The net proceeds from the issuance of the 2025 Convertible Notes, after deducting the initial purchasers' transaction fees and offering expense payable by us, were approximately \$290.2 million. The 2025 Convertible Notes bear interest at the annual rate of 1.5%, payable on April 1 and October 1 of each year, beginning on April 1, 2020, and will mature on April 1, 2025, unless earlier converted or repurchased by us.

The 2025 Convertible Notes will be convertible into cash, shares of our common stock or a combination thereof, at our election, at an initial conversion rate of 15.6906 shares of common stock per \$1,000 principal amount of 2025 Convertible Notes, which is equivalent to an initial conversion price of approximately \$63.73 per share, as adjusted pursuant to the terms of the Indenture governing the 2025 Convertible Notes. The 2025 Convertible Notes may be converted at any time on or after October 1, 2024, until the close of business on the second scheduled trading day immediately preceding the maturity date.

The conversion rate of the 2025 Convertible Notes may be adjusted in certain circumstances, including in connection with a conversion of the 2025 Convertible Notes made following certain fundamental changes and under other circumstances set forth in the Indenture to the 2025 Convertible Notes. As of November 30, 2024, the conversion rate was 16.2082 shares of common stock per \$1,000 principal amount of 2025 Convertible Notes, which is equivalent to a conversion price of approximately \$61.70. The difference between the initial conversion rate and the conversion rate as of November 30, 2024 is due to cash dividends that have been declared following the issuance of the 2025 Convertible Notes.

It is our current intent to settle all conversions of the 2025 Convertible Notes in cash. Our ability to cash settle may be limited depending on the stock price at the time of conversion.

Prior to the close of business on the business day immediately preceding October 1, 2024, the 2025 Convertible Notes will be convertible only under the following circumstances:

1. during any calendar quarter commencing after December 31, 2019 if the closing sale price of the common stock is more than 130% of the applicable conversion price on each applicable trading day for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter;
2. during the five consecutive business day period after any five consecutive trading day period (the "measurement period to the 2025 Convertible Notes") in which the trading price per \$1,000 principal amount of 2025 Convertible Notes for each trading day of the measurement period to the 2025 Convertible Notes was less than 98% of the product of the last reported sale price of the common stock and the conversion rate for the 2025 Convertible Notes on each such trading day; or

- upon the occurrence of certain specified corporate events set forth in the Indenture for the 2025 Convertible Notes.

We may not redeem the 2025 Convertible Notes at our option prior to the maturity date, and no sinking fund is provided for the 2025 Convertible Notes.

On October 29, 2019 and October 30, 2019, in connection with the offering of the 2025 Convertible Notes, we entered into privately negotiated convertible note hedge transactions (collectively, the "2025 Hedge Transactions") that cover, subject to customary anti-dilution adjustments, the number of shares of our common stock that initially underlie the 2025 Convertible Notes.

On October 29, 2019 and October 30, 2019, we also entered into privately negotiated warrant transactions (collectively, the "2025 Warrant Transactions" and, together with the 2025 Hedge Transactions, the "2025 Call Spread Transactions"), whereby we sold warrants at a higher strike price relating to the same number of shares of our common stock that initially underlie the 2025 Convertible Notes, subject to customary anti-dilution adjustments.

The 2025 Hedge Transactions and the 2025 Warrant Transactions are separate transactions, in each case, and are not part of the terms of the 2025 Convertible Notes and will not affect any holder's rights under the 2025 Convertible Notes. Holders of the 2025 Convertible Notes will not have any rights with respect to the 2025 Call Spread Transactions.

On January 18, 2024, we entered into separate, privately negotiated transactions (the "2025 Convertible Note Repurchases") with certain holders of the 2025 Convertible Notes to repurchase \$240.7 million aggregate principal amount of the 2025 Convertible Notes using \$293.8 million of the net proceeds received from the 2030 Convertible Notes. In connection with the 2025 Convertible Note Repurchases, we recorded a loss on note repurchase of \$32.7 million in the accompanying Consolidated Statements of Income during the second quarter of Fiscal 2024. The loss on note repurchase represents the difference between the fair value of consideration transferred to the holders of the repurchased 2025 Convertible Notes and the conversion value of 2025 Convertible Notes repurchased pursuant to the original conversion terms. Concurrently with the 2025 Convertible Note Repurchases, we entered into agreements to terminate a proportionate amount of the 2025 Call Spread Transactions, which resulted in net proceeds of \$30.5 million recorded as equity in the accompanying Consolidated Balance Sheets.

