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

FORM 10-K

(Mark One)

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the Fiscal Year Ended December 31, 2023

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: 001-10883

WABASH NATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**52-1375208**
(State of Incorporation)	(IRS Employer Identification Number)
3900 McCarty Lane	
Lafayette Indiana	**47905**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(765) 771-5310**

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, $.01 Par Value	WNC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.1D-1(b). ☐

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

The aggregate market value of voting stock held by non-affiliates of the registrant as of June 30, 2023 was approximately $1,197,022,220 based upon the closing price of the Company's common stock as quoted on the New York Stock Exchange composite tape on such date.

The number of shares outstanding of the registrant's common stock as of February 15, 2024 was 45,085,791.

Part III of this Form 10-K incorporates by reference certain portions of the registrant's Proxy Statement for its Annual Meeting of Stockholders to be filed within 120 days after December 31, 2023.

WABASH NATIONAL CORPORATION
FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2023

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FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K (the "Annual Report") of Wabash National Corporation (together with its subsidiaries, "Wabash," "Company," "us," "we," or "our") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements may include the words "may," "will," "estimate," "intend," "continue," "believe," "expect," "plan" or "anticipate" and other similar words. Forward-looking statements convey the Company's current expectations or forecasts of future events. Our "forward-looking statements" include, but are not limited to, statements regarding:

- demand for our products and the sensitivity of demand to economic conditions;
- the highly cyclical nature of our business;
- economic weakness and its impact on the markets and customers we serve;
- our backlog and indicators of the level of our future revenues;
- changes in our customer relationships or in the financial condition of our customers;
- reliance on information technology to support our operations and our ability to protect against service interruptions or security breaches;
- inflation;
- reliance on a limited number of suppliers of raw materials and components, price increases of raw materials and components, and our ability to obtain raw materials and components;
- our ability to attract and retain key personnel or a sufficient workforce;
- our ability to execute on our long-term strategic plan and growth initiatives or to meet our long-term financial goals;
- volatility in the supply of vehicle chassis and other vehicle components;
- significant competition in the industries in which we operate including offerings by our competitors of new or better products and services or lower prices;
- our competition in the highly competitive specialized vehicle industry;
- market acceptance of our technology and products or market share gains of competing products;
- disruptions of manufacturing operations;
- our ability to effectively manage, safeguard, design, manufacture, service, repair, and maintain our leased (or subleased) trailers;
- our ability to realize all of the expected enhanced revenue, earnings, and cash flow from our joint venture arrangement to create Linq Venture Holdings LLC;
- our ability to realize all of the expected enhanced revenue, earnings, and cash flow from our agreement to create Wabash Parts LLC;
- current and future governmental laws and regulations and costs related to compliance with such laws and regulations;
- changes to U.S. or foreign tax laws and the effects on our effective tax rate and future profitability;
- changes in U.S. trade policy, including the imposition of tariffs and the resulting consequences;
- the effects of product liability and other legal claims;
- climate change and related public focus from regulators and various stakeholders;
- impairment in the carrying value of goodwill and other long-lived intangible assets;
- our ability to continue a regular quarterly dividend;
- our ability to generate sufficient cash to service all of our indebtedness;
- our indebtedness, financial condition and fulfillment of obligations thereunder;
- increased risks of international operations;
- our ability to meet environmental, social, and governance ("ESG") expectations or standards or to achieve our ESG goals;

- provisions of our New Senior Notes which could discourage potential future acquisitions of us by a third party;
- the risks related to restrictive covenants in our New Senior Notes indenture and Credit Agreement (each, as defined below), including limits on financial and operating flexibility;
- price and trading volume volatility of our common stock; and
- assumptions relating to the foregoing.

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in this Annual Report. Each forward-looking statement contained in this Annual Report reflects our management's view only as of the date on which that forward-looking statement was made. We are not obligated to update forward-looking statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this Annual Report or to reflect the occurrence of unanticipated events, except as required by law.

Currently known risks and uncertainties that could cause actual results to differ materially from our expectations are described throughout this Annual Report, including in "Item 1A. *Risk Factors*." We urge you to carefully review that section for a more complete discussion of the risks of an investment in our securities.

