ALTA FOX
CAPITAL

Rev Group, Inc. (REVG)

High Visibility Profitability Inflection with >100% upside

5/3/24 Share Price: $21.91

FY25 Base Case Target Price: $47.2
Target Price % Upside[*]: 115%

Presentation as prepared for the BTIG Best Ideas: Value Investing event on 5/3/24 in Omaha, NE

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❖ This does not represent an actual IRR; this is a hypothetical return figure that would be less on a NET basis for a hypothetical investor of Alta Fox Opportunities Fund, LP. The annualized Net IRR would be ~37% assuming an investment date of 5/3/24 at the Current Price, a realization date of 5/1/26, 2% management fee, 20% performance fee, and 0.50% for fund-related expenses.

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Rev Group Overview (1/4)

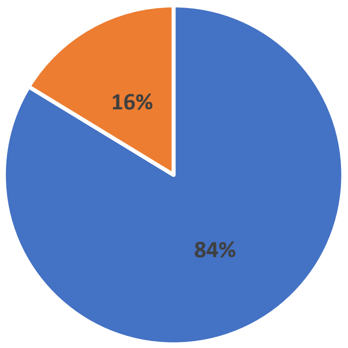
- Rev Group Inc ("REVG") is a U.S. manufacturer and distributor of specialty vehicles and aftermarket components in the following verticals:
  - Specialty vehicle production – vast majority is Fire & Ambulance
  - RV production

- Through a series of bolt-on acquisitions from 2006-2020, REVG has built a market leading company in the US Fire & Ambulance segments and a contender in the RV market

- There have been significant positive changes to the industry, business, and REVG leadership team over the last decade. We believe these changes are underappreciated but will become evident to the market over the next 12 months.

Market Cap	$1,134
EV	$1,347
Consensus FY24 EV/EBITDA	8.7x
AFC FY26 EV/EBITDA	4.6x

REVG AFC FYE24 EBITDA Mix by Segment



REVG Estimated Market Share	
Fire	~30%
Ambulance	~50%
RV	NM

Rev Group Overview (2/4)

Timeline of key REVG events:

- **2006:** American Industrial Partners ("AIP"), a US PE firm, founds what would later be known as Rev Group and begins rolling up independent fire & ambulance, commercial and RV manufacturers
- **2017:** REVG IPO's raising primary capital to continue to do more industry M&A. REVG's specialty business was earning 11% EBITDA margins at the time. Later that year AIP completes their first secondary offering
- **2018-2019:** Trade-war disruption and poorly integrated subsidiaries put pressure on throughput and margins. Specialty EBITDA margins fall to <5%
- **2020:** Management team replaced by operationally focused CEO from Johnson Controls whose mandate was to integrate REVG's nearly two-dozen subsidiaries
- **2021-2022:** Rapid inflation puts significant pressure on costs – as a result, REVG and industry participants take a cumulative ~40% price increase
- **2023:** CEO steps down replaced by CFO (who also joined in 2020) whose focus is to significantly improve group level margins and throughput
- **2024:** AIP sells nearly 100% of their ~50% ownership stake in REVG as their fund winds down. REVG divests commercial segment for 12x NTM EBITDA and returns >100% of proceeds to shareholders through a buyback and special dividend
- **Today: REVG is a simplified business focused on significant EBITDA margin improvements through better execution**

Fire Industry Share	2006	2016	2023
Rev Group	**5%**	**20%**	**30%**
Oshkosh (Pierce)	25%	30%	35%
Rosenbauer	8%	10%	10%
Independents	62%	40%	20%
Top 3 Players	**38%**	**60%**	**80%**

Source: Alta Fox Estimates, IBIS World Data

Emergency (Ambulance) Industry Share	2006	2016	2023
Rev Group	**10%**	**35%**	**50%**
Demers Braun Portfolio (Private)[1]	5%	15%	25%
Independents	85%	50%	25%
Top 2 Players	**15%**	**50%**	**75%**

1. Includes Demers, Braun, Crestline Medix emergency brands

Rev Group Overview (3/4)

