



BLUE BIRD[®]

*"A Leader in zero- and
low-emission transportation"*

**BLUE BIRD CORPORATION
(NASDAQ: BLBD)**

Investor Presentation

August 2024

Important Disclaimers

Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to expectations for future financial performance, business strategies or expectations for our business. Specifically, forward-looking statements include statements regarding guidance, seasonality, product mix and gross profits and may include statements relating to:

- Inherent limitations of internal controls impacting financial statements
- Growth opportunities
- Future profitability
- Ability to expand market share
- Customer demand for certain products
- Economic conditions (including tariffs) that could affect fuel costs, commodity costs, industry size and financial conditions of our dealers and suppliers
- Labor or other constraints on the Company’s ability to maintain a competitive cost structure
- Volatility in the tax base and other funding sources that support the purchase of buses by our end customers
- Lower or higher than anticipated market acceptance for our products
- Other statements preceded by, followed by or that include the words “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “target” or similar expressions
- Future impacts from the novel coronavirus pandemic known as "COVID-19," and any other pandemics, public health crises, or epidemics, on capital markets, manufacturing and supply chain abilities, consumer and customer demand, school system operations, workplace conditions, and any other unexpected impacts

These forward-looking statements are based on information available as of the date of this presentation, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. The factors described above, as well as risk factors described in reports filed with the SEC by Blue Bird Corporation (available at www.sec.gov), could cause our actual results to differ materially from estimates or expectations reflected in such forward-looking statements.



Important Disclaimers

Non-GAAP Financial Measures

This presentation may include the following non-GAAP financial measures: “Adjusted EBITDA,” “Adjusted EBITDA Margin,” “Adjusted Net Income,” “Adjusted Diluted Earnings per Share,” “Free Cash Flow” and “Adjusted Free Cash Flow.”

Adjusted EBITDA is defined as net income or loss prior to discontinued operations income or loss, interest income, interest expense including the component of lease expense (which is presented as a single operating expense in selling, general and administrative expenses in our GAAP financial statements) that represents interest expense on lease liabilities, income taxes, depreciation and amortization including the component of lease expense (which is presented as a single operating expense in selling, general and administrative expenses in our GAAP financial statements) that represents amortization charges on right-to-use lease assets, and disposals, as adjusted to add back certain charges that we may record each year, such as stock-compensation expense, as well as non-recurring charges such as (i) significant product design changes; (ii) transaction related costs; (iii) discrete expenses related to major cost cutting initiatives; or (iv) costs directly attributed to the COVID-19 pandemic (3). We believe these expenses are not considered an indicator of ongoing company performance. We define Adjusted EBITDA margin as Adjusted EBITDA as a percentage of net sales.

Adjusted Net Income is net income or loss as adjusted to add back certain costs as mentioned above. Adjusted Diluted Earnings per Share represents Adjusted Net Income or loss available to common stockholders divided by diluted weighted average common shares outstanding (as if we had GAAP net income during the respective period). Adjusted Net Income and Adjusted Diluted Earnings per Share are calculated net of taxes.

Free cash flow represents net cash provided by/used in operating activities minus cash paid for fixed assets, Adjusted Free Cash Flow represents Free Cash Flow minus cash paid for (i) significant product design changes; (ii) transaction related costs; or (iii) discrete expenses related to major cost cutting initiatives.

There are limitations to using non-GAAP measures. Although Blue Bird believes that such measures may enhance an evaluation of Blue Bird’s operating performance and cash flows, (i) other companies in Blue Bird’s industry may define such measures differently than Blue Bird does and, as a result, they may not be comparable to similarly titled measures used by other companies in Blue Bird’s industry and (ii) such measures may exclude certain financial information that some may consider important in evaluating Blue Bird’s performance and cash flows.



Agenda

Investment Highlights

School Bus Industry Overview

Company & Product Highlights

FY2024 Objectives

Growth Runway



Investment Highlights

Countercyclical

Strong industry growth ahead with a backdrop of healthy funding and an aging school bus fleet

National Commitment

Beneficiary of \$5B US Government's commitment to the electrification of school buses

The Leader

Leading market position in alternative power and electric school buses

Expanding our TAM

Product portfolio further diversified through introduction of EV commercial chassis offering

Reducing Costs

Reducing structural costs through Lean Transformation

Profitable Growth

Pricing aligned to market economics and volatility



EBITDA margins of ~13% in 2024 and 15% the longer-term

School Bus Industry Overview

Industry Highlights

School buses are America's largest mass transit system

500k+

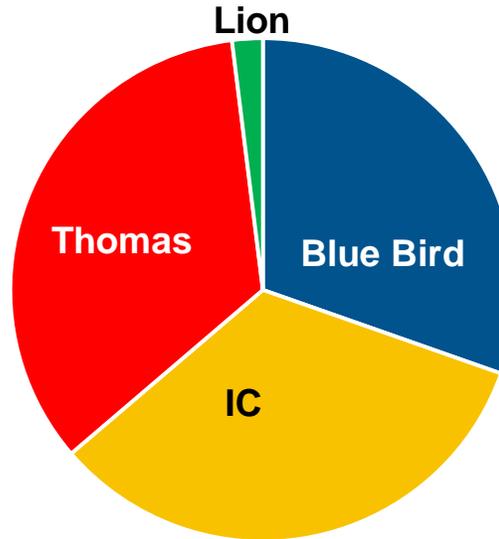
school buses in operation in the U.S. and Canada transporting

26 MILLION KIDS

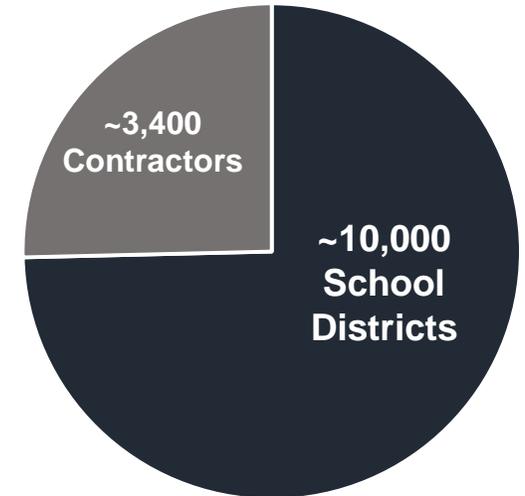
to school on a daily basis



OEMs



School Bus Customers



High barriers to entry

Highly specialized product -- Complex state and customer requirements -- Dealer and service network -- Customer relationship driven business

Demand Drivers

Population of school age children increasing -- Increasing average age of existing fleet -- Federal funding for clean school buses

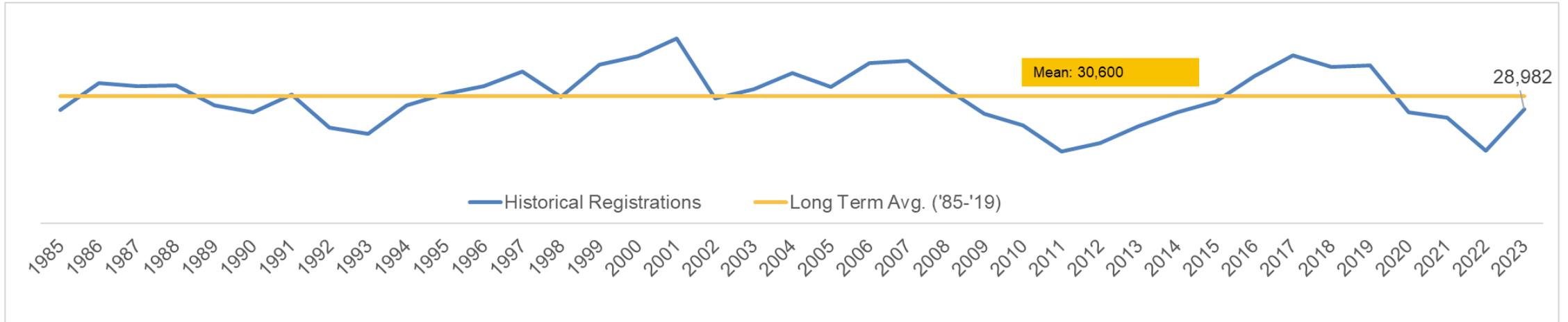
Relatively Clear Funding Sources

Property taxes are primary source of funding; volume tracks housing prices



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Type C & D School Bus Industry