PART I

ITEM 1—BUSINESS

Overview

Wabash National Corporation, which we refer to herein as "Wabash," the "Company," "us," "we," or "our," is Changing How the World Reaches You®. Wabash was founded in 1985 and incorporated as a corporation in Delaware in 1991, with its principal executive offices in Lafayette, Indiana, as a dry van trailer manufacturer. Today we are the visionary leader of connected solutions for the transportation, logistics, and distribution industries.

To that end, we design and manufacture a diverse range of products, including dry freight and refrigerated trailers, platform trailers, tank trailers, dry and refrigerated truck bodies, structural composite panels and products, transportation, logistics, and distribution industry parts and services, and specialty food grade processing equipment. We have achieved this diversification through acquisitions, organic growth, and product innovation.

We believe our position as a leader in our key industries is the result of longstanding relationships with our core customers, our demonstrated ability to attract new customers, our broad and innovative product lines, our engineering leadership, and our extensive distribution and service network. More importantly, we believe our leadership position is indicative of the *Values* and *Leadership Principles* that guide our actions.

At Wabash, its our focus on people, purpose, and performance that drives us to do better. Our *Purpose* is to change how the world reaches you; our *Vision* is to be the visionary leader of connected solutions for the transportation, logistics, and distribution industries; and our *Mission* is to enable our customers to succeed with breakthrough ideas and solutions that help them move everything from first to final mile.

Our *Values* are the qualities that govern our critical leadership behaviors and accelerate our progress.

- *Be Curious:* We will make bold choices and encourage creativity, collaboration and risk-taking to turn breakthrough ideas into reality.
- *Have a Growth Mindset:* We will be resilient and capable of the change required to succeed in a world that does not stand still.
- *Create Remarkable Teams:* We will create a workplace culture that allows individuals to be their best in order to retain and attract talent from diverse industries, geographies and backgrounds.

Our *Leadership Principles* are the behaviors that provide definition to our actions and bring our values to life.

- *Embrace Diversity and Inclusion:* We solicit and respect the input of others, celebrate our differences and strive for transparency and inclusiveness.
- *Seek to Listen:* We listen to our customers, partners, and each other to reach the best solutions and make the strongest decisions.
- *Always Learn:* To model a growth mindset, we continue learning through every stage of our careers. We do not quit and we are not satisfied with the status quo.
- *Be Authentic:* Employees who thrive at Wabash are honest, have incredible energy and demonstrate grit in everything they do.
- *Win Together:* We collaborate, seek alignment and excel at cross-group communication to succeed as one team and One Wabash.

Rebranding

In January 2022, Wabash National Corporation and its portfolio of brands rebranded as Wabash® and began a significant shift in the Company's go-to-market brand strategy. This marks a milestone in the Company's transformation, following two years of accomplishments in our reorganization, new customer acquisition, and strategic growth as One Wabash. The rebrand is a reflection of our efforts and how we go-to-market with a powerful brand strategy designed to carry all of our legacy brands into the future.

Wabash aims to be a visionary leader that drives the changing business of transport in ways that move the entire industry forward. We see a different future reality than our competition in the context of social, technological, and logistics changes, and we've chosen to go down a substantially different path to re-shape the industry and pull that future forward for our customers. We saw how logistics changes would disrupt the industry and result in customers buying from one source, in one way, from first to final mile. We saw the need to radically change how products are conceived and designed upfront in engineering with new technologies to make leap-frog improvements in quality and consistency. We had the foresight to develop and commercialize a new composite technology that can deliver breakthrough value to customers. Going forward, we see the need to expand connectivity from the source all the way to the home to ensure food safety versus myopically focusing on point solutions.

As of January 2022, we market nearly all products in our Transportation Solutions and Parts & Services segments as Wabash®. The Company will continue to market DuraPlate®, DuraPlateHD®, DuraPlate AeroSkirt®, and AeroSkirt CX®, as well as the new EcoNex™ Technology brand for our proprietary molded structural composite.