REV

Specialty end market - Municipalities

A leading manufacturer of fire vehicles in North America

E-ONE | FERRARA | KME | SPARTAN | CAPACITY LAYMOR

Pumper / Tanker

ARFF

Aerial

Terminal Trucks

Cab and Chassis

Sweepers

#1 ambulance market position experiencing strong demand

AEV | Road Rescue In Service for Life | Horton STRENGTH & SAFETY IN EVERY DETAIL | Wheeled Coach | LEADER EMERGENCY VEHICLES

Ambulance Type I

Ambulance Type II

Ambulance Type III

RV end market - Consumers

Renegade RV

Leading manufacturer of high-end and traditional Class C / "Super C" RVs

Super C

Renegade XL

Regular C

Verona

MIDWEST AUTOMOTIVE DESIGNS

Premier manufacturer in the growing Class B motorhome segment

Class B

Weekender

Van Conversions

Luxury Van Conversion

American Coach | FLEETWOOD RV | HOLIDAY RAMBLER | MONACO

Among the most recognized Class A diesel and gas RV brands

Class A Diesel

Eagle

Class A Gas

Bounder

LANCE

High-end offering of quality travel trailers and truck campers

Travel Trailer

21' – 24'

Truck Camper

Long Bed

Rev Group Overview (4/4)

We believe Fire & Ambulance are structurally attractive end markets for the following reasons:

- **Brands have local monopolies & strong customer loyalty**
    - Municipalities tend to single source fire/ambulance brands. Consistency allows for standardization of training and easier maintenance across the fleet
    - Fire chiefs tend to have strong preferences towards their favorite brand as each has its own unique flare
    - Switching costs are high. Customer churn tends to occur only when there are significant vehicle defects or when a new fire chief from out of town leverages his political position to engineer a fleet change
- **Inelastic and consistent demand**
    - Fire & ambulance demand is largely replacement cycle driven and therefore tends to be stable
    - Over the last few decades, our research suggests that prices have increased 3-4% a year on average with no down years
- **Industry has consolidated considerably resulting in rational competition**
    - REVG has consolidated both the fire & ambulance industry and has ~30% and ~50% market share respectively
    - While 10 years ago there were several top players, today there are two dominant players in each industry

REVG is a Textbook Case Study for an Alta Fox Gem

- Alta Fox aims to buy leading companies with favorable industry dynamics and predictable + improving economics
- **We prefer to invest in situations where fundamental improvements have already taken place but have not yet been fully reflected in the income statement or the stock price.** With this approach, we can invest with high conviction at a cheap multiple of future earnings power without having to make bold predictions about the future

Alta Fox Case Studies:

- Oligopoly industry structures
- Significant pricing power exercised following record backlog build
- Cheap entry multiple on normalized earnings

KPI Progression of Comparable Case Studies During AFC Ownership

Figures in USD M	LTM @ Position Inception	NTM @ Sale / Current
DAKT US[1]		
Revenue	$661	$832
EBITDA	$6	$95
EBITDA Margin	1%	11%
TSR		170%
CLCT US[2]		
Revenue	$79	$162
EBITDA	$20	$60
EBITDA Margin	25%	37%
TSR		280%

REVG Valuation on Normalized Earnings

	FY24 Cons	FY26 AFC
Revenue	$2,494	$2,905
EBITDA	$156	$290
EBITDA Margins	6.2%	10.0%
Current EV	$1,347	$1,347
Market implied EV/EBITDA	8.7x	4.6x
Normalized Multiple		8.0x
Target EV		**$2,320**
(+) net cash		$124
Target Market Cap		**$2,444**
FDSO		51.8
Target Price		**$47.2**
Current Price		$21.9
Upside		*115.4%* *

AFC FY26 vs Cons

	AFC FY26	Cons FY26	AFC vs Cons
Revenue	$2,905	$2,581	13%
EBITDA	$290	$201	45%
EBITDA Margin	10.0%	7.8%	220bps

1. Current Position, initiated Nov 2022
2. Acquired by private equity Feb 2021, initiated Jan 2020

❖ This does not represent an actual IRR; this is a hypothetical return figure that would be less on a NET basis for a hypothetical investor of Alta Fox Opportunities Fund, LP. The annualized Net IRR would be ~37% assuming an investment date of 5/3/24 at the Current Price, a realization date of 5/1/26, 2% management fee, 20% performance fee, and 0.50% for fund-related expenses.