Accounting Treatment of the 2025 Convertible Notes and Related 2025 Hedge Transactions and 2025 Warrant Transactions

The 2025 Convertible Notes are accounted for as a single liability measured at amortized cost. Interest expense, representing the amortization of the remaining debt issuance costs as well as the contractual interest expense are amortized using an effective interest rate of 2.1% over the term of the 2025 Convertible Notes. We recorded \$0.3 million and \$1.6 million of interest expense during the three months ended November 30, 2024 and November 25, 2023, respectively.

The 2025 Call Spread Transactions are classified as equity and are not remeasured each reporting period.

Fair Value and Future Maturities

The fair value of outstanding debt obligations, gross is as follows:

(in millions)	November 30, 2024	August 31, 2024
ABL Credit Facility	\$ —	\$ —
Senior Secured Notes	300.2	299.0
2030 Convertible Notes	352.6	344.2
2025 Convertible Notes	62.2	63.2
Total debt, gross	<u>\$ 715.0</u>	<u>\$ 706.4</u>

Aggregate contractual maturities of debt in future fiscal years are as follows:

(in millions)	Amount
Remainder of Fiscal 2025	\$ 59.3
Fiscal 2026	—
Fiscal 2027	—
Fiscal 2028	300.0
Fiscal 2029	—
Fiscal 2030	350.0
Thereafter	—
Total debt, gross	<u>\$ 709.3</u>

We were in compliance with all of our financial debt covenants as of November 30, 2024.

Refer to Note 9 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024 for additional information regarding our debt.

Note 9. Contingent Liabilities and Commitments

Repurchase Commitments

Generally, manufacturers in the same industries as us enter into repurchase agreements with lending institutions which have provided wholesale floorplan financing to dealers. Most dealers are financed on a "floorplan" basis under which a bank or finance company lends the dealer all, or substantially all, of the purchase price, collateralized by a security interest in the units purchased.

Our repurchase agreements generally provide that, in the event of default by the dealer on the agreement to pay the lending institution, we will repurchase the financed merchandise. The terms of these agreements, which generally can last up to 24 months, provide that our liability will be the lesser of remaining principal owed by the dealer to the lending institution, or dealer invoice less periodic reductions based on the time since the date of the original invoice. Our liability cannot exceed 100% of the dealer invoice. In certain instances, we also repurchase inventory from dealers due to state law or regulatory requirements that govern voluntary or involuntary relationship terminations. Although laws vary from state to state, some states have laws in place that require manufacturers of recreational vehicles or boats to repurchase current inventory if a dealership exits the business. The total contingent liability on all repurchase agreements was approximately \$1,665.5 million and \$1,673.7 million at November 30, 2024 and August 31, 2024, respectively.

Our loss reserve for repurchase commitments contains uncertainties because the calculation requires management to make assumptions and apply judgment regarding a number of factors. Our risk of loss related to these repurchase commitments is significantly reduced by the potential resale value of any products that are subject to repurchase and is spread over numerous dealers and lenders. The aggregate contingent liability related to our repurchase agreements represents all financed dealer inventory at the period-end reporting date subject to a repurchase agreement, net of the greater of periodic reductions per the agreement or dealer principal payments. Based on these repurchase agreements and our historical loss experience, an associated loss reserve is established, which is included in other current liabilities on the Consolidated Balance Sheets. Our repurchase accrual was \$1.0 million and \$1.1 million at November 30, 2024 and August 31, 2024, respectively. Repurchase risk is affected by the credit worthiness of our dealer network. We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions used to establish the loss reserve for repurchase commitments.

There was no material activity related to repurchase agreements during the three months ended November 30, 2024 and November 25, 2023.

Litigation

We are involved in various legal proceedings which are considered ordinary and routine litigation incidental to the business, some of which are covered in whole or in part by insurance. While we believe the ultimate disposition of litigation will not have a material adverse effect on our financial position, results of operations or liquidity, the possibility exists that such litigation may have an impact on our results for a particular reporting period in which litigation effects become probable and reasonably estimable. Though we do not believe there is a reasonable likelihood that there will be a material change related to these matters, litigation is subject to inherent uncertainties and our view of these matters may change in the future.

Note 10. Revenue

All operating revenue is generated from contracts with customers. Our primary revenue source is generated through the sale of manufactured towable RV units, motorhome RV units and marine units to our independent dealer network (our customers). The following table disaggregates revenue by reportable segment and product category:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Net Revenues		
Towable RV		
Fifth Wheel	\$ 125.7	\$ 162.9
Travel Trailer	119.6	158.0
Other ⁽¹⁾	8.7	9.9
Total Towable RV	254.0	330.8
Motorhome RV		
Class A	101.7	164.9
Class B	53.0	72.3
Class C and Other ⁽¹⁾	117.0	97.2
Total Motorhome RV	271.7	334.4
Marine	90.5	87.3
Corporate / All Other ⁽²⁾	9.4	10.5
Consolidated Net Revenues	\$ 625.6	\$ 763.0

⁽¹⁾ Relates to parts, accessories, and services.