Wabash Management System

Our Wabash Management System ("WMS") is a set of principles and standardized business processes for the purpose of achieving our strategic objectives. These principles are centered around lean thinking and state that lean application must extend across and throughout our entire enterprise, not only our manufacturing processes. By codifying what makes our company great, the WMS drives focus on the interconnected processes that are critical for success across our business. WMS is based on forward planning and continuous capability evaluation as we simultaneously drive execution and breakthrough performance. WMS requires everyone to be an active contributor to our enterprise-wide lean efforts and enables growth through innovation and industry leading customer satisfaction and alliances. Our WMS principles underpin an ongoing improvement cycle that includes Strategic Planning and Deployment, Kaizen, and Daily Management. It is through this set of standards and thinking that we create a "One Wabash" approach to our employees and customers, add new business capabilities, and enable profitable growth.

In partnership with Purdue University, during 2022 we developed a curriculum for WMS Facilitator and Coaching. We have hosted WMS University Champion training sessions and have over 225 graduates of the program while continuing to enhance internally. Company-wide, we have frequent WMS communication and engagement enhancement sessions, including lunch & learn trainings. Finally, we have developed a strategic deployment process and planning cycle.

Our One Wabash organizational structure enables long-term growth for the Company with an intense focus on value streams, streamlined processes, product innovation, and a consistent, superior experience for all customers who seek our solutions in the transportation, logistics and distribution markets. The value streams leverage the power of our processes to close the cycle of customer needs and customer fulfillment.

Operating Segments

The One Wabash organizational transformation began during the first quarter of 2020 to better align resources and processes on serving the customer and to enable long-term growth. In connection with the substantial completion of our One Wabash strategic initiatives, including organizational and structural changes as well as portfolio rationalization, beginning in September 2021 we realigned our operating and reportable segments based on how the Chief Operating Decision Maker ("CODM") manages the business, allocates resources, makes operating decisions, and evaluates operating performance. Based on this realignment, we established two operating and reportable segments: Transportation Solutions ("TS") and Parts & Services ("P&S"), and eliminated the historical Commercial Trailer Products ("CTP"), Diversified Products ("DPG"), and Final Mile Products ("FMP") segments. Additional information related to the composition of each segment, is set forth below.

Transportation Solutions	Parts & Services
■ Dry & Refrigerated Van Trailers	■ Aftermarket Parts & Services
■ Platform Trailers	■ Truck Body Upfitting Solutions
■ Tank Trailers & Truck-Mounted Tanks	■ Food, Dairy, and Beverage Equipment
■ Truck-Mounted Dry & Refrigerated Truck Bodies	■ DuraPlate® Components & Parts
■ EcoNex™ Trailers & Truck Bodies	■ Wabash Parts LLC and Linq Venture Holdings LLC (See Note 6 in the Notes to Consolidated Financial Statements)
	■ Trailers as a Service (TAAS)℠ (See Additional Information Below)

Transportation Solutions

The TS segment comprises the design and manufacturing operations for the Company's transportation-related equipment and products. This includes dry and refrigerated van trailers, platform trailers, and our wood flooring production facility, all of which were previously reported in the CTP segment. The Company's EcoNex™ Technology products that were historically included in both the CTP and FMP segments are reported in the TS segment. In addition, the TS segment includes tank trailers and truck-mounted tanks that were historically reported in the DPG segment. Finally, truck-mounted dry and refrigerated bodies and service and stake bodies that were previously reported in the FMP segment are also in the TS segment. Refer to the "Products" section below for additional information and details related to the TS segment's product offerings.

Parts & Services

The P&S segment is comprised of each of our historical segments' parts & services businesses as well as the upfitting component of our truck bodies business. In addition, our Composites products, which are focused on the use of DuraPlate® composite panels beyond the semi-trailer market, are also part of the P&S segment. This segment also includes Wabash Parts LLC and Linq Venture Holdings LLC entities created in the second quarter of 2022 and the fourth quarter of 2023, respectively, as further described in Note 6 in the Notes to Consolidated Financial Statements. Additionally, the P&S segment includes our Trailers as a Service (TAAS)℠ initiative, which combines our market-leading trailer products with emerging capabilities like parts distribution and a growing maintenance and repair network in order to provide a valuable suite of services to our customers. Finally, the P&S segment includes the Company's Engineered Products business, including stainless-steel storage tanks and silos, mixers, and processors for a variety of end markets. As disclosed throughout this Annual Report on Form 10-K for the year ended December 31, 2023, growing and expanding our parts and services offerings is a key strategic initiative for us moving forward. Refer to the "Products" section below for additional information and details related to the P&S segment's product offerings.