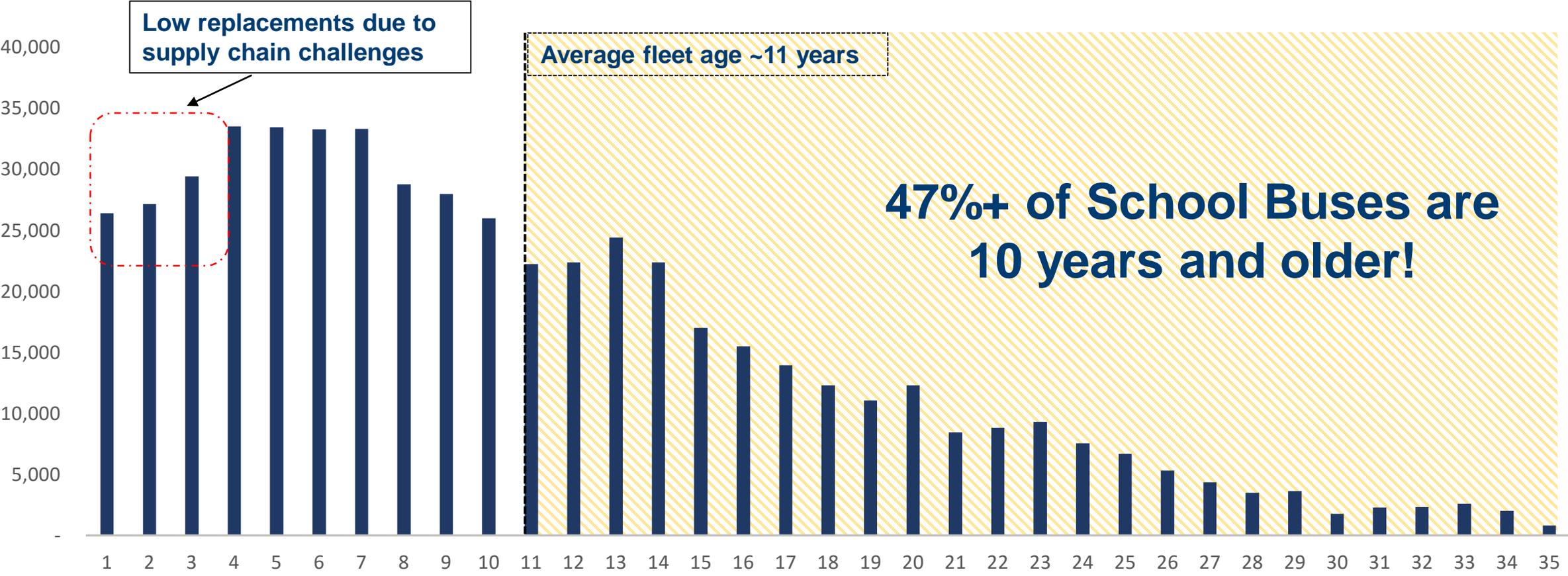
- Industry avg size is 30,500 new units annually based on Polk registrations
- Total fleet of school buses is ~515,000 units and average age is about 10 years
- Industry size is driven by:
 - Number of school age children
 - Age of existing fleet – most states set 15 years as a replacement target
 - Average ridership per bus
 - Funding – primarily from property tax

FY2023 industry expected to be ~27k units as industry production capacity is still constrained by supplier shortages; core funding and demand is healthy at pre-pandemic order levels



Fleet Age Profile Supports Elevated Replacement Demand

~570K School Buses on the Road as of March 2024



~270K buses in service for more than 10 years supports high annual replacement volume

Source: S&P Global Mobility (formerly Polk) VIO, based on Type C/D school buses and non-school buses in US/CAN through Mar. 2024

Company & Product Highlights

Introduction to Blue Bird

- Headquartered in Macon, Georgia
- Leader in alternative power; #1 in electric & propane school buses
- 60%+ of Blue Bird sales are non-diesel; <10-20% for competitors
- Full range of chassis that can be offered to third parties, led by EV
- Manufacturing footprint strategically positioned to serve the entire U.S. market
- Dedicated dealer network with more than 50 dealers and more than 250 service centers

Dedicated Manufacturing Footprint



School Bus Industry Products



Type C Buses
(Conventional)
Seating Capacity: 36-83
Fuel Types: Diesel, Propane, Gasoline, Electric



Type D RE Buses
(Rear Engine, Transit-Style)
Seating Capacity: 66-84
Fuel Types: Diesel, Electric



Type D FE Buses
(Front Engine, Transit-Style)
Seating Capacity: 54-90
Fuel Type: Diesel

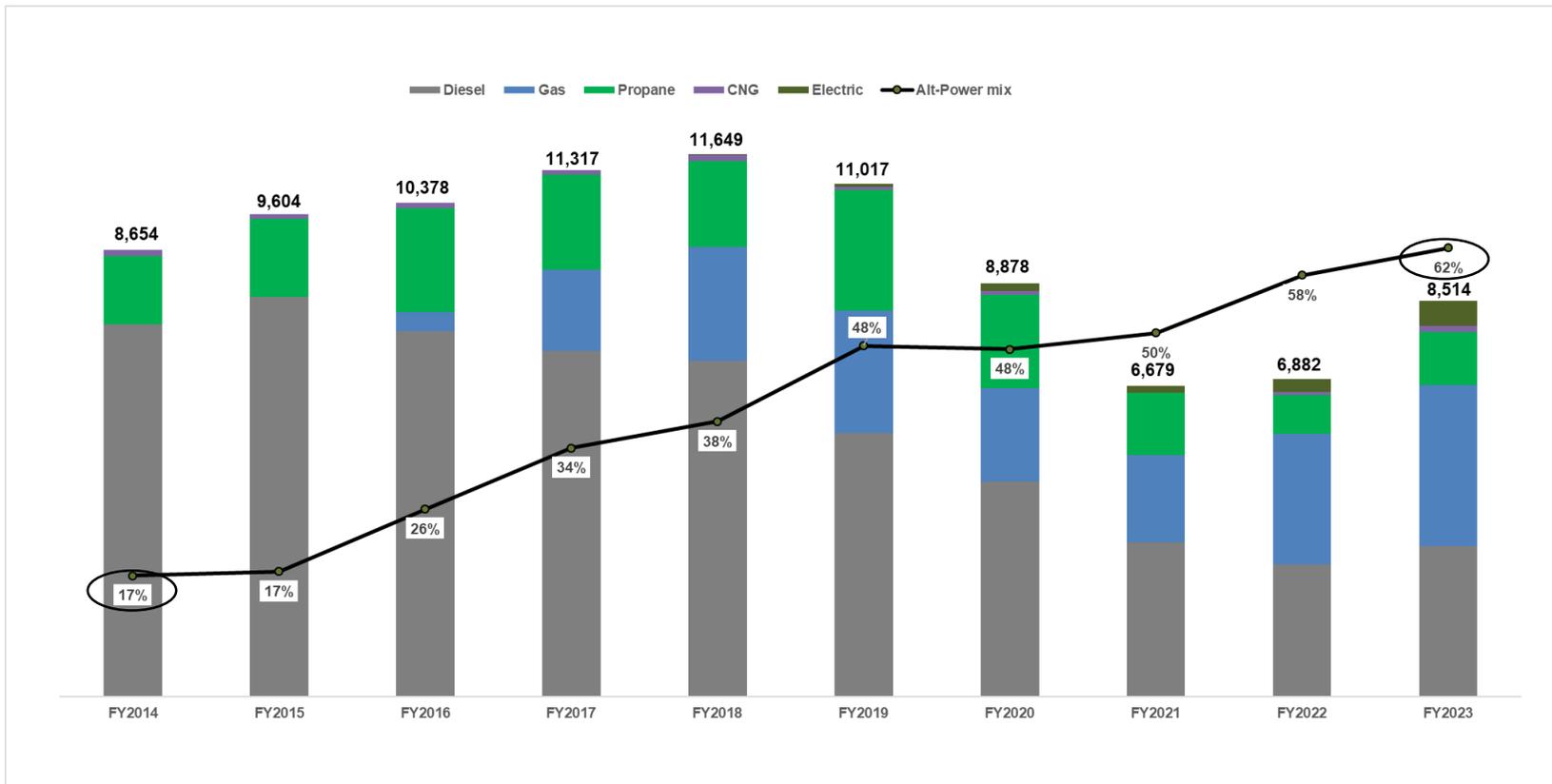


Type A Buses
Seating Capacity: 10-30
Fuel Types: Diesel, Propane, Gasoline, Electric