⁽²⁾ Relates to units, parts, accessories, and services associated with Winnebago specialty vehicles. In addition, this activity also includes Lithionics battery sales, including the related systems and accessories, that are sold directly to external customers.

We do not have material contract assets or liabilities. Allowances for uncollectible receivables are established based on historical collection trends, write-off history, consideration of current conditions and expectations for future economic conditions.

Concentration of Risk

No single dealer organization accounted for more than 10% of net revenue for the three months ended November 30, 2024 or November 25, 2023.

Note 11. Income Taxes

Our effective tax rate was 21.9% and 24.9% for the three months ended November 30, 2024 and November 25, 2023, respectively. The change in our effective tax rate was driven primarily by the current year pre-tax book loss compared to pre-tax book income in the prior year.

As of November 30, 2024, \$9.1 million of U.S. federal income taxes receivable was included in prepaid expenses and other current assets on the Consolidated Balance Sheets. Comparatively, as of August 31, 2024, \$6.8 million of U.S. federal income taxes receivable was included in prepaid expenses and other current assets on the Consolidated Balance Sheets.

We file a U.S. Federal tax return, as well as returns in various international and state jurisdictions. As of November 30, 2024, our U.S. Federal returns from Fiscal 2021 to present are subject to review by the Internal Revenue Service. With limited exceptions, U.S. state returns from Fiscal 2020 to present continue to be subject to review by state taxing jurisdictions. We are currently under review by certain U.S. state tax authorities for Fiscal 2020 through Fiscal 2023. We believe we have adequately reserved for our exposure to potential additional payments for uncertain tax positions in our liability for unrecognized tax benefits.

Note 12. Earnings Per Share

Basic and diluted earnings per share are calculated as follows:

(in millions, except per share data)	Three Months Ended	
	November 30, 2024	November 25, 2023
Earnings per share - basic		
Net (loss) income	\$ (5.2)	\$ 25.8
Weighted average common shares outstanding	28.6	29.6
Basic (loss) earnings per common share ⁽¹⁾	<u>\$ (0.18)</u>	<u>\$ 0.87</u>
Earnings per share - diluted		
Net (loss) income	\$ (5.2)	\$ 25.8
Interest expense on convertible notes, net of tax	—	1.2
Diluted net (loss) income	<u>\$ (5.2)</u>	<u>\$ 27.0</u>
Weighted average common shares outstanding	28.6	29.6
Dilutive impact of stock compensation awards	—	0.3
Dilutive impact of convertible notes	—	4.8
Weighted average common shares outstanding, assuming dilution	28.6	34.7
Anti-dilutive securities excluded from weighted average common shares outstanding, assuming dilution	0.2	0.1
Diluted (loss) earnings per common share ⁽¹⁾	<u>\$ (0.18)</u>	<u>\$ 0.78</u>

⁽¹⁾ Earnings per share amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

The dilutive effect of stock compensation awards, if any, was determined using the treasury stock method while the dilutive impact of the 2025 Convertible Notes and the 2030 Convertible Notes was determined using the if-converted method. Under the treasury stock method, shares associated with certain anti-dilutive securities have been excluded from the diluted weighted average shares outstanding calculation because the exercise of those options would lead to a net reduction in common shares outstanding or anti-dilution. Under the if-converted method, the 2025 Convertible Notes are assumed to be converted into common stock at the beginning of the reporting period, as the 2025 Convertible Notes will be convertible into cash, shares of our common stock or a combination thereof, at our election. If dilutive, the resulting shares are included in the denominator of the calculation and interest charges, net of any income tax effects are added back to the numerator of the calculation. For the 2030 Convertible Notes, we are required to settle the principal amount in cash and any conversion premium in excess of the principal amount in cash, shares of common stock, or a combination of cash and shares of common stock, at our election. As such, the 2030 Convertible Notes only have an impact on diluted earnings per share when the average share price of our common stock exceeds the conversion price.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The terms "Winnebago," "we," "us," and "our," unless the context otherwise requires, refer to Winnebago Industries, Inc. and its wholly-owned subsidiaries.

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of management on our financial condition, results of operations, liquidity, and certain other factors that may affect our future results. Unless otherwise noted, transactions and other factors significantly impacting our financial condition, results of operations and liquidity are discussed in order of magnitude.

