



FISCAL FOURTH QUARTER 2021 RESULTS

DECEMBER 15, 2021



CAUTIONARY STATEMENT & NON-GAAP MEASURES

Disclaimers

Note Regarding Non-GAAP Measures

REV Group reports its financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). However, management believes that the evaluation of REV Group’s ongoing operating results may be enhanced by a presentation of Adjusted EBITDA, Adjusted Net Income, Free Cash Flow and Return on Invested Capital, which are non-GAAP financial measures. Adjusted EBITDA represents net income before interest expense, income taxes, depreciation and amortization as adjusted for certain non-recurring, one-time and other adjustments which REV Group believes are not indicative of its underlying operating performance. Adjusted Net Income represents net income, as adjusted for certain items that we believe are not indicative of our ongoing operating performance. Free Cash Flow is calculated as net cash from operating activities minus capital expenditures. Return on Invested Capital is calculated as net operating profit after tax divided by average net debt and shareholder equity. REV Group believes that the use of Adjusted EBITDA, Adjusted Net Income, Free Cash Flow and Return on Invested Capital provides additional meaningful methods of evaluating certain aspects of its operating performance from period to period on a basis that may not be otherwise apparent under GAAP when used in addition to, and not in lieu of, GAAP measures. See the Appendix to this presentation (and our other filings with the SEC) for reconciliations of Adjusted EBITDA to the most closely comparable financial measures calculated in accordance with GAAP.

Cautionary Statement About Forward-Looking Statements

This presentation contains statements that REV Group believes to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “anticipates,” “expects,” “strives,” “goal,” “seeks,” “projects,” “intends,” “forecasts,” “plans,” “may,” “will” or “should” or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout this presentation and include statements regarding REV Group’s intentions, beliefs, goals or current expectations concerning, among other things, its results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we operate, including REV Group’s outlook for the full-year fiscal 2022 and its long-term financial goals. REV Group’s forward-looking statements are subject to risks and uncertainties, including those highlighted under “Risk Factors” and “Cautionary Note Regarding on Forward-Looking Statements” in REV Group’s public filings with the SEC and the other risk factors described from time to time in subsequent quarterly or annual reports on Forms 10-Q or 10-K, which may cause actual results to differ materially from those projected or implied by the forward-looking statement. Forward-looking statements are based on current expectations and assumptions and currently available data and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which only speak as of the date of this presentation. REV Group does not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law.

End Market Strength

Record \$3.1B backlog

\$70B+ of new federal funding³

\$7.5B <i>Electrifying Buses</i>	\$7.5B <i>Supporting Infrastructure</i>	\$39B <i>Modernizing Transit</i>	\$25B <i>Modernizing Airports</i>
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Headwinds

Chassis availability

Materials shortages

Labor constraints

Inflation

Year-over-year Financial Highlights

Converted sales to earnings

Converted earnings to cash

Improved the balance sheet

Strong financial position

+290
bps Adj.
EBITDA¹ %

174%
free cash
conversion²

\$129m
net debt
repaid

\$290m
liquidity
under ABL

¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation

² Free cash flow conversion is defined as cash from operations less capital expenditures divided by adjusted net income

³ Allocated to REV Group industries under the Bipartisan Infrastructure Plan, company estimates

REV DRIVE Business System

- ✓ Standardized processes
- ✓ Standardized training
- ✓ Streamlined reporting
- ✓ Recurring pipeline projects

532	Bronze Belts
177	Green Belts
31	Black Belts
700+	Active Projects

Investing in Leading Specialty Vehicle Innovation



Eric Sandstrom named new Sr. VP of Engineering & Technology

42	Design for Six Sigma (DFSS) Belts
54	Value Analysis & Value Engineering (VAVE)

Advancing Electric Vehicle Platforms

Altoona testing the industry's only zero emissions, zero corrosion battery electric bus