Executive Summary (1/2)

Alta Fox believes that equity in Rev Group possesses an asymmetric risk/reward for the following reasons:

1. **The Fire and Ambulance industry is an attractive, consolidated industry with positively inflecting industry fundamentals**
   - Record pricing power driven by robust demand and multi-year industry backlogs
2. **REVG is the best way to capitalize on the industry profitability inflection**
   - REVG trading for ~4.5x FY26 EBITDA, well below direct comparables despite faster organic EBITDA growth
3. **Attractive near-term setup with several soft catalysts**
   - Liquidity has significantly improved following PE's exit in March 2024
   - Earnings upgrade cycle likely imminent
   - Passive buying as indexes rebalance this Summer
   - Likely future sell side initiations

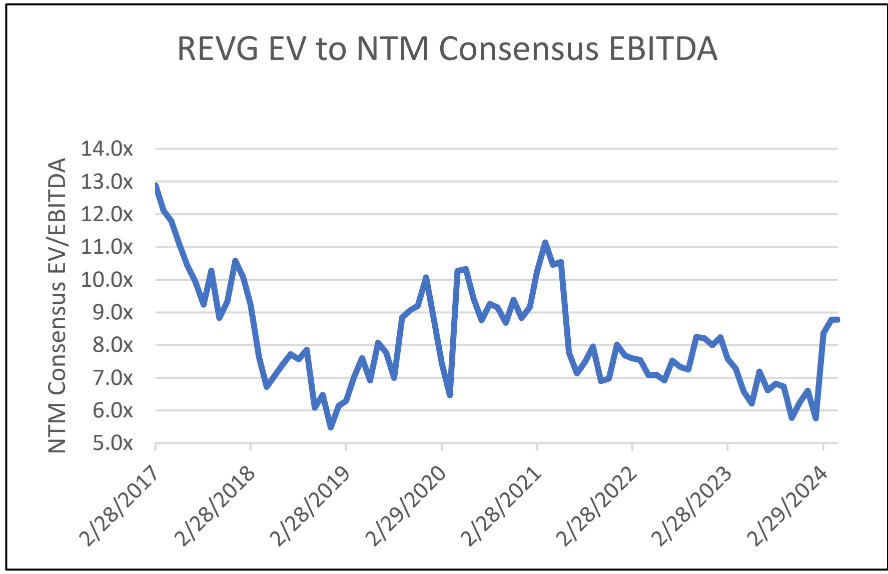
		Cons EV/EBITDA			
SMID Specialty Vehicle Comps	**Market Cap**	**FY24**	**FY25**	**FY26**	**FY24-26 EBITDA CAGR**
Oshkosh	$7,695	7.9x	7.6x	7.6x	2%
Rosenbauer	$217	7.3x	6.7x	6.2x	9%
Bluebird	$1,094	8.3x	7.5x	7.2x	7%
Average		**7.8x**	**7.3x**	**7.0x**	
Median		**7.9x**	**7.5x**	**7.2x**	
REVG AFC Estimates		8.4x	5.9x	4.6x	35%
AFC vs Peer Average		7%	-18%	-34%	
AFC vs Peer Median			-21%	-35%	

Bottom-line: REVG is poised to see EBITDA grow ~100% as throughput and margins normalize. Demand remains robust and price increases have already been taken. As long as management executes on operations, we see very little risk to our above-consensus forecasts. We view REVG as a low-risk, high-visibility opportunity with >100% upside.

Executive Summary (2/2)

Why Does This Opportunity Exist	Alta Fox's View
Off-the-radar	- Limited sell side coverage - Liquidity was <$3M a day in 2023. It has since improved to >$20M a day following PE's exit in March 2024
History of disappointing performance	- Prior management was focused on M&A and not on operational execution or pricing discipline – the current management team is laser focused on organic execution
REVG does not appear that cheap on NTM consensus numbers	- REVG is the cheapest vs peers by far on FY25-26 numbers, though the market is not looking past FY24 - Multi-year backlog has obscured the fundamental transformation that has *already* occurred - As REVG improves throughput and realizes their backlog, both revenue and margins should improve dramatically

Bottom-line: We believe REVG shares can more than double over the next 24 months *excluding* any multiple expansion as consolidated EBITDA margins go from ~6% to ~10%*. Our conviction is supported by REVG's 3+ year backlog that continues to grow.