Our MD&A should be read in conjunction with the Consolidated Financial Statements and related Notes included in Item 1 of Part I of this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended August 31, 2024 (including the information presented therein under Risk Factors), as well as our reports on Forms 10-Q and 8-K and other publicly available information. All amounts herein are unaudited. All amounts are in millions, except share and per share data, unless otherwise noted.

Overview

Winnebago Industries, Inc. is one of the leading North American manufacturers of recreation vehicles ("RVs") and marine products with a diversified portfolio used primarily in leisure travel and outdoor recreational activities. We also design and manufacture advanced battery solutions that deliver "house power," supporting internal electrical features and appliances for a variety of outdoor products including RVs, boats, specialty and other low-speed vehicles, as well as other industrial applications. Other products manufactured by us consist primarily of original equipment manufacturing parts for other manufacturers and commercial vehicles. We produce our motorhome RV units in Iowa and Indiana; our towable RV units in Indiana; our marine units in Indiana and Florida; and our battery solutions in Florida. We distribute our RV and marine products primarily through independent dealers across the U.S. and Canada, who then retail the products to the end consumer. We also distribute our marine products internationally through independent dealers, who then retail the products to the end consumer. Our battery solutions are primarily sold to customers in the U.S.

Known Trends and Uncertainties

Our business continues to be challenged by macroeconomic conditions impacting retail consumers and our dealers, such as inflation and elevated interest rates. These factors have contributed to lower consumer spending and reduced short-term demand for large discretionary products such as RVs and marine products. In response, our dealers continue to exercise caution when managing stocking levels. In the first three months of Fiscal 2025, these trends resulted in decreased sales due to declines in unit volume. We expect that as consumer demand stabilizes, which we anticipate will occur as we enter the spring selling season, dealers will return to more stable ordering patterns. We continue to produce and ship in accordance with dealer demand as evidenced and requested by dealer orders.

Despite the current economic uncertainty, we believe in the long-term health of consumer demand for RV and marine products.

Segment Update

In conjunction with the Grand Design RV entrance into the motorized RV category, we established a Grand Design motorhomes operating segment in the first quarter of Fiscal 2025. This newly created operating segment is included in the Motorhome RV reportable segment. Prior period amounts have not been reclassified as the impact was not significant.

Non-GAAP Financial Measures

This MD&A includes financial information prepared in accordance with generally accepted accounting principles ("GAAP"), as well as certain adjusted or non-GAAP financial measures such as EBITDA and Adjusted EBITDA. EBITDA is defined as net (loss) income before interest expense, provision for income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as net (loss) income before interest expense, provision for income taxes, depreciation and amortization expense, and other pretax adjustments made in order to present comparable results from period to period.

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.

Included in "Results of Operations" below for the three months ended November 30, 2024 compared to the comparable prior year period is a reconciliation of EBITDA and Adjusted EBITDA from net (loss) income, the most directly comparable GAAP measure. We have included these non-GAAP performance measures as a comparable measure to illustrate the effect of non-recurring transactions that occurred during the reported periods and to improve comparability of our results from period to period. We believe Adjusted EBITDA provides meaningful supplemental information about our operating performance as this measure excludes

amounts from net (loss) income that we do not consider part of our core operating results when assessing our performance. Examples of items excluded from Adjusted EBITDA include acquisition-related costs, contingent consideration fair value adjustment, and non-operating income or loss.

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 used by management in its assessments of performance and in forecasting; (d) to evaluate potential acquisitions; and (e) to ensure compliance with covenants and restricted activities under the terms of our ABL Credit Facility and outstanding notes, as further described in Note 8 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q. We believe these non-GAAP financial measures are frequently used by securities analysts, investors and other interested parties to evaluate companies in the industry.

Results of Operations - Three Months Ended November 30, 2024 Compared to Three Months Ended November 25, 2023

Consolidated Performance Summary

The following is an analysis of changes in key items included in the Consolidated Statements of Income for the three months ended November 30, 2024 compared to the three months ended November 25, 2023:

(\$ in millions, except per share data)	Three Months Ended					
	November 30, 2024	% of Revenues ⁽¹⁾	November 25, 2023	% of Revenues ⁽¹⁾	\$ Change ⁽¹⁾	% Change ⁽¹⁾
Net revenues	\$ 625.6	100.0 %	\$ 763.0	100.0 %	\$ (137.4)	(18.0)%
Cost of goods sold	548.8	87.7 %	647.2	84.8 %	(98.4)	(15.2)%
Gross profit	76.8	12.3 %	115.8	15.2 %	(39.0)	(33.7)%
Selling, general, and administrative expenses	72.1	11.5 %	71.1	9.3 %	1.0	1.4 %
Amortization	5.6	0.9 %	5.6	0.7 %	—	(0.3)%
Total operating expenses	77.7	12.4 %	76.7	10.1 %	1.0	1.3 %
Operating (loss) income	(0.9)	(0.1)%	39.1	5.1 %	(40.0)	NM
Interest expense, net	5.8	0.9 %	4.1	0.5 %	1.8	43.4 %
Non-operating loss	—	— %	0.6	0.1 %	(0.7)	NM
(Loss) income before income taxes	(6.7)	(1.1)%	34.4	4.5 %	(41.1)	NM
Income tax (benefit) provision	(1.5)	(0.2)%	8.6	1.1 %	(10.0)	NM
Net (loss) income	\$ (5.2)	(0.8)%	\$ 25.8	3.4 %	\$ (31.0)	NM
Diluted (loss) earnings per share	\$ (0.18)		\$ 0.78		\$ (0.96)	NM
Diluted weighted average shares outstanding	28.6		34.7		(6.1)	(17.6)%

⁽¹⁾ Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided. In addition, percentages may not add in total due to rounding.

NM: Not meaningful.

Net revenues decreased primarily due to lower unit volume and a reduction in average selling price per unit related to product mix.

Gross profit as a percentage of revenue decreased primarily due to deleverage, higher warranty experience compared to the prior year and product mix, partially offset by operational efficiencies.

Operating expenses increased primarily due to strategic investments, partially offset by cost containment efforts.

The change in our effective tax rate was driven primarily by the current year pre-tax book loss compared to pre-tax book income in the prior year.

Non-GAAP Reconciliation

The following table reconciles net (loss) income to consolidated EBITDA and Adjusted EBITDA for the three months ended November 30, 2024 and November 25, 2023:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Net (loss) income	\$ (5.2)	\$ 25.8
Interest expense, net	5.8	4.1
Income tax (benefit) provision	(1.5)	8.6
Depreciation	9.7	8.1
Amortization	5.6	5.6
EBITDA	14.4	52.2
Acquisition-related costs	—	1.3
Contingent consideration fair value adjustment	—	0.8
Non-operating income	—	(0.2)
Adjusted EBITDA	\$ 14.4	\$ 54.1

Reportable Segment Performance Summary

Towable RV

The following is an analysis of key changes in our Towable RV segment for the three months ended November 30, 2024 compared to the three months ended November 25, 2023:

(in millions, except ASP and units)	Three Months Ended					
	November 30, 2024	% of Revenues ⁽¹⁾	November 25, 2023	% of Revenues ⁽¹⁾	\$ Change ⁽¹⁾	% Change ⁽¹⁾
Net revenues	\$ 254.0		\$ 330.8		\$ (76.8)	(23.2)%
Adjusted EBITDA	13.6	5.3 %	33.1	10.0 %	(19.5)	(59.0)%
Average Selling Price ("ASP") ⁽²⁾	\$ 38,145		\$ 42,072		\$ (3,927)	(9.3)%

Unit deliveries	Three Months Ended					
	November 30, 2024	Product Mix ⁽³⁾	November 25, 2023	Product Mix ⁽³⁾	Unit Change	% Change
Travel trailer	4,637	70.1 %	5,381	68.6 %	(744)	(13.8)%
Fifth wheel	1,979	29.9 %	2,465	31.4 %	(486)	(19.7)%
Total Towable RV	6,616	100.0 %	7,846	100.0 %	(1,230)	(15.7)%

Dealer Inventory	November 30, 2024	November 25, 2023	Unit Change	% Change
Units	15,211	16,667	(1,456)	(8.7)%

⁽¹⁾ Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

⁽²⁾ ASP excludes off-invoice dealer incentives.

⁽³⁾ Percentages may not add due to rounding differences.

Net revenues decreased primarily due to lower unit volume and a reduction in average selling price per unit related to product mix.

Adjusted EBITDA margin decreased primarily due to volume deleverage and product mix, partially offset by cost containment efforts.

Motorhome RV

The following is an analysis of key changes in our Motorhome RV segment for the three months ended November 30, 2024 compared to the three months ended November 25, 2023:

(in millions, except ASP and units)	Three Months Ended					
	November 30, 2024	% of Revenues ⁽¹⁾	November 25, 2023	% of Revenues ⁽¹⁾	\$ Change ⁽¹⁾	% Change ⁽¹⁾
Net revenues	\$ 271.7		\$ 334.4		\$ (62.7)	(18.7)%
Adjusted EBITDA	2.7	1.0 %	21.3	6.4 %	(18.7)	(87.5)%
ASP ⁽²⁾	\$ 197,250		\$ 195,120		\$ 2,130	1.1 %

Unit deliveries	Three Months Ended					
	November 30, 2024	Product Mix ⁽³⁾	November 25, 2023	Product Mix ⁽³⁾	Unit Change	% Change
Class A	242	17.0 %	481	27.9 %	(239)	(49.7)%
Class B	469	33.0 %	691	40.2 %	(222)	(32.1)%
Class C	711	50.0 %	549	31.9 %	162	29.5 %
Total Motorhome RV	1,422	100.0 %	1,721	100.0 %	(299)	(17.4)%

Dealer Inventory	November 30, 2024	November 25, 2023	Unit Change	% Change
Units	3,994	4,224	(230)	(5.4)%

⁽¹⁾ Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

⁽²⁾ ASP excludes off-invoice dealer incentives.