Mesa, AZ orders first North American style fully electric fire truck

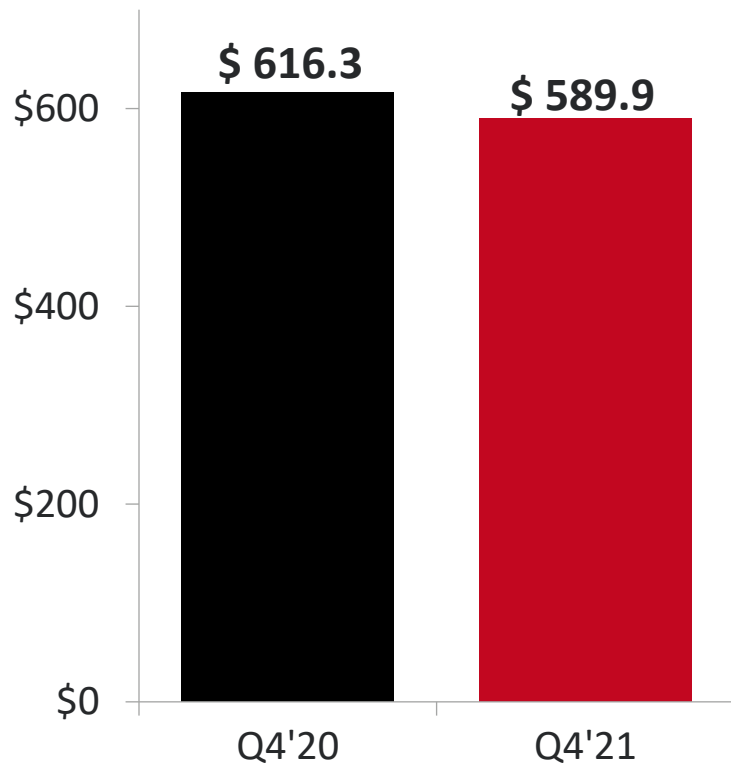


AMR orders 5 electric ambulances with option for 25 additional units

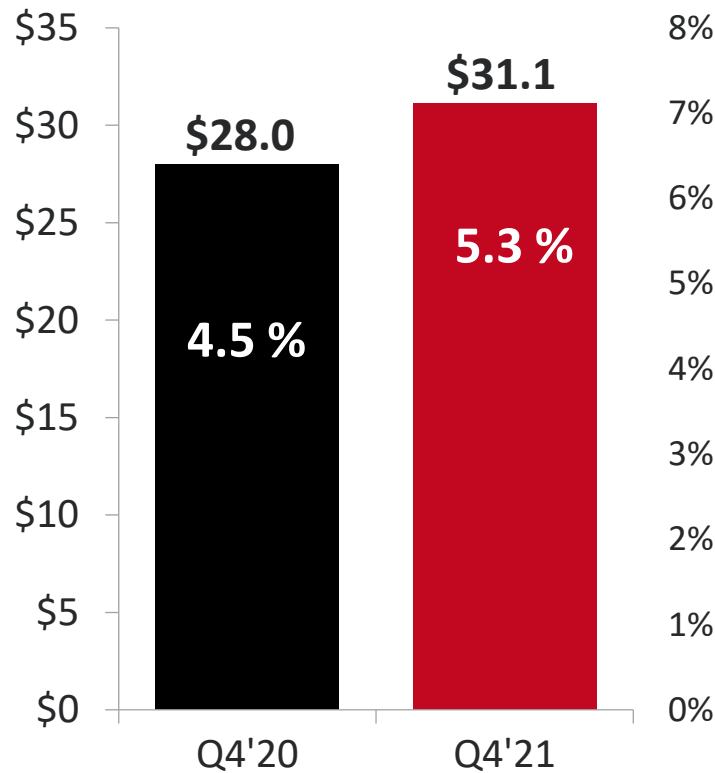


FOURTH QUARTER CONSOLIDATED RESULTS

Net Sales
(\$m)



Adjusted EBITDA¹
(\$m)