Source: Bloomberg
Note, Alta Fox adjusts Feb-April EV calcs to account for REVG's sale of Collins and cash outflow from dividends and repurchases

❖ There is no guarantee that the REVG shares can or will achieve the increase suggested.

Main Thesis Points

Alta Fox believes:

1. The specialty vehicle industry is an attractive, consolidated market with positively inflecting fundamentals
2. REVG is the best way to capitalize on the specialty vehicle profitability inflection
3. Valuation is undemanding today and significantly cheaper than peers on normalized earnings
4. REVG's fundamental inflection is further supported by an attractive near-term technical setup with several soft catalysts

Specialty Vehicle Industry Inflection (1/3)

Significant industry consolidation over the last 10 years (+) record high backlogs have led to improved pricing power for manufacturers. We estimate that REVG and peers have taken price ~40% since pre-covid. Additionally, industry throughput is only now recovering from post-pandemic supply chain disruption.

North America Fire Backlogs (USD M)	2018	2019	2020	2021	2022	2023	CAGR vs 18	Compound increase vs 18
Rev Group (Fire-only estimate)[1]	$531	$625	$724	$1,124	$1,942	$2,737	39%	416%
Oshkosh (Pierce)	$950	$1,070	$1,171	$1,547	$2,869	$3,898	33%	311%
Rosenbauer	$344	$376	$351	$375	$481	$668	14%	94%
Total	**$1,824**	**$2,070**	**$2,246**	**$3,046**	**$5,292**	**$7,304**	32%	300%

North America Fire Rev (USD M)	2018	2019	2020	2021	2022	2023	CAGR vs 18	Compound increase vs 18
Rev Group (Fire-only estimate)	$641	$648	$758	$761	$647	$787	4%	23%
Oshkosh (Pierce)	$1,022	$1,110	$1,012	$1,054	$1,000	$1,187	3%	16%
Rosenbauer	$223	$246	$251	$255	$254	$265	4%	19%
Total	**$1,887**	**$2,004**	**$2,021**	**$2,069**	**$1,901**	**$2,239**	3%	19%

Months to Service Backlog[2]	2018	2019	2020	2021	2022	2023	CAGR vs 18	Compound increase vs 18
Rev Group (Fire-only estimate)	10	12	11	18	36	42	33%	320%
Oshkosh (Pierce)	11	12	14	18	34	39	29%	254%
Rosenbauer	18	18	17	18	23	30	10%	63%

Source: Company filings, Alta Fox estimates

Bottom-line: When comparing industry backlog growth vs revenue growth, one can see that the impacts of improved pricing and throughput are yet to be realized on *revenues,* as well as margins.

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1. Note that REVG's historical backlog and revenue includes emergency in addition to fire
2. Months-to-Service is an Alta Fox calculated measure based on company provided information: Backlog/LTM Revenue*12 months

Specialty Vehicle Industry Inflection (2/3)

How sustainable is the current industry supply/demand imbalance?

- Fire & ambulance replacements are a necessity for municipalities. Bookings tend to grow with population and inflation over time. According to IBIS World data, industry revenues for fire grew at 3% a year from 2005-2019[1]
- The recently consolidated industry has been historically supply-constrained post covid resulting in record multi-year backlogs. As a result, we believe prices, which are 40% higher than 2019, will continue to increase over time. Our checks suggest that industry prices have increased another ~4% in 2024
- While we estimate that current industry order rates are ~20% above-trend, due to REVG's ~3-year backlog (which continues to build) and the non-discretionary nature of replacement demand, we believe *revenue* will continue to grow sustainably for the foreseeable future as the business ramps throughput and realizes price

REVG Normalized F&E Bookings	
FY20 Bookings	$1,265
Adjustment for price increases	40%
Adjustment for population growth	2%
Adjustment for market share gains	5%
Normalized F&E Bookings in 2024	**$1,860**
FY23 F&E Bookings	$2,235
Normalized Bookings vs Current bookings	*-17%*
FY23 F&E Revenue	$1,174
Normalized Bookings vs FY23 Rev	*58%*
FY24 AFC F&E Revenue	$1,446
Normalized Bookings vs FY24 AFC Rev	*29%*

Bottom-line: While F&E bookings have been above normalized demand in recent quarters, revenue (and earnings power) is still well below what normalized bookings rates would imply.