Strategy

We are the visionary leader of connected solutions with strong customer relationships across the first, middle, and final mile markets that will support profitable growth and provide adaptability to changes in the transportation, logistics, and distribution industries. We believe our One Wabash organizational structure and WMS are uniquely designed to achieve breakthrough customer value. Our TS and P&S segment structure aligns our resources and processes on serving the customer, and our strategy is centered around our ability to scale core competencies by growing in and around core markets with known customers.

COLD CHAIN	■ Capture opportunities in markets driven by movement of goods through the temperature-controlled cold chain ■ Bring differentiated solutions to create customer value by leveraging innovative technology offerings, including product offerings, such as EcoNex™
LOGISTICS NETWORK EFFICIENCY	■ Pursue opportunities to capitalize on the changing logistics landscape, including the expected growth in power-only networks ■ Grow within the rapidly expanding home delivery market by augmenting truck body offerings with refreshed product offerings ■ Technology advancements are accelerating the disruption of traditional logistics models
RECURRENT REVENUE	■ Pursue organic growth opportunities within parts distribution and truck body upfitting to become a scalable and tech-enabled distribution platform to serve existing and new customers ■ Connecting across the transportation ecosystem to facilitate interactions and leverage our brand ■ Unify historically disparate parts and services revenue streams to drive alignment and growth focus

Our first to final mile portfolio of products creates simplicity for customers managing through significant industry change. We believe that if we are successful in focusing on each of these strategic initiatives, we will be well-positioned to advance our commitment to deliver long-term profitable growth within each of our reportable segments, support margin enhancement through our One Wabash organization and WMS mindset, and successfully deliver value to our shareholders. In addition, leveraging our dealer and strategic account relationships will create the scale of a national service network.

During 2023, we partnered with Loadsmith and continued our partnership with FreightVana to support our Trailers as a Service (“TAAS”)SM initiative. Our TAAS initiative combines our market-leading trailer products with emerging capabilities like parts distribution and a growing maintenance and repair network in order to provide a valuable suite of services to our customers and contribute to our growing base of recurring revenue in our Parts & Services operating segment. The amendment to our Revolving Credit Agreement during the third quarter of 2022, supports our TAAS offering with increased liquidity availability.

By continuing to be the visionary leader in the transportation, logistics, and distribution industries we expect to leverage our existing assets and capabilities into higher margin products and markets by delivering value-added customer solutions. Optimizing our product portfolio, operations, and processes to enhance manufacturing efficiency and agility is expected to well-position the Company to drive margin expansion and reinforce our customer relationships.

Acquisition Strategy

We believe that our overall business and segments have significant opportunities to grow through disciplined strategic acquisitions. When evaluating acquisition targets, we generally look for opportunities that exhibit the following attributes:

- Customer-focused solutions;
- Access to new technology and innovation;
- Strong management team that is a cultural fit;
- Aligned with our core competencies in purchasing, operations, distribution, and product development; and
- Growth markets, whether end-markets or geographical, within the transportation, logistics, and distribution industries.

Capital Allocation Strategy

We believe that a balanced and disciplined capital allocation strategy is necessary to support our growth initiatives and create shareholder value. The objectives and goals of the Company’s capital allocation strategy are summarized below:

Maintain Liquidity:	▪ Manage the business for the long-term ▪ Continue to be equipped for changes in market conditions and strategic growth opportunities
Debt Management:	▪ Maintain healthy leverage ratios
Reinvest for Growth:	▪ Fund capital expenditures and research and development that optimize strategic capacity to support demand as well as support our productivity initiatives
Dividends:	▪ Maintain our regular dividend which has been paid for the last seven consecutive years
Share Repurchases:	▪ Offset dilution from stock-based compensation ▪ Opportunistically repurchase shares

Industry and Competition

Trucking in the U.S., according to the American Trucking Association (“ATA”), was estimated to be a $940.8 billion industry in 2022, representing approximately 81% of the total U.S. transportation industry revenue. From a financial (e.g., value) industry perspective, this represents an increase of approximately 7.5% from ATA’s 2021 estimate and is consistent with the prior year as a percentage of the total U.S. transportation industry revenue (81% in both 2022 and 2021). Furthermore, ATA estimates that approximately 72.6% of all domestic freight tonnage in 2022 was carried by trucks, and 327.5 billion miles were traveled by registered trucks in 2021. Trailer demand is a direct function of the amount of freight to be transported.