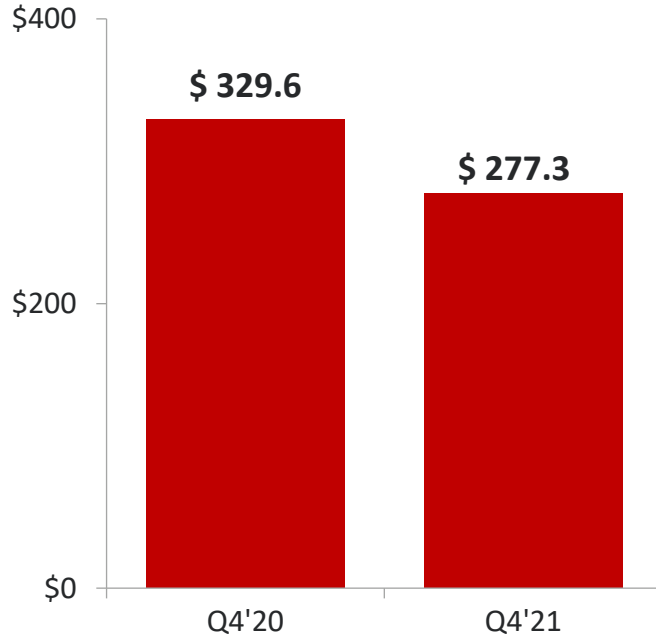
4Q21 Highlights

- Net sales decreased 4.3% year-over-year
- Lower F&E segment sales partially offset by higher Commercial and Recreation segment sales
- Adj. EBITDA increased 11.1% year-over-year despite the revenue decline
- 80 bps Adj. EBITDA margin improvement year-over-year

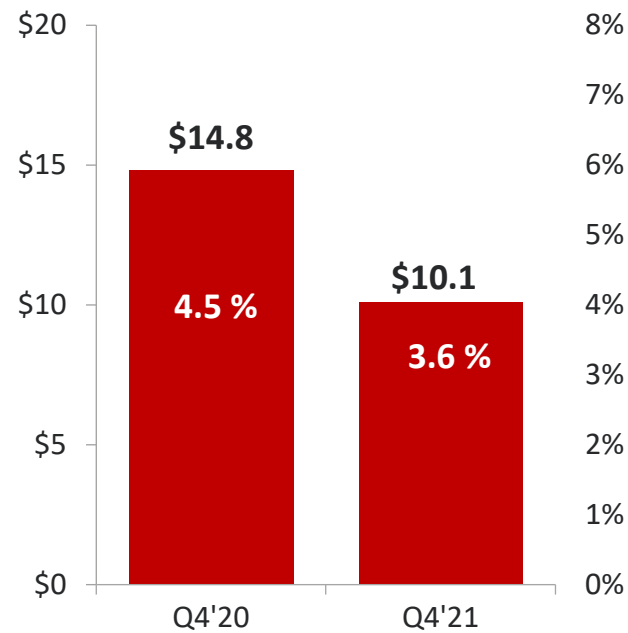
¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.

FOURTH QUARTER FISCAL 2021 FIRE & EMERGENCY RESULTS

Net Sales
(\$millions)



Adjusted EBITDA¹
(\$millions)



Outlook

- \$1.5 billion record backlog reflects strong order intake in both the fire and ambulance groups
- 4Q21 fire and ambulance orders increased 137% and 59% year-over-year respectively
- Material & chassis shortages are expected to remain a headwind to throughput and net sales in the first half of fiscal 2022
- KME production transition expected to be completed in April 2022

- Decreased shipments of fire trucks and ambulance units year-over-year
- Rework & delays related to supply chain disruptions limited shipments
- Hurricane Ida impacted Holden, LA fire apparatus production, and deliveries within the quarter

- Year-over-year declines reflect inefficiencies due to material shortages, line rate changes related to chassis availability & mix, and Hurricane Ida impacts at the Holden, LA facility

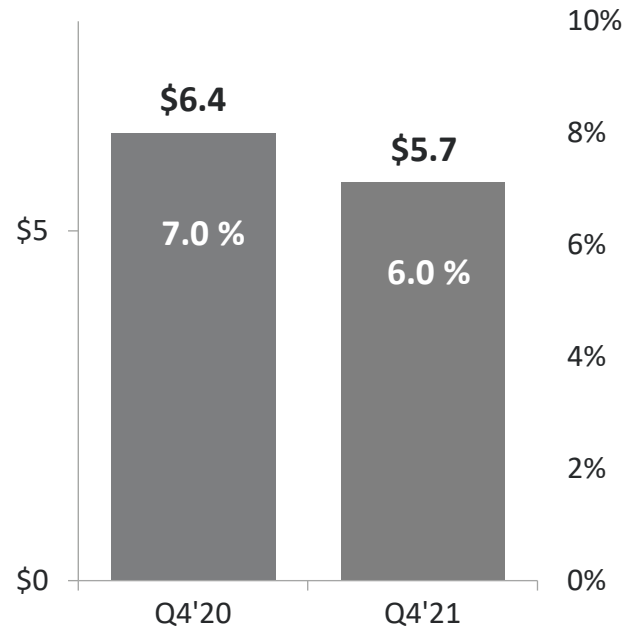
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FOURTH QUARTER FISCAL 2021 COMMERCIAL RESULTS