Blue Bird offers most expansive range, from 10 to 90 passengers with multiple body and engine choices



Proven Leadership in Clean Technologies



- Proven track record of leadership in new technologies; more than 60% of unit sales are non- diesel
- Leader in electric and propane-powered school buses; the future of school transportation
- \$5B of Federal funding secured in the infrastructure bill for electric school buses will accelerate adoption
- Launched its Blue Bird Energy Services and Clean Bus Solutions JV business to provide turnkey charging infrastructure solutions for electric school bus fleets

Trusted lower-emission school bus brand with a proven track record in the school bus business



Significant Federal Funding for EV School Buses

The Bipartisan Infrastructure Law of 2021 authorizes EPA to offer rebates and grants to replace existing school buses with clean / zero-emission models – \$5B Funding over 5 years

New Program announced, utilizing Inflation Reduction Act funding

EPA CSB Round 2 (2023 Grant Program)

Final allocation of \$965M

Total of ~2,700¹ school buses
(incl. 62 propane)

Winners will have until **April 2026** to
take delivery of buses

EPA CSB Round 3 (2023 Rebate Program)

Final allocation of \$940M

Total of ~3,600¹ school buses
(incl. 269 propane)

Orders to be placed by Dec 2024

Winners will have **June 2026** to
take delivery of buses

2024 Clean Heavy-Duty Vehicles Program

~\$650M for School Buses

Anticipated Award Selection
February 2025

Winners will have until **January**
2027 to take delivery of buses

¹ Includes Type A, C, and D awards

We are well positioned to capitalize on these opportunities;
Blue Bird expects to win ~30% of Type A, C and D orders



Build Complete Ecosystem for EV School Bus Deployment

END OF LIFE

Determine recycling program for used batteries after use

SERVICE & SUPPORT

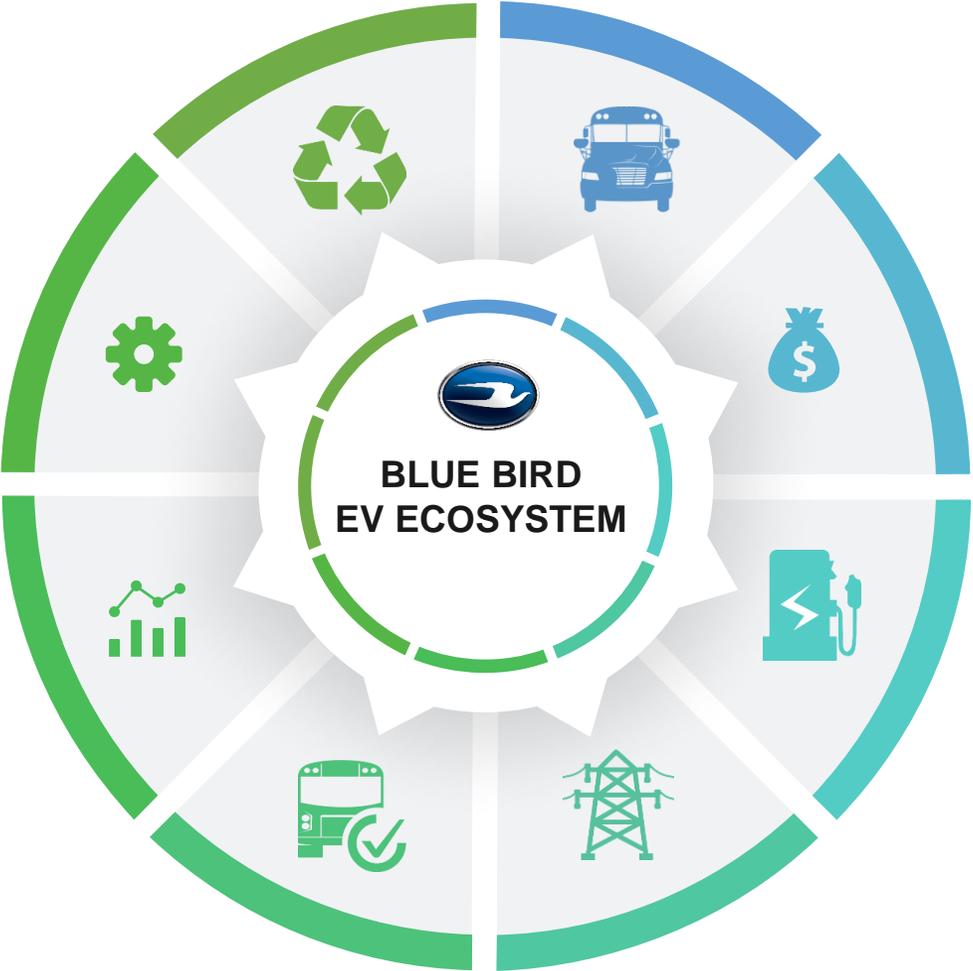
Connect with dealer and EV system provider to support and service bus throughout its lifetime

TELEMATICS

Set up a solution to track bus performance, diagnostics and more

DEPLOYMENT

Build and deliver buses, as well as offer driver, safety and technician training services



ASSESSMENT

Determine what bus best fits the customer's needs based on terrain, climate and route planning

FINANCING

Identify financing through grants, tax breaks, subsidies or lending services

INFRASTRUCTURE

Assess infrastructure needs and connect to the right partners for energy sourcing and infrastructure installation

V2G/V2X

Create vehicle-to-grid plan with revenue potential and utility involvement



Fueling Our EV Long-Term Growth: Fleet-as-a-Service JV

- Formed “Clean Bus Solutions” – 50/50 JV with Generate Capital and Blue Bird to accelerate electric school bus adoption; exclusive to Blue Bird customers and dealers
- Buses purchased By JV through dealer network
- Offers affordable monthly service fee for Blue Bird electric bus fleet, charging infrastructure, associated planning and customization; other service add-ons available
- Eliminates upfront capital expense for EV purchase and provides customer peace-of-mind from turnkey solution
- Provides Blue Bird and dealers access to new recurring revenue streams during the entire product lifecycle



Generate is a sustainable infrastructure investment and operating company. Generate finances, builds, owns and operates affordable and resilient resources to de-risk and accelerate the infrastructure transition. Generate provides flexible capital solutions and integrated services to the innovative technology providers and project developers who deploy the energy, waste, transportation, water, agriculture and smart cities solutions required to fight climate change.