1. https://www.ibisworld.com/industry-statistics/market-size/fire-truck-manufacturing-united-states/

Specialty Vehicle Industry Inflection (3/3)

Key quotes from market leading players:

- **3.13.24 OSK CFO at GS conference:** *"We're booking trucks out into 2027 now, so we're largely booked for 2026. Our price increase has been in the range of 40% since we started doing the more significant increases in 2021."*

- **3.8.24 REVG CEO during Q1 24 conference call**: *"there's 6% to 7% margin realization opportunity over the year progressively. As we've accelerated throughput, we've been able to get through our older backlog quicker. The price realization in the back half of the year will improve as we move through it."*

REVG Fire & Emergency AFC Estimates	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FYE2024	FYE2025	FYE2026
F&E Backlog	340	551	590	708	833	966	1,499	2,589	3,650	4,132	4,055	3,435
y/y %		62%	7%	20%	18%	16%	55%	73%	41%	13%	-2%	-14%
F&E Bookings AFC estimate		979	1,024	1,074	1,093	1,265	1,668	2,056	2,235	1,928	1,696	1,526
y/y %			5%	5%	2%	16%	32%	23%	9%	-14%	-12%	-10%
F&E Revenue	620	768	984	957	968	1,132	1,135	965	1,174	1,446	1,773	2,146
y/y %			28%	-3%	1%	17%	0%	-15%	22%	23%	23%	21%
F&E Book-to-Bill		**1.3x**	**1.0x**	**1.1x**	**1.1x**	**1.1x**	**1.5x**	**2.1x**	**1.9x**	**1.3x**	**1.0x**	**0.7x**
F&E Months to Service Backlog[1]	6.57	8.61	7.20	8.88	10.32	10.24	15.84	32.19	37.29	34.29	27.45	19.21

Bottom-line: Even in a scenario where order rates pull back to *below* normalized levels of ~$1.85B in FY25-26, REVG's backlog would remain >200% higher by year-end FY26 vs FY20, continuing the current supply/demand imbalance.

1. Months-to-Service is an Alta Fox calculated measure based on company provided information: Backlog/LTM Revenue*12 months

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Alta Fox believes:

1. The specialty vehicle industry is an attractive, consolidated market with positively inflecting fundamentals

2. REVG is the best way to capitalize on the specialty vehicle profitability inflection

3. Valuation is undemanding today and significantly cheaper than peers on normalized earnings

4. REVG's fundamental inflection is further supported by an attractive near-term technical setup with several soft catalysts

REVG Stands to Benefit Most from Industry Tailwinds (1/2)

- **REVG is best way to capitalize on the industry inflection**
  - REVG has the most EBITDA exposure to North America Fire & Ambulance end markets among any publicly listed companies at ~85%
    - We estimate that ~15% of OSK's EBITDA is from Fire
    - We estimate that ~10% of ROS's EBITDA is from North America Fire
- **Idiosyncratic improvements**
  - Management turnaround with current team acutely focused on throughput & margins
  - Throughput
    - Due to labor and production constraints REVG's throughput has performed at only a fraction of normalized levels
    - Opportunity to invest in AI-powered technology in plants to improve throughput and streamline costs
  - Cost discipline
    - Integration of subsidiaries
    - Standardizing components
  - **We believe OSK is already earning 17% EBITDA margins in their fire business.** Our base case only assumes 12% EBITDA margins for REVG's Specialty segment by FY26. *Note that REVG has already demonstrated its ability to earn LDD EBITDA margins in Specialty in both 2016 & 2017*

3.28.24 Baird Notes from the Road with REVG CEO: *"Within the Specialty Vehicles segment, Ambulance throughput is now ~80% of normal levels while Fire is still lagging (~40%) but with clear line of sight to gradual improvement as the year progresses."*
AFC comment: **This quote implies REVG specialty throughput is only ~55% of "normal" levels**

Bottom-line: The magnitude of the revenue & margin enhancement to come is underappreciated by the market as REVG demonstrates its macro and micro turnaround.