Net Sales
(\$millions)



Adjusted EBITDA¹
(\$millions)



Outlook

- \$395 million backlog increased 44% year-over-year on strong orders for school buses, terminal trucks and street sweepers
- Type A school bus production schedule has been impacted by lower-than-normal visibility into OEM chassis supply
- Material & chassis shortages are expected to remain a headwind to throughput and net sales in the first half of fiscal 2022
- Added contribution from terminal truck and street sweeper sales is expected to be margin dilutive

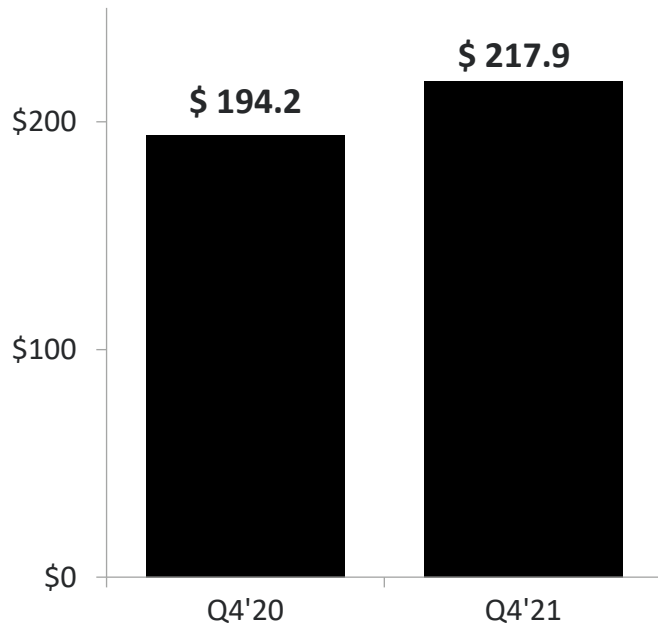
- Increased shipments of municipal transit buses, terminal trucks and street sweepers
- Production of type A school buses was temporarily suspended due to limited chassis availability

- Suspension of type A school bus production resulted in unabsorbed manufacturing costs
- Specialty group margin improved 250 basis points sequentially on ~flat sales

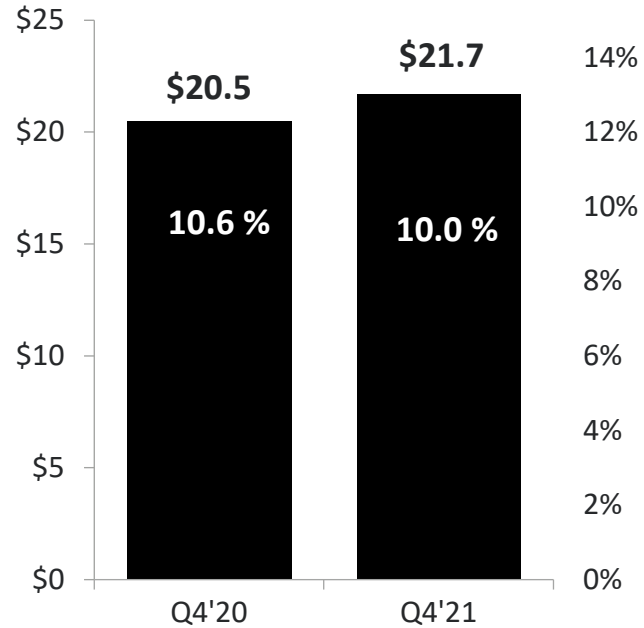
¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.