POWER



MOBILITY



WASTE
&
WATER



CITIES



Strategic JV created to accelerate EV adoption and provide recurring revenue streams

FY2024 Objectives

2024 Priorities Align with Our Strategy



Our core strategies drive our plans towards profitable growth

FY2024 Guidance Raised to \$175M and 13% EBITDA

Adj. EBITDA¹
(\$M)

+87
(+100%)

175

170 - 180

FY24 Updated Scenarios

	Downside	Guidance	Upside
Supply Chain			
Units	8,600	8,800	9,000
Revenue \$M	\$1,300	\$1,315	\$1,330
Adj. EBITDA \$M	\$170	\$175	\$180
Adj. EBITDA %	~13.1%	~13.3%	~13.5%

FY24 Q4:

Qtr. Revenue
\$300 - \$330M

Adj. EBITDA
\$30 - \$40M
10% - 12%

88

8%

FY23

Rev. (\$M) \$1,133



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Blue Bird Raises Guidance for FY24:

\$1.315B in Revenue (+16% YoY)

Adj. EBITDA 13% and \$175M (+100% YoY)

FY24

~\$1,315
(\$1,300 - \$1,330)

13%

¹ See appendix for additional detail regarding non-GAAP measures

FY2024 Guidance Raised to \$175M and 13% EBITDA

<i>\$ Millions</i>	FY2023 Actuals	FY2024 May Guidance	FY2024 Aug Updated Guidance	<i>B/(W) Vs. Prior Year</i>
Net Revenue	\$1,133	\$1,275 - \$1,325	\$1,300 - \$1,330	\$167 - \$197
Adj. EBITDA ¹	\$88	\$145 - \$165	\$170 - \$180	\$82 - \$92
Adj. Free Cash Flow ¹	\$121	\$70 - \$80	\$80 - \$90	\$(41) - \$(31)

FY2024 expected to be a new record for Blue Bird for both top-line and bottom-line results

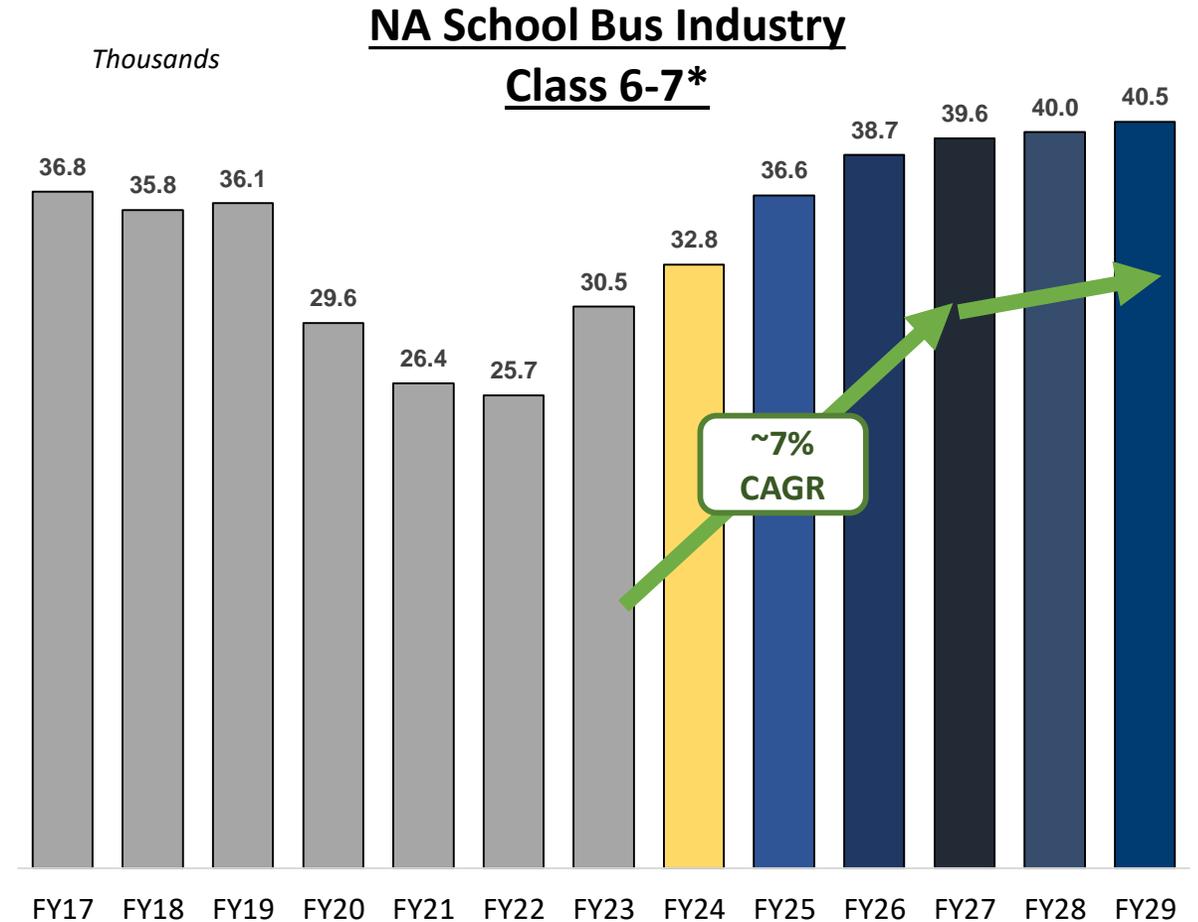
Year-end results planned to be announced on November 25th, 2024



¹ See appendix for additional detail regarding non-GAAP measures

Wrap-Up: Record Profit Outlook in FY2024 & Beyond

Bookings	↑ 3%+ = ~8,800 units
Revenue	↑ 15%+ = ~\$1.3 Billion
Adj. EBITDA	↑ ~2x = ~\$175 Million
Adj. EBITDA Margin	↑ 5 pts+ = ~13%
EV Bookings	↑ 28%+ = ~700 units



*ACT Retail Sales – as of July 2024



EBITDA margins of ~13% now and 15% longer-term

Solid Growth Runway

FY2025 Preliminary Guidance and Scenarios

Tailwinds

- Strong demand
- Stable Pricing
- Propane exclusive
- EV growth (in H2)

	FY25 Scenarios		
	Downside	Prel. Guidance	Upside
Supply Chain			
Units	9,000	9,250	9,500
<i>t/o EV Units</i>	1,000	1,150	1,300
Revenue \$M	\$1,400	\$1,450	\$1,500
Adj. EBITDA \$M	\$180	\$190	\$200
Adj. EBITDA %	~12.5%	13%+	~13.5%

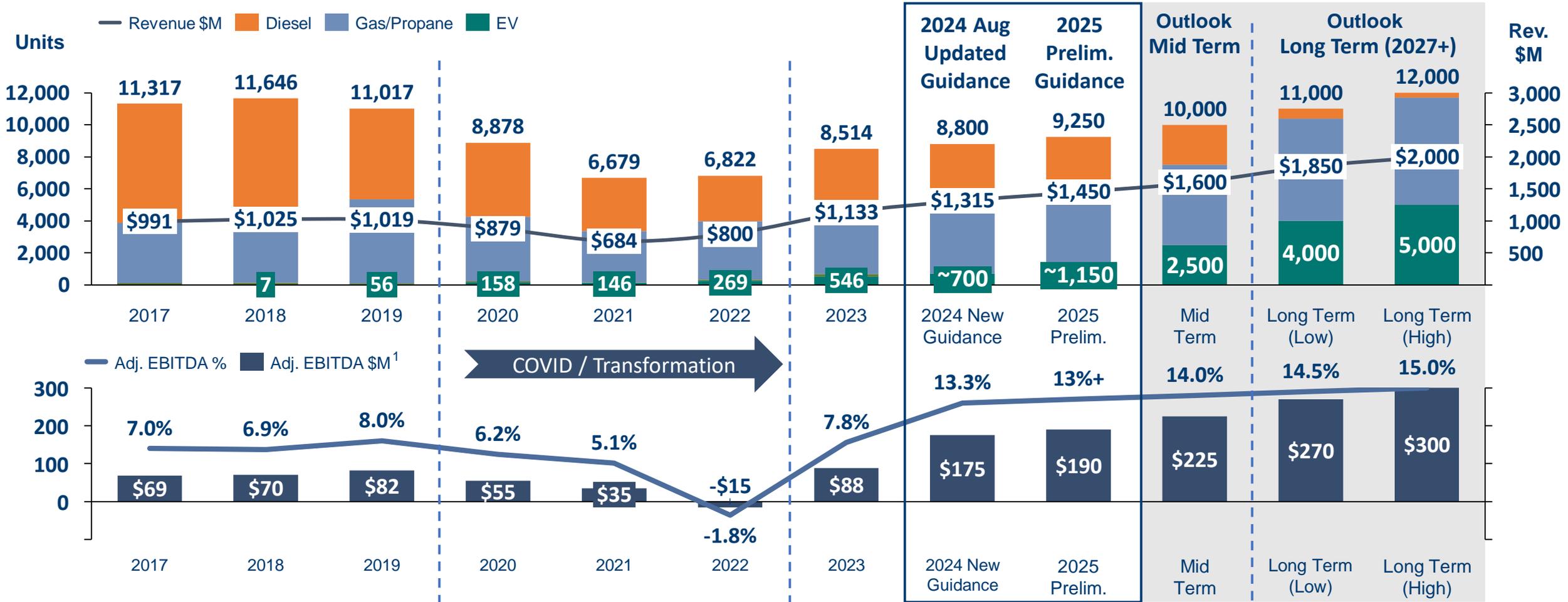
Headwinds

- Supply chain
- Labor Costs (USW)
- Material Costs
- EPA EV timing (H1)