REVG Stands to Benefit Most from Industry Tailwinds (2/2)

We believe Marc Skonieczny has demonstrated that he is the right CEO to take Rev Group's throughput and margins to normalized levels

- Having visited a local plant and met with the GM, we have further appreciation for Marc's de-centralized approach. The GM mentioned that the prior team was causing, "death by powerpoint and oversight" which was curtailing improvements at the subsidiary level by forcing standardized procedures from corporate that were often at odds with what the local plant felt was necessary to improve results
- "I visit each plant once a month to understand what the bottlenecks are. When GMs get a call from corporate today the message is, 'what can corporate do to help you reach your targets?'" – Marc Skonieczny, REVG CEO

Testimonies from experts:

"Marc is a finance guy - and very good finance guy. He probably is pushing very hard on margin. He's not in there telling the businesses here's how and here's what you need to do. I think it's a little bit more of a decentralized approach. It's okay to kind of run it a little bit more like a financial holding company where you're just holding those leaders accountable for hitting their numbers." – Former VP at REVG

"Former CEO wanted everything to be more standardized. I know that Marc is very financially minded and immediately looked to reduce corporate expenses. I think that Marc will be more a financially savvy leader." - Former Group Director of Sales at REVG

"I think the current management team, Marc, is really a bright guy. He's the right guy for the dealerships. I know him well, and the President of the specialty vehicle market, which is Mike Virnig, I think of the 2 right guys to take this business to the next level. They've got the right team." – Current REVG distributor

Bottom-line: Management's decentralized managerial style is hyper-focused on making the best decisions at the subsidiary level to maximize throughput and operating leverage

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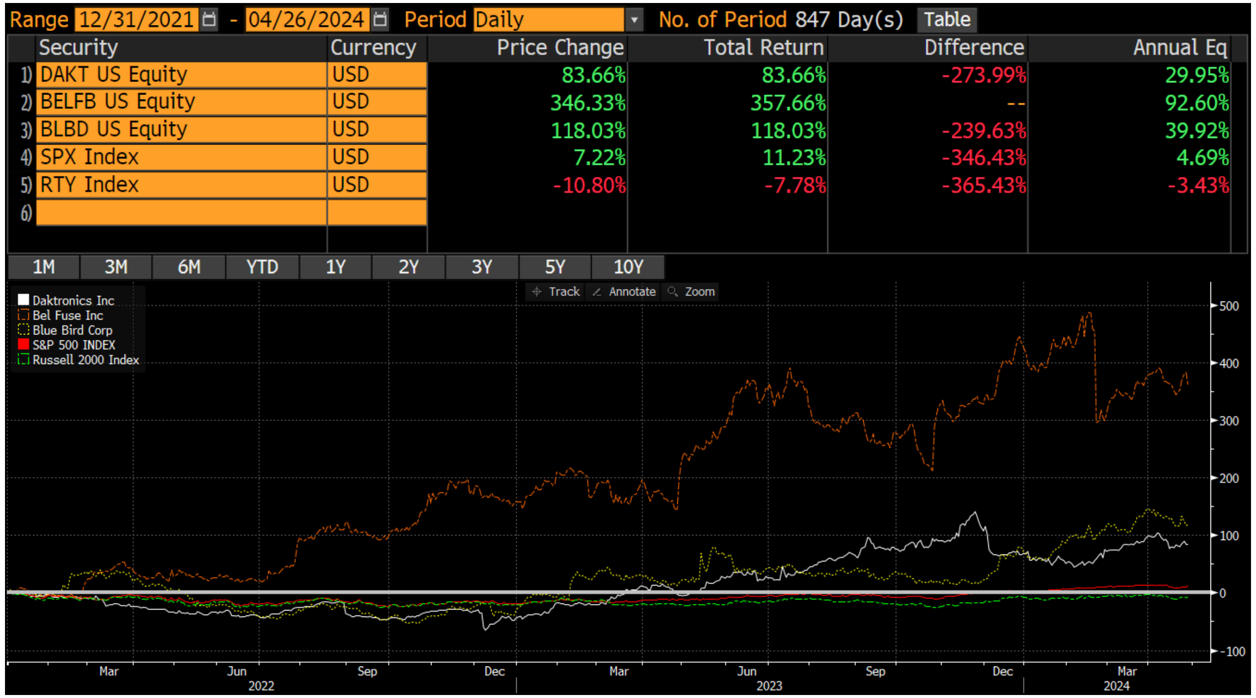
Market Has Not Priced in Normalized Earnings (1/2)