FOURTH QUARTER FISCAL 2021 RECREATION RESULTS

Net Sales
(\$millions)



Adjusted EBITDA¹
(\$millions)



Outlook

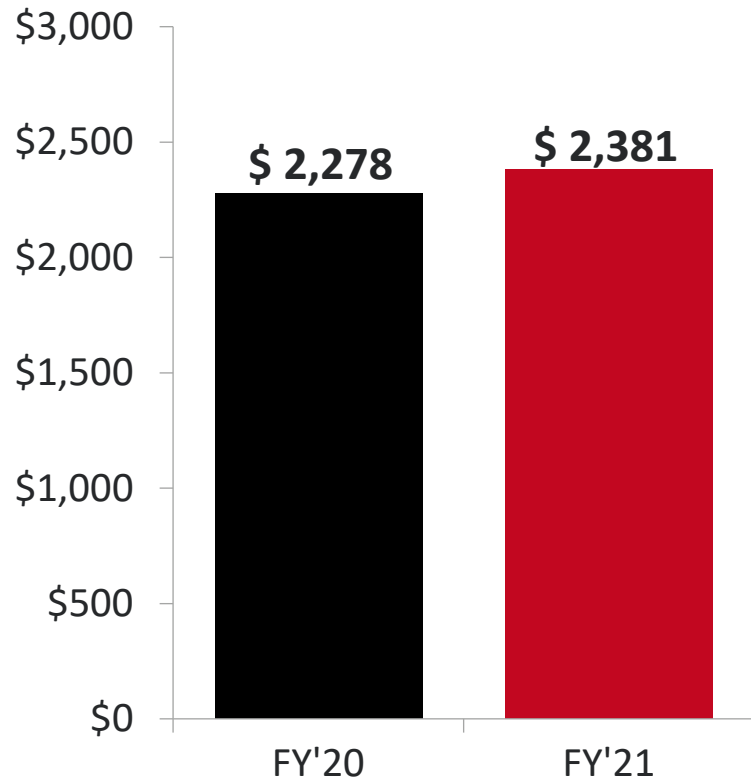
- \$1.2 billion backlog increased 129% vs. the prior year
- Retail sales continued to outpace wholesale shipments in most categories despite having fewer units on dealer lots
- Dealer inventories were down 70% to 80% from peak with no identifiable restocking activity
- Material & chassis shortages are expected to remain a headwind to throughput and net sales in the first half of fiscal 2022
- Limited chassis visibility in both gas and diesel products

- Increased shipments of Class B and Class C units
- Strong price realization
- Material and labor shortages limited line rates and production within the Class A and towable businesses
- Increased pricing of motorized units, partially offset by material inflation and freight cost surcharges
- Performance negatively impacted by inefficiencies resulting from supply chain and labor constraints

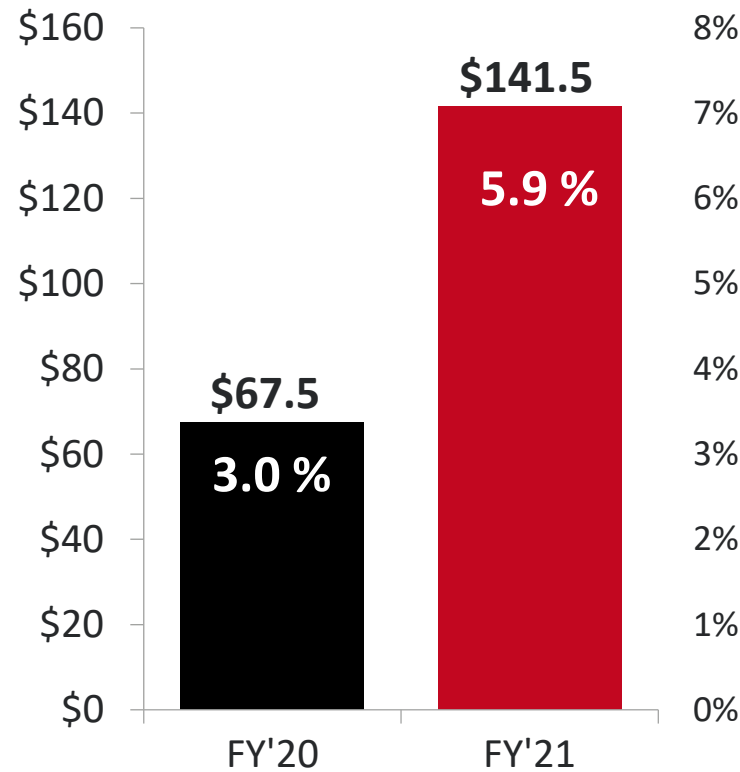
¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.