Blue Bird Preliminary Guidance for FY25:
\$1.45B in Revenue (~10% YoY)
Adj. EBITDA 13%+ and \$190M (~10% YoY)



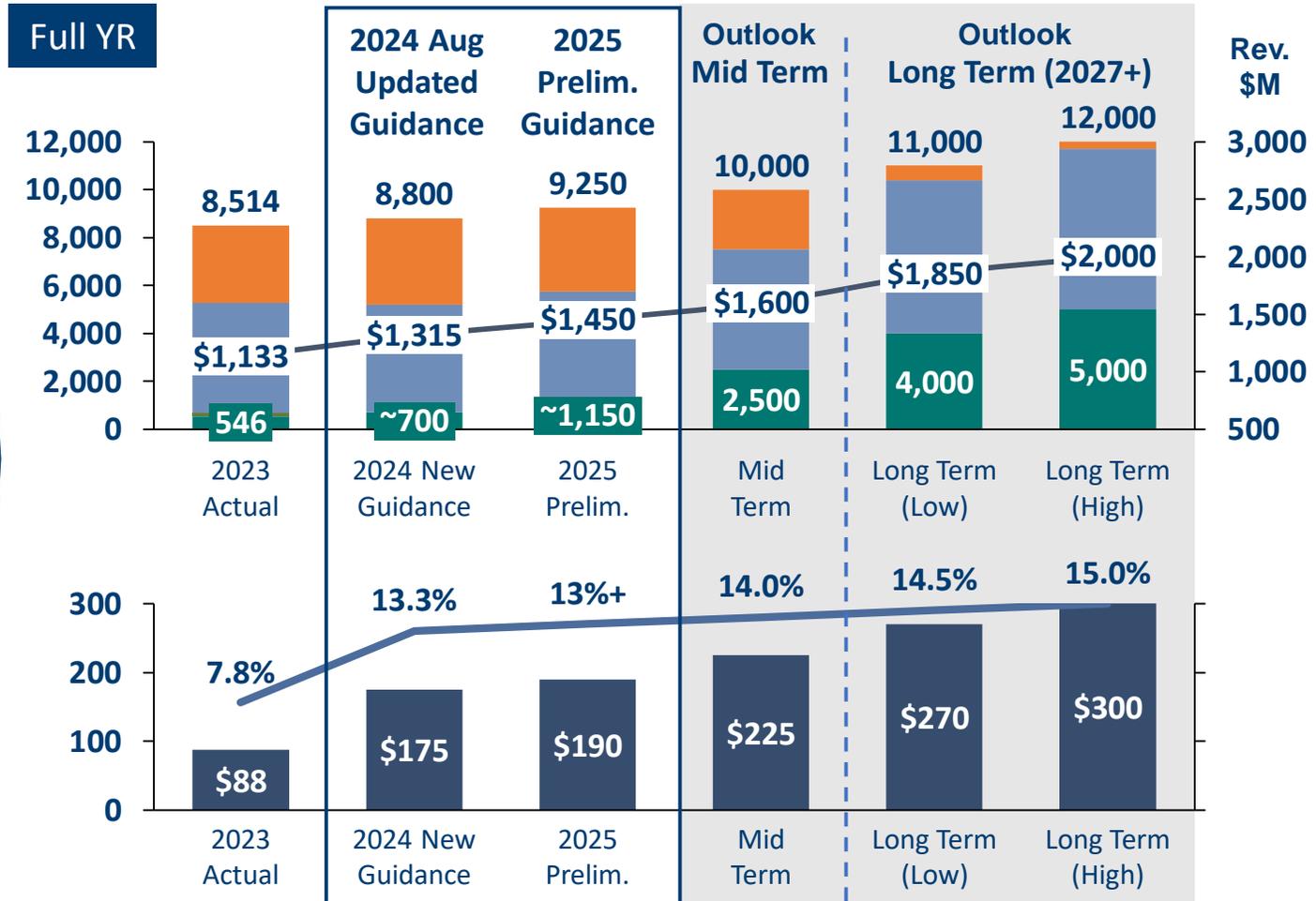
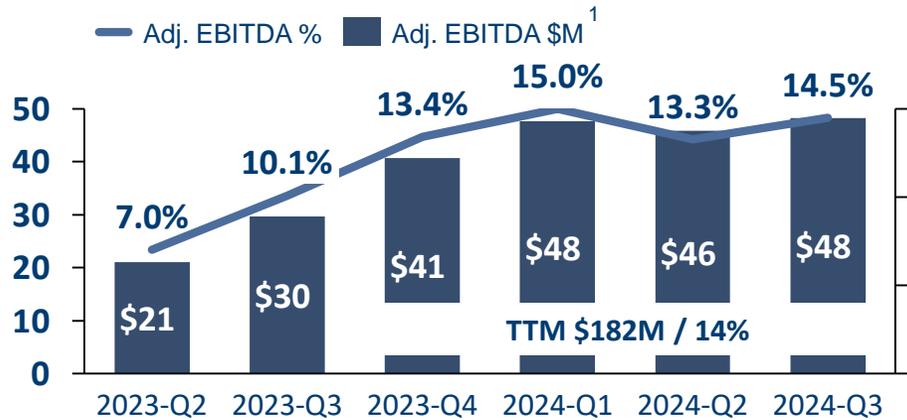
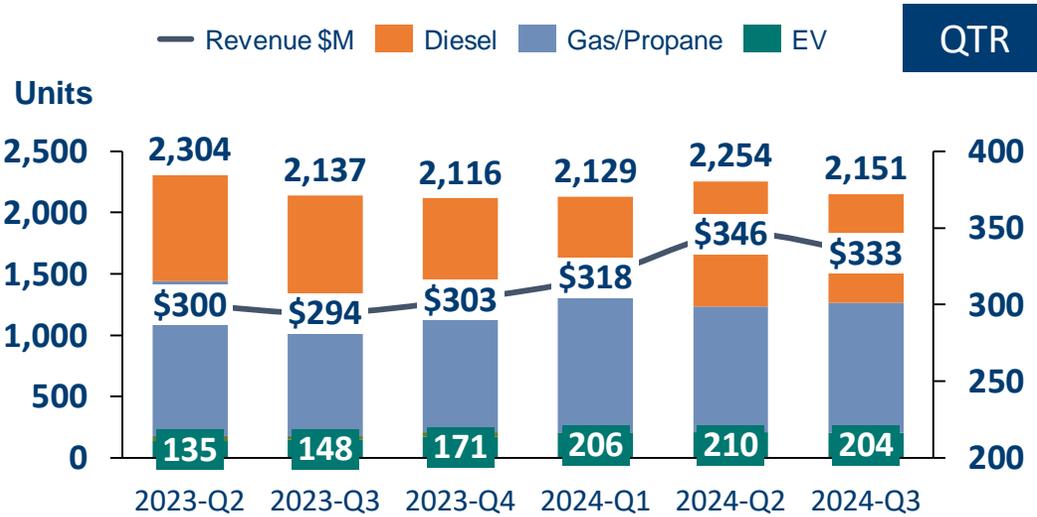
We Are Increasing Our Long Term Outlook to 15% EBITDA



Confirmed growth path towards ~5,000 EV's, ~\$2B Revenue and 15% Adj. EBITDA

¹ See appendix for additional detail regarding non-GAAP measures

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Confirmed growth path towards ~5,000 EV's, ~\$2B Revenue and 15% Adj. EBITDA

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Strong Outlook Ahead for Blue Bird / Investment Highlights

Countercyclical

Strong industry growth ahead with a backdrop of healthy funding and an aging school bus fleet

National Commitment

Beneficiary of \$5B US Government's commitment to the electrification of school buses