⁽³⁾ Percentages may not add due to rounding differences.

Net revenues decreased primarily due to lower unit volume related to market conditions.

Adjusted EBITDA margin decreased primarily due to volume deleverage, higher discounts and allowances, and higher warranty experience compared to the prior year, partially offset by operational efficiencies.

Marine

The following is an analysis of key changes in our Marine segment for the three months ended November 30, 2024 compared to the three months ended November 25, 2023:

(in millions, except ASP and units)	Three Months Ended					
	November 30, 2024	% of Revenues ⁽¹⁾	November 25, 2023	% of Revenues ⁽¹⁾	\$ Change ⁽¹⁾	% Change ⁽¹⁾
Net revenues	\$ 90.5		\$ 87.3		\$ 3.2	3.6 %
Adjusted EBITDA	8.4	9.3 %	7.2	8.2 %	1.2	16.7 %
ASP ⁽²⁾	\$ 79,059		\$ 81,113		\$ (2,054)	(2.5)%

Unit deliveries	Three Months Ended			
	November 30, 2024	November 25, 2023	Unit Change	% Change
Boats	1,171	1,118	53	4.7 %

Dealer Inventory ⁽³⁾	Three Months Ended			
	November 30, 2024	November 25, 2023	Unit Change	% Change
Units	3,143	3,767	(624)	(16.6)%

⁽¹⁾ Amounts are calculated based on unrounded numbers and therefore may not recalculate using the rounded numbers provided.

⁽²⁾ ASP excludes off-invoice dealer incentives.

⁽³⁾ Due to the nature of the Marine industry, this amount includes a higher proportion of retail sold units than our other segments.

Net revenues increased primarily due to targeted price increases and higher unit volume, partially offset by a reduction in average selling price per unit related to product mix.

Adjusted EBITDA margin increased primarily due to targeted price increases, partially offset by product mix and higher warranty expense.

Analysis of Financial Condition, Liquidity, and Capital Resources

Cash Flows

The following table summarizes our cash flows from operations:

(in millions)	Three Months Ended	
	November 30, 2024	November 25, 2023
Total cash used in:		
Operating activities	\$ (16.7)	\$ (21.4)
Investing activities	(8.0)	(14.7)
Financing activities	(43.7)	(54.2)
Net decrease in cash and cash equivalents	\$ (68.4)	\$ (90.3)

Operating Activities

During the three months ended November 30, 2024, net cash used in operating activities was \$16.7 million compared to net cash used in operating activities of \$21.4 million during the same period last year. The change in operating cash flow is primarily driven by favorable changes in inventory levels and a decrease in accounts receivable due to timing of invoicing and collections, partially offset by lower profitability adjusted for non-cash items and a decrease in accounts payable due to lower production levels.

Investing Activities

Cash used in investing activities decreased primarily due to favorable changes in other investing activities and lower capital expenditures compared to the prior year. Other investing activities include cash proceeds from asset sales and certain strategic investments.

Financing Activities

Cash used in financing activities decreased primarily due to lower share repurchases compared to the prior year.

Debt and Capital

We maintain a \$350.0 million asset-based revolving credit facility ("ABL Credit Facility") with a maturity date of July 15, 2027, subject to certain factors which may accelerate the maturity date. As of November 30, 2024, we had no borrowings against the ABL Credit Facility.

As of November 30, 2024, we had \$262.5 million in cash and cash equivalents and \$350.0 million in unused ABL Credit Facility. Our cash and cash equivalent balances consist of high quality, short-term money market instruments.

On January 23, 2024, we issued \$350.0 million in aggregate principal amount of 3.25% unsecured convertible senior notes due 2030 (the "2030 Convertible Notes").

On July 8, 2020, we closed our private offering (the "Senior Secured Notes Offering") of \$300.0 million aggregate principal amount of 6.25% Senior Secured Notes due 2028 (the "Senior Secured Notes").