FISCAL 2021 CONSOLIDATED RESULTS

Net Sales
(\$m)



Adjusted EBITDA¹
(\$m)



FY21 Highlights

- Full year net sales increased 4.5% year-over-year
- Higher F&E and Recreation segment sales was partially offset by lower Commercial sales
- Full year Adj. EBITDA increased \$74 million, or 110% year-over-year
- 72% incremental Adj. EBITDA margin

¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation.

4Q21 BALANCE SHEET & OTHER FINANCIAL ITEMS

(\$m)

YTD Cash From Operations \$158.3

Net Debt¹ \$201.7

Trade Working Capital² \$368.2



Other Fiscal 4Q21 Financial Highlights

Trade working capital decreased \$58.7 million vs 4Q20²
\$133.6 million full-year free cash flow³

\$39.1 million net debt reduction within 4Q21

Expected sale of interest in China JV investment, resulted
in a \$6.2 million non-cash charge to net income

Repurchased \$3.9 million of shares within the quarter

Declared \$0.05 quarterly cash dividend for shareholders of
record December 31, 2021, payable January 14, 2021

\$146.1 million remaining on current share repurchase
authorization

¹ Net debt is defined as total debt less cash and cash equivalents

² Trade working capital is defined as accounts receivable plus inventory less accounts payable and customer advances

³ Free cash flow is defined as cash from operations less capital expenditures; conversion is defined as cash from operation less capex divided by adjusted net income

Full Year Fiscal 2022

	<u>2022 Guidance</u>	<u>2021 Actual</u>
Net Sales:	\$2.3 to \$2.55 billion	\$2.38 billion
Adjusted EBITDA¹:	\$125 to \$155 million	\$141.5 million
Free Cash Flow²:	\$58 to \$80 million	\$133.6 million
Adjusted Net Income¹:	\$64 to \$89 million	\$76.9 million
Net Income:	\$45 to \$73 million	\$44.4 million

Capital expenditures \$30 to \$35 million, interest expense \$11 to \$13 million, effective tax rate 25-27%

¹ For a reconciliation of net income (loss) to Adjusted Net Income and Adjusted EBITDA, see the Appendix to this presentation

² Free cash flow is defined as cash from operations less capital expenditures

APPENDIX



RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA BY SEGMENT

(\$ millions)

	Three Months Ended October 31, 2021				
	Fire & Emergency	Commercial	Recreation	Corporate & Other	Total
Net (loss) income	\$ (1.4)	\$ 4.6	\$ 16.7	\$ (19.9)	\$ —
Depreciation & amortization	3.0	0.7	3.6	0.5	7.8
Interest expense, net	1.2	—	—	1.7	2.9
Loss on early extinguishment of debt	—	—	—	—	—
Benefit for income taxes	—	—	—	1.7	1.7
EBITDA	2.8	5.3	20.3	(16.0)	12.4
Transaction expenses	—	—	—	—	—
Sponsor expense reimbursement	—	—	—	0.2	0.2
Restructuring costs	1.6	—	—	—	1.6
Restructuring related charges	—	—	—	—	—
Impairment charges	1.5	—	—	—	1.5
Stock-based compensation expense	—	—	—	2.3	2.3
Legal matters	—	—	—	0.8	0.8
Net loss on sale of business and assets	—	—	—	6.2	6.2
Gain on acquisition of business	—	—	—	—	—
Other items	4.2	0.4	1.4	0.1	6.1
Earnings attributable to assets held for sale	—	—	—	—	—
Deferred purchase price payment	—	—	—	—	—
Adjusted EBITDA	\$ 10.1	\$ 5.7	\$ 21.7	\$ (6.4)	\$ 31.1

RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA BY SEGMENT

(\$ millions)