The Leader

Leading market position in alternative power and electric school buses

Expanding our TAM

Product portfolio further diversified through introduction of EV commercial chassis offering

Reducing Costs

Reducing structural costs through Lean Transformation

Profitable Growth

Pricing aligned to market economics and volatility



EBITDA margins of ~13% in 2024 and 15% the longer term

Appendix

Key Q3 Takeaways – All-Time Record Profit for a Quarter


Revenue EBITDA Cash Flow

Record Quarterly Profit; Increasing Full Year Guidance and Long-Term Outlook



Robust Market Demand, Increasing Order Share and Continuing Strong Backlog



Supply Chain Largely Stable; Highly Engaged with Two Key Constrained Suppliers



Substantially Higher Bus Price Compared with Last Year and Competitive with Market



EV Production and Backlog Increasing; Undisputed Leader in Alternative Power



Investing in the Business – People, Processes, Product and Facilities



Significantly Improved Plant Operational Performance with More Stability

Strong market demand, alternative-power leadership and profit margins at record levels



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FY24 Q3 Financial Results and Key Business Highlights

QUARTERLY HIGHLIGHTS

FY24 Q3 Results

UNITS SOLD

2,151

+14 vs. '23

NET SALES

\$333M

+\$39M vs. '23

Adjusted EBITDA

\$48M

+\$19M vs. '23

Adjusted FCF

\$(4)M

\$(46)M vs. '23

BUSINESS HIGHLIGHTS



Strong
~\$775M
Backlog of
5.2k Units¹

Average Bus
Selling Price
+13%
YoY



Parts Sales of
\$25M
6% YoY Increase



Alt. Power Sales
Mix of 59%;
60% YTD

EV
Bookings
+38% YoY



\$180M+
of EV's in
firm order Backlog¹



Signed first collective bargaining agreement with USW



Selected for \$80M grant from the DOE



Raising Guidance

Revenue	\$1.3B
Adj. EBITDA	\$175M
Adj. FCF	\$85M
(at mid-point of range)	
Longer-Term Margin	
Raised to 15%	

Record quarterly profit with Adj. EBITDA of \$48M. Increasing Full Year Guidance



FY2024 Q3 and YTD Financial Results

QUARTERLY HIGHLIGHTS

FY2024 Q3 Results	
<p>UNITS SOLD</p> <p>2,151</p> <p>+14 vs.'23</p>	<p>NET SALES</p> <p>\$333M</p> <p>+\$39M vs.'23</p>
<p>Adjusted EBITDA</p> <p>\$48M</p> <p>+\$19M vs.'23</p>	<p>Adjusted FCF</p> <p>\$(4)M</p> <p>\$(46)M vs.'23</p>

Q3 YTD HIGHLIGHTS

FY2024 YTD Results	
<p>UNITS SOLD</p> <p>6,534</p> <p>+136 vs.'23</p>	<p>NET SALES</p> <p>\$997M</p> <p>+\$167M vs.'23</p>
<p>Adjusted EBITDA</p> <p>\$142M</p> <p>+\$94M vs.'23</p>	<p>Adjusted FCF</p> <p>\$49M</p> <p>\$(37)M vs.'23</p>



Income Statement

(\$ Millions)	FY2024-Q3	FY2023-Q3	B/(W)
Unit Volume	2,151	2,137	14
Backlog Units	5,218	5,199	19
Net Revenue	\$333.4	\$294.3	\$39.1
<i>Bus Rev./Unit (\$000's)</i>	\$143.2	\$126.5	\$16.7 / 13%
Gross Margin	20.8%	15.5%	5.3 pts
Adj. EBITDA ¹	\$48.2	\$29.7	\$18.5
Adj. EBITDA Margin ¹	14.5%	10.1%	4.4 pts
Adj. Net Income ¹	\$30.5	\$14.5	\$16.0
Adj. Diluted EPS ¹	\$0.91	\$0.44	\$0.47



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Significant improvement in Gross Margin (higher bus prices and EV mix) drove record Q3 profit

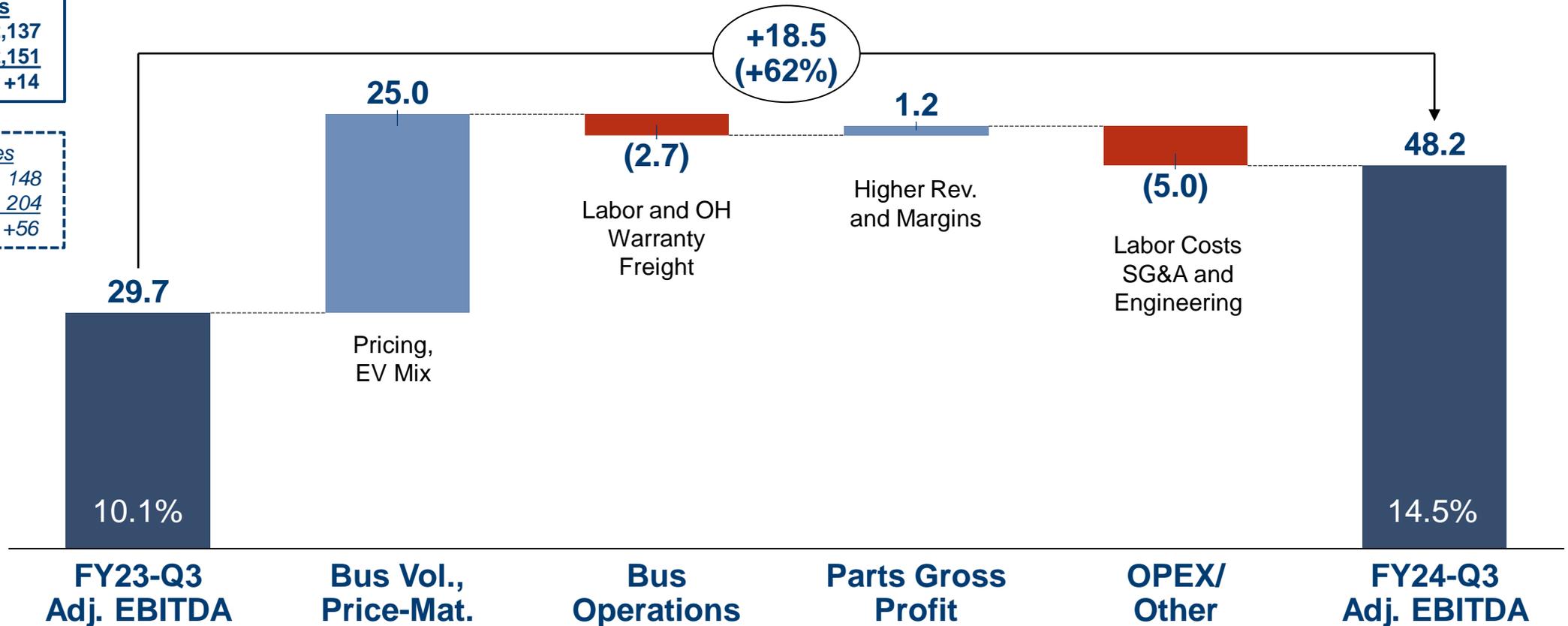
¹See appendix for additional detail regarding non-GAAP measures

FY23-Q3 to FY24-Q3 Adj. EBITDA Walk: +\$19M YoY

(\$ Millions)