On November 1, 2019, we issued \$300.0 million in aggregate principal amount of 1.50% unsecured Convertible Senior Notes due 2025 (the "2025 Convertible Notes"). On January 18, 2024, we entered into privately negotiated transactions (the "2025 Convertible Note Repurchases") with certain holders of the 2025 Convertible Notes to repurchase \$240.7 million aggregate principal amount of the 2025 Convertible Notes using proceeds received from the 2030 Convertible Notes.

As of November 30, 2024, we had \$59.2 million of net debt maturing in the next twelve months that is classified as current on our Consolidated Balance Sheets.

We believe cash flow from operations, existing lines of credit, and access to debt and capital markets will be sufficient to meet our current liquidity needs, and we have committed liquidity and cash reserves in excess of our anticipated funding requirements. We evaluate the financial stability of the counterparties for the 2030 Convertible Notes, the 2025 Convertible Notes, the Senior Secured Notes, and the ABL Credit Facility, and will continue to monitor counterparty risk on an on-going basis.

Working Capital

Working capital at November 30, 2024 and August 31, 2024 was \$556.1 million and \$584.0 million, respectively. We currently expect cash on hand, funds generated from operations, and the borrowing available under our ABL Credit Facility to be sufficient to cover both short-term and long-term operating requirements.

Share Repurchases

We repurchase our common stock and pay dividends pursuant to programs approved by our Board of Directors. Our long-term capital allocation strategy is to first fund operations and investments in growth, maintain a debt leverage ratio within our targeted zone, maintain reasonable liquidity, and then return excess cash over time to shareholders through dividends and share repurchases.

On August 17, 2022, our Board of Directors authorized a new share repurchase program in the amount of \$350.0 million with no time restriction on the authorization, which took effect immediately and replaced the prior program. In the three months ended November 30, 2024, we repurchased approximately 533,000 shares of our own common stock at a cost of \$30.0 million under this authorization, and approximately 62,000 shares at a cost of \$3.6 million to satisfy tax obligations on employee equity awards vested. We continually evaluate if share repurchases reflect a prudent use of our capital and, subject to compliance with our ABL Credit Facility and Senior Secured Notes, we may purchase shares in the future. As of November 30, 2024, we have \$200.0 million remaining on our Board approved repurchase authorization.

On December 18, 2024, our Board of Directors approved a quarterly cash dividend of \$0.34 per share payable on January 29, 2025, to common stockholders of record at the close of business on January 15, 2025.

Contractual Obligations and Commercial Commitments

There have been no material changes in our contractual obligations since the end of Fiscal 2024. See our Annual Report on Form 10-K for the fiscal year ended August 31, 2024 for additional information regarding our contractual obligations and commercial commitments.

Critical Accounting Estimates

We describe our critical accounting policies in Note 1 in the Notes to Consolidated Financial Statements included in Item 8 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024. We discuss our critical accounting estimates in Item 7 of Part II of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024. There have been no material changes to our critical accounting policies or critical accounting estimates since the end of Fiscal 2024.

Recently Issued Accounting Pronouncements

For a summary of new applicable accounting pronouncements, see Note 1 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Safe Harbor Statement Under the Private Securities Litigation Reform Act

Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), provide a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their companies. With the exception of historical information, the matters discussed in this Quarterly Report on Form 10-Q are forward-looking statements and may be identified by the use of words such as "anticipate," "assume," "believe," "estimate," "expect," "guidance," "intend," "outlook," "plan," "project," and other words and terms of similar meaning. Such statements reflect our current views and estimates with respect to future market conditions, company performance and financial results, operational investments, business prospects, new strategies, the competitive environment, and other events. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the potential results discussed in such forward-looking statements. Readers should review Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024, and Item 1A of Part II of this Quarterly Report on Form 10-Q, for a description of important factors that could cause our actual results to differ materially from those contemplated by the forward-looking statements made in this Quarterly Report on Form 10-Q. Among the factors that could cause actual results and outcomes to differ materially from those contained in such forward-looking statements are the following:

- 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 and retail purchasers.
- 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 and product recalls.
- 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.
- Risks related to our 2025 Convertible Notes, 2030 Convertible Notes and Senior Secured Notes, including our ability to satisfy our obligations under these notes.
- Changes in recommendations or a withdrawal of coverage by third party securities analysts.

We caution that the foregoing list of important factors is not complete. Any forward-looking statements speak only as of the date they are made, and we assume no obligation to update any forward-looking statement that we may make.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The assets we maintain to fund deferred compensation have market risk, but we maintain a corresponding liability for these assets. The market risk is therefore borne by the participants in the deferred compensation program.