The market has struggled to properly value niche industrial businesses with few (if any) public peers in similarly consolidated markets when margins grow from trough to record levels in short amounts of time. We show several case studies below of similar situations:

	FY19	FY20	FY21	FY22	FY23	FY24E Cons
BLBD						
Backlog	**$135**	**NM**	**$269**	**$600**	**$670**	
Revenue	$1,019	$879	$684	$801	$1,133	$1,249
EBITDA	$82	$55	$34	-$15	$88	$134
EBITDA Margin	8.0%	6.2%	5.0%	-1.8%	7.8%	10.7%
DAKT[1]						
Backlog	**$257**	**$268**	**$251**	**$472**	**$401**	
Revenue	$570	$609	$482	$611	$754	$808
EBITDA	$14	$18	$34	$19	$38	$100
EBITDA Margin	2.4%	2.9%	7.1%	3.2%	5.1%	12.4%
BELFB						
Backlog	**$167**	**$234**	**$468**	**$566**	**$373**	
Revenue	$492	$466	$543	$654	$640	$558
EBITDA	$26	$32	$43	$83	$111	$85
EBITDA Margin	5.3%	6.9%	7.9%	12.7%	17.3%	15.3%

Case Study Group TSR since 12/31/2021 (market peak)



Bottom-line: We believe REVG has the potential to double consolidated EBITDA margins from 6% to 12% within 3 years, similar to the highlighted examples. Over the next 12 months we expect the market to better reflect normalized earnings power by re-rating the shares sharply.

1. DAKT FY24E are Alta Fox estimates

Market Has Not Priced in Normalized Earnings (2/2)

While REVG is being valued in-line with peers on FY24 EBITDA, this completely discounts REVG's significantly elevated growth profile and margin expansion opportunity. The business appears far cheaper vs comps looking only two years out to FY26

EV/EBITDA	FY24	FY25	FY26	FY24-26 EBITDA CAGR
Oshkosh (consensus)	7.9x	7.6x	7.6x	2%
Rosenbauer (consensus)	7.3x	6.7x	6.2x	9%
Bluebird (consensus)	8.3x	7.5x	7.2x	7%
Average	**7.8x**	**7.3x**	**7.0x**	6%
Rev Group (AFC estimates)	8.4x	5.9x	4.6x	35%
REVG Discount vs Group	7%	-18%	-34%	

Bottom-line: The market appears to be overly discounting the coming inflection in REVG's profitability.

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Attractive Near-Term Setup with Catalysts

- **Shares have only just become investable to most institutions** due to significantly improved liquidity and corporate governance following PE's secondaries in Feb & March of 2024. As a result, we believe the stock is still off-the-radar for most institutions

REVG (USD M)	2017	2018	2019	2020	2021	2022	2023	Post 3/13/24
Average Daily Value Traded	$10.0	$11.8	$3.2	$2.1	$6.0	$3.1	$2.7	$22.3
y/y % in liquidity		18%	-73%	-34%	186%	-48%	-13%	726%

Source: Bloomberg

- **REVG's business has been greatly simplified in the last few months**
  - Sale of non-core Commercial segment for 12x EBITDA multiple in early 2024.
  - **Returned >100% of the proceeds to shareholders through buyback and special dividend**

REVG Collins Sale (USD M)	FY24
Est Net Sales Proceeds	$250
Est EBITDA Sold	$21
% of group EBITDA Sold	*14%*
Est EV/EBITDA	**11.8x**
REVG FY26 AFC EV/EBITDA	*4.6x*