Unit Volumes	
FY23-Q3	2,137
FY24-Q3	2,151
Delta	+14

t/o EV Volumes	
FY23-Q3	148
FY24-Q3	204
Delta	+56



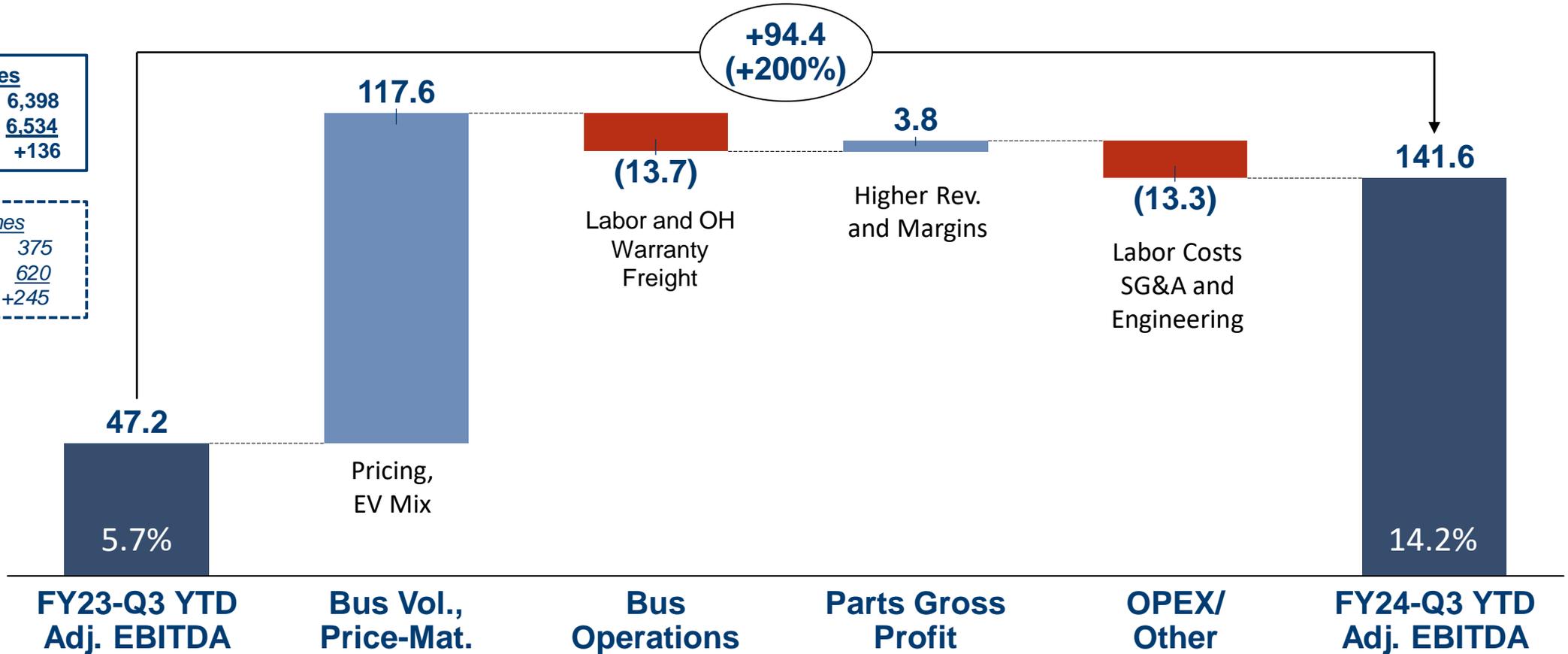
Significant improvements in Pricing, EV mix and Parts drove record FY24-Q3 results

FY23-Q3 YTD to FY24-Q3 YTD Adj. EBITDA Walk: +\$94M YoY

(\$ Millions)

Unit Volumes	
FY23-Q3 YTD	6,398
FY24-Q3 YTD	<u>6,534</u>
Delta	+136

t/o EV Volumes	
FY23-Q3 YTD	375
FY24-Q3 YTD	<u>620</u>
Delta	+245



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See appendix for additional detail regarding non-GAAP measures

Significant improvements in Pricing, EV mix and Parts drove record FY24-Q3 YTD results

Balance Sheet and Cash Flow

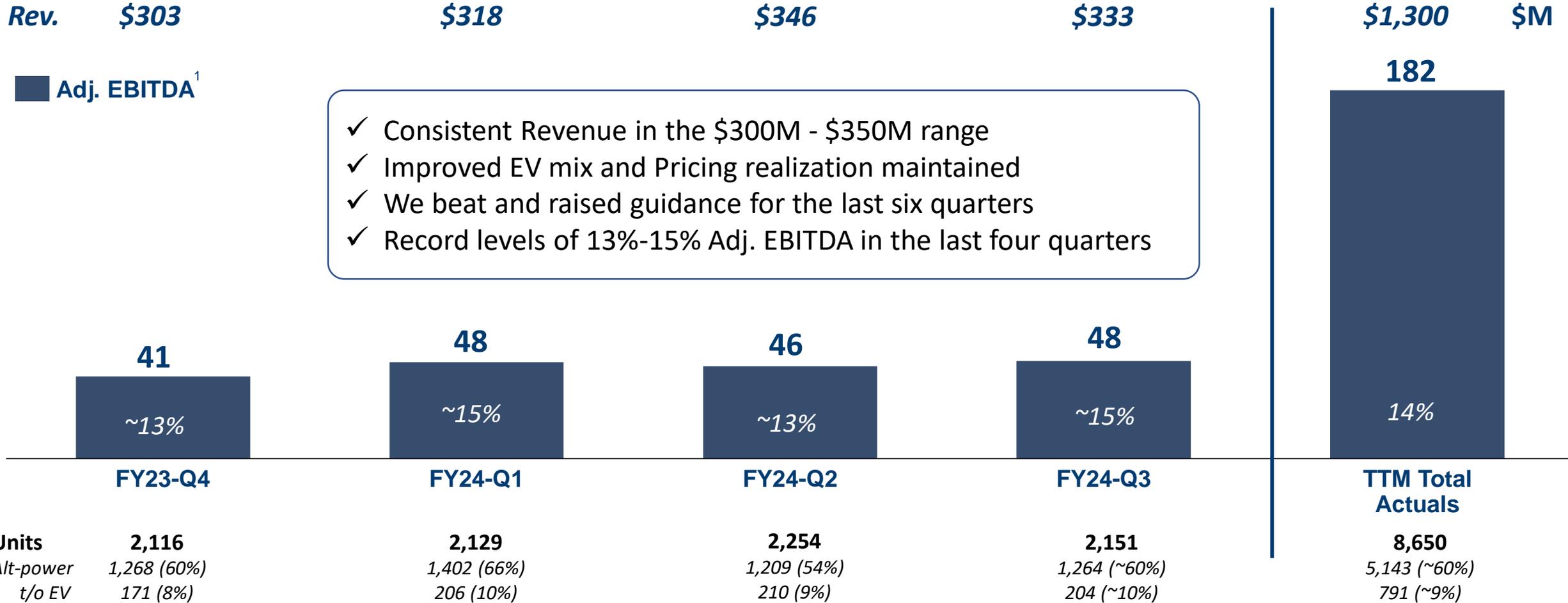
(\$ Millions)	FY2024-Q3	FY2023-Q3	B/(W)
Cash	\$88.4	\$50.5	\$37.9
Debt	\$(96.1)	\$(134.9)	\$38.8
Liquidity	\$231.7	\$134.2	\$97.5
Operating Cash Flow	\$1.0	\$39.4	\$(38.4)
Adj. Free Cash Flow ¹	\$(3.5)	\$42.7	\$(46.2)
Trade Working Capital ²	\$(34.0)	\$2.0	\$(36.0)



Adj. Free Cash Flow decreased primarily due to higher Finished Goods and Accounts Receivables

¹See appendix for additional detail regarding non-GAAP measures; ²Inventories, accounts receivable and accounts payable

TTM Performance Shows Sustained Profitable Growth



- ✓ Consistent Revenue in the \$300M - \$350M range
- ✓ Improved EV mix and Pricing realization maintained
- ✓ We beat and raised guidance for the last six quarters
- ✓ Record levels of 13%-15% Adj. EBITDA in the last four quarters



Great performance YTD in 2024, with strong momentum and higher investments for 2025

¹ See appendix for additional detail regarding non-GAAP measures

Capital Allocation Update

Sources of Cash

Cash Flow from Operations
(incl. Tax, Interest, Δ WoC; excl. R&D) ~\$158M

Existing Cash at YE23 ~\$77M

Target Debt / EBITDA = <1x New Debt
(Term Loan <\$100M) \$0M

Dividend Payments
JV Micro Bird ~\$5M

FY24

Total Funds Available
~\$240M

Uses of Cash

Growth
R&D Expenditures <\$25M
CAPEX (incl. maintenance) <\$25M
JV CBS / Small M&A <\$25M