Interest rate risk

The ABL Credit Facility, which is our only floating rate debt instrument, remains undrawn as of November 30, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this report

(the "Evaluation Date"). Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the Evaluation Date.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the first quarter of Fiscal 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION**Item 1. Legal Proceedings**

For a description of our legal proceedings, see Note 9 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A, *Risk Factors*, of our Annual Report on Form 10-K for the fiscal year ended August 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**(c) Stock Repurchases**

Purchases of our common stock during each fiscal month of the first quarter of Fiscal 2025 are as follows:

Period	Total Number of Shares Purchased ^(1,2)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ^(1,2)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs ⁽³⁾ (in millions)
9/1/24 - 10/5/24	—	\$ —	—	\$ 230.0
10/6/24 - 11/2/24	594,702	56.46	532,764	200.0
11/3/24 - 11/30/24	239	61.10	—	200.0
Total	<u>594,941</u>	\$ 56.46	<u>532,764</u>	\$ 200.0

(1) Number of shares in the table are shown in whole numbers.

(2) Shares not purchased as part of a publicly announced program were repurchased from employees who vested in Company shares and elected to pay their payroll tax via the value of shares delivered as opposed to cash.

(3) Pursuant to a \$350.0 million share repurchase program authorized by our Board of Directors on August 17, 2022. There is no time restriction on the authorization.

Our Senior Secured Notes, as defined in Note 8 in the Notes to Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q, contain occurrence based restrictions that may limit our ability to make distributions or payments with respect to purchases of our common stock without consent of the lenders, except for limited purchases of our common stock from employees, in the event of a significant reduction in our EBITDA or in the event of a significant borrowing on our ABL Credit Facility.

Item 5. Other Information

During the quarter ended November 30, 2024, no director or officer of the Company adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

.1	Articles of Incorporation of Winnebago Industries, Inc., effective January 1, 2022 (incorporated by reference from Exhibit 3.1 to the Registrant's Current Report on Form 8-K dated January 1, 2022).
.2	Bylaws of Winnebago Industries, Inc., effective August 15, 2023 (incorporated by reference from Exhibit 3.2 to the Registrant's Current Report on Form 8-K dated August 17, 2023).
.1	Indenture, dated November 1, 2019, by and between Winnebago Industries, Inc. and U.S. Bank National Association (incorporated by reference from Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated October 29, 2019).
.2	Form of 1.50% Convertible Senior Note due 2025 (included in Exhibit 4.1).
.3	Indenture, dated as of July 8, 2020, by and among Winnebago Industries, Inc., the guarantors named therein and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated July 8, 2020).
.4	Form of 6.250% Senior Secured Note due 2028 (included in Exhibit 4.3).
.5	Indenture, dated January 23, 2024, by and between Winnebago Industries, Inc. and U.S. Bank Trust Company, National Association (incorporated by reference from Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated January 23, 2024).
.6	Form of 3.250% Convertible Senior Note due 2030 (included in Exhibit 4.5).
1.1	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
1.2	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
2.1	Certification by the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
2.2	Certification by the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (furnished herewith).
.SCH	Inline XBRL Taxonomy Extension Schema Document (furnished herewith).
.CAL	Inline XBRL Taxonomy Calculation Linkbase Document (furnished herewith).
.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (furnished herewith).
.LAB	Inline XBRL Taxonomy Label Linkbase Document (furnished herewith).
.PRE	Inline XBRL Taxonomy Presentation Linkbase Document (furnished herewith).
04	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) (furnished herewith).

* Management contract or compensation plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WINNEBAGO INDUSTRIES, INC.

Date: December 20, 2024

By: /s/ Michael J. Happe

Michael J. Happe
Chief Executive Officer, President
(Principal Executive Officer)

Date: December 20, 2024

By: /s/ Bryan L. Hughes

Bryan L. Hughes
Chief Financial Officer and Senior Vice President
(Principal Financial and Accounting Officer)

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael J. Happe, Chief Executive Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: December 20, 2024

/s/ Michael J. Happe

Michael J. Happe

Chief Executive Officer, President

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Bryan L. Hughes, Chief Financial Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: December 20, 2024

/s/ Bryan L. Hughes

Bryan L. Hughes

Senior Vice President, Chief Financial Officer

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael J. Happe, Chief Executive Officer of Winnebago Industries, Inc. (the "Company"), hereby certify that to my knowledge:

- a. The Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2024 (the "Report") of the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- b. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 20, 2024

/s/ Michael J. Happe

Michael J. Happe

Chief Executive Officer, President

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Bryan L. Hughes, Chief Financial Officer of Winnebago Industries, Inc. (the "Company"), hereby certify that to my knowledge:

- a. The Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2024 (the "Report") of the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- b. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 20, 2024

/s/ Bryan L. Hughes

Bryan L. Hughes

Senior Vice President, Chief Financial Officer