- We expect the following **soft catalysts can also support the shares:**
  - Indiscriminate index buying this Summer during rebalancing due to REVG's higher market cap, improved liquidity, and improved corporate governance
  - Potential sell side initiations
    - i.e. Morgan Stanley and Jefferies both historically covered the stock and Morgan Stanley was on the secondary placements
  - Earnings upgrade cycle through the next 24 months

Asymmetric Risk/Reward Profile

- **Base Case**
  - Pricing realization will be the primary driver of revenue growth estimates in Specialty, throughput improvements will only be a modest contributor
  - **Since IPO in 2017 REVG has targeted a >10% EBITDA margin.** Given the current business mix, extended industry backlog and idiosyncratic operational improvements, we believe REVG is poised to not only attain a 10% group EBITDA margin but well surpass it
  - Values REVG in-line with peers despite its much faster growth profile
- **Bull Case**
  - REVG is successful in improving throughput and realizing pricing driving stronger revenue growth. RV demand also rebounds from FY24 lows
  - Operating leverage drives specialty EBITDA margins to 15% by FY26 vs OSK Fire at 17% *today.* RV margins recover due to improved demand
  - Multiple re-rates towards historical highs to reflect improved execution
- **Bear Case**
  - REVG runs into new throughput issues and municipal orders fall sharply. RV demand continues lower
  - Supply chain inflation and production issues compress outweigh higher backlog pricing realization putting pressure on specialty margins
  - REVG de-rates to trough valuation levels to reflect deteriorating fundamentals

	FY24	FY26		
REVG Scenario Analysis		Bear	Base	Bull
Specialty Revenue	**$1,695**	**$1,800**	**$2,146**	**$2,400**
vs FY24		*6%*	*27%*	*42%*
Specialty EBITDA	**$150**	**$153**	**$261**	**$360**
Specialty EBITDA Margin	8.8%	8.5%	12.2%	15.0%
vs FY24		*2%*	*74%*	*173%*
RV Revenue	**$759**	**$650**	**$759**	**$900**
vs FY24		*-14%*	*0%*	*19%*
RV EBITDA	**$57**	**$36**	**$62**	**$90**
RV EBITDA Margin	7.4%	5.5%	8.1%	10.0%
vs FY24		*-37%*	*9%*	*59%*
Corp Overhead	-$29	-$33	-$33	-$33
Consolidated EBITDA	**$177**	**$156**	**$290**	**$417**
Consolidated EBITDA Margin		6.4%	10.0%	12.6%
Normalized Multiple		6.0x	8.0x	10.0x
Target EV		**$936**	**$2,319**	**$4,172**
(+) net cash		$124	$124	$124
Target Market Cap		**$1,059**	**$2,443**	**$4,296**
FDSO		51.8	51.8	51.8
Target Price	**$21.9**	**$20.5**	**$47.2**	**$83.0**
Upside (downside)		*-7%*	*115%*	*279%*
IRR		**-3%**	**47%**	**95%**

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Conclusion

- Burdened by sins of prior management leading to a history of underperformance, REVG has fallen off the radar for most funds (and sell side analysts). As a result, the market has failed to appropriately price in normalized earnings for the business

- If REVG executes to our base case, we believe shares are a high-visibility/ low-risk double

- We believe shares could triple in two years in a realistic bull scenario where throughput, margins and valuation all outperform

REVG Total Shareholder Return Risk/Reward FY26 IRR Sensitivity Analysis

		FY26 EBITDA Margin				
		7.0%	9.0%	11.0%	13.0%	15.0%
EBITDA Multiple	6.0x	8.8%	22.1%	34.1%	45.1%	55.4%
	7.0x	16.8%	31.2%	44.2%	56.2%	67.3%
	8.0x	24.2%	39.7%	53.7%	66.5%	78.4%
	9.0x	31.2%	47.8%	62.6%	76.2%	88.8%
	10.0x	37.9%	55.4%	71.0%	85.4%	98.7%

Bottom-line: We believe REVG offers investors the chance to buy into a high visibility & best-in-class growth algorithm at a ~4.5x normalized EBITDA and ~6.0x normalized FCF that we believe can yield between 100-200% upside over the next 24 months. Once REVG's normalized earnings power becomes apparent to the market, we expect shares to appreciate significantly.