	Twelve Months Ended October 31, 2021				
	Fire & Emergency	Commercial	Recreation	Corporate & Other	Total
Net income (loss)	\$ 28.3	\$ 27.0	\$ 70.3	\$ (81.2)	\$ 44.4
Depreciation & amortization	12.0	2.9	14.2	2.9	32.0
Interest expense, net	5.5	0.7	0.1	11.0	17.3
Loss on early extinguishment of debt	—	—	—	1.4	1.4
Provision for income taxes	—	—	—	11.3	11.3
EBITDA	45.8	30.6	84.6	(54.6)	106.4
Transaction expenses	—	—	—	3.2	3.2
Sponsor expense reimbursement	—	—	—	0.4	0.4
Restructuring costs	1.6	—	—	0.9	2.5
Restructuring related charges	0.3	—	—	—	0.3
Impairment charges	1.5	—	—	—	1.5
Stock-based compensation expense	—	—	—	7.8	7.8
Legal matters	1.7	—	—	2.3	4.0
Net loss on sale of business and assets	1.6	—	—	6.3	7.9
Gain on acquisition of business	—	—	—	0.4	0.4
Other items	4.2	0.4	1.4	0.1	6.1
Earnings attributable to assets held for sale	1.0	—	—	—	1.0
Adjusted EBITDA	\$ 57.7	\$ 31.0	\$ 86.0	\$ (33.2)	\$ 141.5

RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED NET INCOME (LOSS)

(\$ millions)

	Three Months Ended October 31,		Twelve Months Ended October 31,	
	2021	2020	2021	2020
Net income (loss)	\$ —	\$ (10.2)	\$ 44.4	\$ (30.5)
Amortization of intangible assets	2.4	2.9	9.8	13.3
Transaction expenses	—	0.7	3.2	3.3
Sponsor expense reimbursement	0.2	0.3	0.4	0.5
Restructuring costs	1.6	3.9	2.5	9.9
Restructuring related charges	—	6.6	0.3	10.5
Impairment charges	1.5	8.4	1.5	12.1
Stock-based compensation expense	2.3	0.6	7.8	7.8
Legal matters	0.8	0.2	4.0	1.8
Net loss on sale of business and assets	6.2	1.8	7.9	11.1
Gain (loss) on acquisition of business	—	3.3	0.4	(8.6)
Other items	6.1	—	6.1	—
Losses (earnings) attributable to assets held for sale	—	—	1.0	(0.8)
Deferred purchase price payment	—	—	—	0.1
Loss on early extinguishment of debt	—	—	1.4	—
Impact of tax rate change	—	—	(4.2)	(3.5)
Income tax effect of adjustments	(3.2)	(6.7)	(9.6)	(17.5)
Adjusted Net Income	\$ 17.9	\$ 11.8	\$ 76.9	\$ 9.5

FISCAL YEAR 2022 ADJUSTED EBITDA OUTLOOK RECONCILIATION

(\$ millions)

REV GROUP, INC.
ADJUSTED EBITDA OUTLOOK RECONCILIATION
(Dollars in millions)

	Fiscal Year 2022	
	Low	High
Net income (1)	\$ 45.0	\$ 72.7
Depreciation and amortization	31.0	29.0
Interest expense, net	13.0	11.0
Provision for income taxes	16.6	26.9
EBITDA	105.6	139.6
Sponsor expense reimbursement	0.4	0.4
Restructuring	10.0	7.0
Stock-based compensation expense	9.0	8.0
Adjusted EBITDA	\$ 125.0	\$ 155.0

(1) Does not include any non-recurring charges that may occur during the period shown other than those presented in this reconciliation. See “Cautionary Statement About Forward-Looking Statements” in the presentation slides above.

FISCAL YEAR 2022 ADJUSTED NET INCOME OUTLOOK RECONCILIATION

(\$ millions)

REV GROUP, INC.
ADJUSTED NET INCOME OUTLOOK RECONCILIATION
(Dollars in millions)

	Fiscal Year 2022	
	Low	High
Net income (1)	\$ 45.0	\$ 72.7
Amortization of intangible assets	7.1	7.1
Sponsor expense reimbursement	0.4	0.4
Restructuring	10.0	7.0
Stock-based compensation expense	9.0	8.0
Income tax effect of adjustments	(7.2)	(6.1)
Adjusted Net Income	\$ 64.3	\$ 89.1

(1) Does not include any non-recurring charges that may occur during the period shown other than those presented in this reconciliation. See “Cautionary Statement About Forward-Looking Statements” in the presentation slides above.



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