



# REV GROUP, INC. TO EXIT SCHOOL AND TRANSIT BUS MANUFACTURING AND REORGANIZE INTO TWO REPORTING SEGMENTS; ANNOUNCES A SPECIAL CASH DIVIDEND

Jan. 29th, 2024

BROOKFIELD, Wis.--(BUSINESS WIRE)--REV Group, Inc. ("REV" or the "Company"), a leading provider of specialty vehicle brands, announced today that it has completed the divestiture of its school and transit bus manufacturing business, ENC Bus Corporation ("Collins Bus"), to its customers. The transaction, which was completed on January 29, 2024, included the transfer of Collins Bus' assets, liabilities, and employees, as well as the customary adjustment of the transaction price.

"We have a long and successful history with Collins Bus. We are pleased that the transaction has been completed and that the team members for the business will be well taken care of by our new owners," said Mark Skonieczny, President and CEO of REV Group.

In addition to the sale of Collins Bus, REV Group will also be exiting its school bus operations at its El Dorado, Kansas facility by the end of fiscal year 2024.

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industry-leading product portfolio and bus business, Collins Bus, subject to certain

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ing by winding down substantially completed by

"Delays in the supply of critical components and the build out of infrastructure to support EV adoption, as well as the financial health of key suppliers, has created a competitive bidding environment for diesel and CNG buses that has made it difficult for ENC to compete profitably versus peers of greater scale," said Skonieczny. "The decision to wind down operations was not made lightly; however, based on the options available to us, we believe this is the best path forward for our business. I would like to thank our ENC employees, dealers, and customers for their commitment to ENC over the years."

REV Group expects to generate at least \$250 million in net cash proceeds from these strategic actions. The net proceeds will be used to return approximately \$180 million of cash to shareholders in the form of a special cash dividend in the amount of \$3.00 per share of common stock, payable on February 16th, 2024, to shareholders of record on February 9th, 2024, with the remainder used to pay down debt under its ABL credit facility.

REV Group will be reorganized into two reporting segments beginning with its first quarter fiscal 2024 results. The remaining Commercial segment business will be combined with the Fire & Emergency businesses in a new segment named Specialty Vehicles, led by Mike Virnig, the current fire group president. The Recreation segment will be renamed Recreational Vehicles and will continue to be led by its current president, Mike Laciotti. The company



expects to provide updated fiscal 2024 guidance, including the impacts of these strategic actions, with its first quarter fiscal 2024 earnings release.

"Today's announcement creates a more focused operating structure that provides opportunities for growth, consistent cash generation, and improved margin performance," stated Skonieczny. "The net cash proceeds generated from these actions and strength of our balance sheet allow us to return cash to shareholders in the form of a special cash dividend while retaining ample liquidity and flexibility to continue to pursue our strategic agenda."

## Conference Call

A conference call to discuss these matters and their impact on the company is scheduled for January 29<sup>th</sup>, 2024, at 11:00 a.m. ET. A supplemental slide deck with additional information will be available on the REV Group, Inc. investor relations website. The call will be webcast simultaneously over the internet. To access the webcast, listeners can go to <http://investors.revgroup.com/investor-events-and-presentations/events> at least 15 minutes prior to the event and follow instructions for listening to the webcast. An audio replay of the call and related question and answer session will be available for 12 months at this website.

## About REV Group

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## Forward Looking Sta

Our forward-looking statements are subject to risks and uncertainties, including those highlighted under "Risk Factors" and "Cautionary Statement on Forward-Looking Statements" in the company's annual report on Form 10-K, and in the company's quarterly reports on Form 10-Q, together with the company's other filings with the SEC, which risks and uncertainties 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 hereof. The company 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.

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