Shareholders
Share Repurchase Program
(up to \$60M, over 2 yrs.) \$30-\$60M

Cash/Debt
Target Cash at YE24 \$50-\$100M
Revolver paydown to \$0 ~\$35M
Principal payments Term Loan \$ 5M



As of Feb. 2024



Capital allocation strategy balances profitable growth, return to shareholders and strong cash position

First CBA agreement in place with USW



Key Contract Terms

- Three years agreement ('24-'27)
- ~1,500 people in scope
- Enhances pay and benefits
- Provides management flexibility

**Win – Win
CBA with USW**

Run-rate Financial Impact

- Avg. wage +12% in Year 1
- Year 2 at +4%, Year 3 at +4%
- Profit Sharing 4% of Net Income
- Enhanced 401k plan contributions

**Run-rate cost
~1% of Revenue**

One-time Impacts

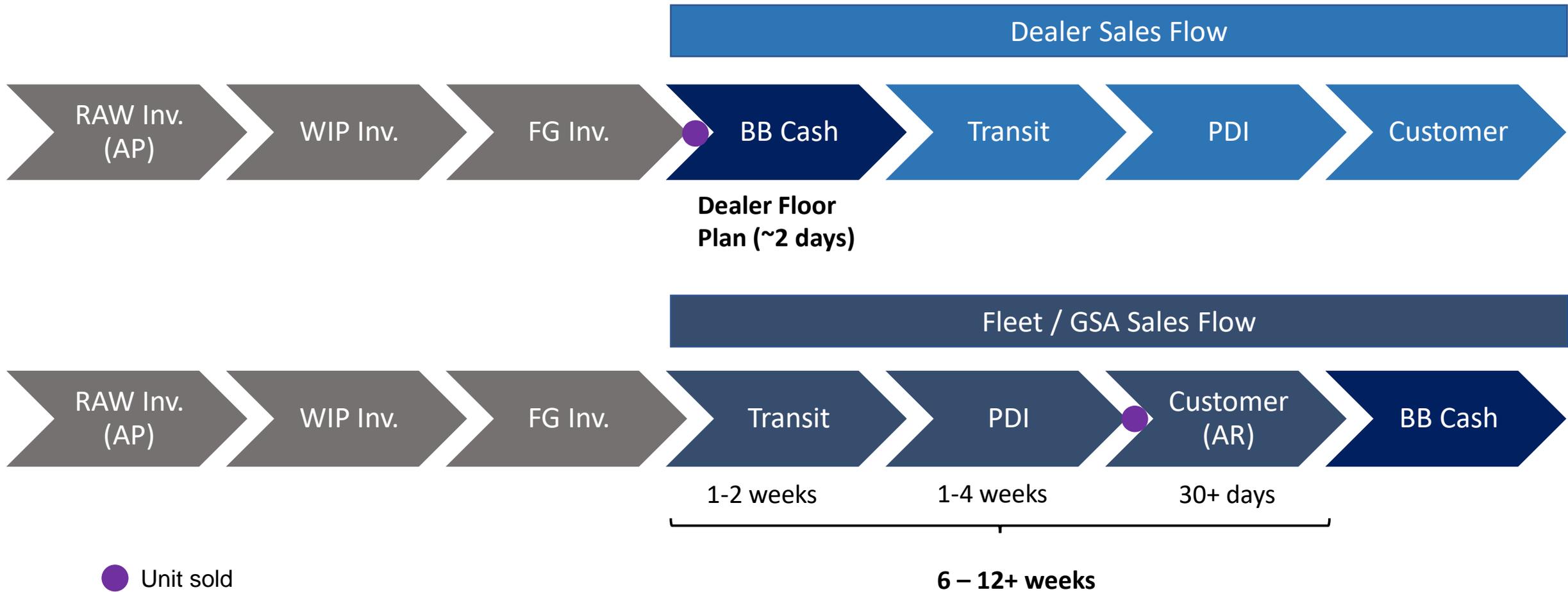
- Signing bonus \$750/person Jun'24
- Signing bonus in Other Expense
- Increased pay starting in Jun'24
- YTD Profit Sharing true-up in Q3

**Full impact
from FY24-Q4**



Our first CBA provides stability and supports our profitable growth strategy

Working Capital – Dealer vs. Fleet / GSA Customer Segment



Fleet / GSA Sales require temporary Working Capital increases in FG Inv. and AR

Adj. EBITDA Reconciliation

Reconciliation of Net Income to Adjusted EBITDA

(in thousands of dollars)	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net income	\$ 28,711	\$ 9,358	\$ 80,884	\$ 5,194
Adjustments:				
Interest expense, net (1)	1,214	4,353	5,729	13,923
Income tax expense	9,938	1,884	26,645	292
Depreciation, amortization, and disposals (2)	4,055	5,481	12,253	13,477
Operational transformation initiatives	—	196	—	1,133
Share-based compensation expense	2,474	941	7,017	2,229
Stockholder transaction costs	—	5,509	3,154	6,252
Loss on debt refinancing or modification	—	—	1,558	537
Other	2	293	(81)	574
Subtotal (Adjusted EBITDA as previously presented)	\$ 46,394	\$ 28,015	\$ 137,159	\$ 43,611
Micro Bird Holdings, Inc. total interest expense, net; income tax expense or benefit; depreciation expense and amortization expense	1,852	1,650	4,442	3,606
Adjusted EBITDA	\$ 48,246	\$ 29,665	\$ 141,601	\$ 47,217
Adjusted EBITDA margin (percentage of net sales)	14.5 %	10.1 %	14.2 %	5.7 %

(1) Includes \$0.1 million for both three months ended June 29, 2024 and July 1, 2023, and \$0.3 million for both the nine months ended June 29, 2024 and July 1, 2023, representing interest expense on operating lease liabilities, which are a component of lease expense and presented as a single operating expense in selling, general and administrative expenses on our Condensed Consolidated Statements of Operations.

(2) Includes \$0.3 million and \$0.5 million for the three months ended June 29, 2024 and July 1, 2023, respectively, and \$1.3 million for both the nine months ended June 29, 2024 and July 1, 2023, representing amortization charges on right-of-use lease assets, which are a component of lease expense and presented as a single operating expense in selling, general and administrative expenses on our Condensed Consolidated Statements of Operations.

Free Cash Flow Reconciliation

Reconciliation of Free Cash Flow to Adjusted Free Cash Flow

(in thousands of dollars)	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net cash provided by operating activities	\$ 989	\$ 39,415	\$ 55,760	\$ 84,131
Cash paid for fixed assets	(4,494)	(2,650)	(10,137)	(6,390)
Free cash flow	\$ (3,505)	\$ 36,765	\$ 45,623	\$ 77,741
Cash paid for operational transformation initiatives	—	196	—	1,133
Cash paid for stockholder transaction costs	—	5,509	3,154	6,252
Cash paid for other items	2	293	(81)	574
Adjusted free cash flow	(3,503)	42,763	48,696	85,700

Adjusted EPS Reconciliation

Reconciliation of Net Income to Adjusted Net Income

(in thousands of dollars)	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net income	\$ 28,711	\$ 9,358	\$ 80,884	\$ 5,194
Adjustments, net of tax benefit or expense (1)				
Operational transformation initiatives	—	145	—	838
Share-based compensation expense	1,831	696	5,193	1,649
Stockholder transaction costs	—	4,077	2,334	4,626
Loss on debt modification	—	—	1,153	397
Other	1	217	(60)	425
Adjusted net income, non-GAAP	\$ 30,543	\$ 14,493	\$ 89,504	\$ 13,129

(1) Amounts are net of estimated tax rates of 26%.

Reconciliation of Diluted EPS to Adjusted Diluted EPS

	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Diluted earnings per share	\$ 0.85	\$ 0.29	\$ 2.43	\$ 0.16
One-time charge adjustments, net of tax benefit or expense	0.06	0.15	0.26	0.25
Adjusted diluted earnings per share, non-GAAP	\$ 0.91	\$ 0.44	\$ 2.69	\$ 0.41
Adjusted weighted average dilutive shares outstanding	33,653,447	32,598,938	33,222,354	32,335,381



Investor Relations Contact Information

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