Transportation in the U.S., including trucking, is a cyclical industry that has experienced three cycles over the last 20 years. In each of the last three cycles the decline in freight tonnage preceded the general U.S. economic downturn and the recovery has generally preceded that of the economy as a whole. The trailer industry generally follows the transportation industry, experiencing cycles in the early and late 90's lasting approximately 58 and 67 months, respectively. Truck freight tonnage, according to ATA statistics, started declining year-over-year in 2006 and remained at depressed levels through 2009, when the most recent cycle concluded. After three consecutive years with total trailer demand well below normal replacement demand levels estimated to be approximately 220,000 trailers, the period ending December 31, 2019 demonstrated six consecutive years of healthy demand in which there were total trailer shipments of approximately 269,000, 308,000, 286,000, 288,000, 323,000, and 328,000 for the years ending 2014, 2015, 2016, 2017, 2018, and 2019, respectively. Since 2020's decrease in trailer production (during the worst part of the COVID-19 pandemic) to approximately 206,000 trailer shipments that year, according to ATA, trailer production has rebounded in 2022 and 2023 to levels seen in the previous decade.

According to ACT Research Company ("ACT") and FTR Associates ("FTR"), total U.S. trailer production in 2022 was approximately 308,000 trailers. ACT and FTR estimate 2023 production to be approximately 311,000 and 322,000 trailers, respectively. This represents an increase of approximately 1% and 4.4%, respectively from 2022. The current estimates from ACT and FTR for 2024 for United States trailer production is 254,000 and 240,000, respectively which is 18.2% and 25.5% below 2023 production estimates. This is indicative of a freight market downcycle that has taken shape since the middle of 2022, when the industry saw freight volumes and average truckload spot rates fall relatively quickly. Although these challenging conditions are expected to continue into 2024 and may impact future trailer production, it appears the industry is at a cycle bottom and waiting for freight volumes to recover. Additional discussion and analysis is included under the section titled "Industry Trends" included within Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K.

Trailer manufacturers compete primarily through the quality of their products, customer relationships, innovative technology, and price. We have observed others in the industry also pursue the development and use of composite sidewalls that compete directly with our DuraPlate® products. Our product development is focused on maintaining a leading position with respect to these products and on development of new products and markets, leveraging products across our segments such as EcoNex™ Technology, as well as our expertise in the engineering and design of customized products.

The tank trailers component of our Transportation Solutions segment and the engineered products component of our Parts & Services segment, in most cases, participate in markets different from our historical core van and platform trailer product offerings. The customers and end markets that these components serve are broader and more diverse than the van and platform trailer industries, including the dairy, food and beverage, pharmaceutical, chemical, craft brewing, biotech, and specialty vehicle markets. In addition, our diversification efforts pertain to new and emerging markets and many of the products are driven by regulatory requirements or, in most cases, customer-specific needs.

The truck body component of our Transportation Solutions segment competes in the specialized vehicle industry, whereby there are only a few national competitors and many smaller, regional companies. Competitive factors include quality of product, lead times, geographic proximity to customers, and the ability to manufacture a product customized to customer specifications. With our national presence, diverse product offerings, and One Wabash approach to customer relationships, we believe that we are well positioned to meet the competitive challenges presented. In addition, a growing part of the truck body product line is directly aligned with our trailer customers.

Human Capital Resources and Management

As of December 31, 2023, we had approximately 6,700 full-time employees. Throughout 2023, essentially all of our active employees were non-union. Our temporary employees represented less than 1% of our overall production workforce as of December 31, 2023.

We believe our commitment to our human capital resources is key to our mission to enable our customers to succeed with breakthrough ideas and solutions that help them move everything from first to final mile. In addition, our human capital resources are at the core of our *Values* and *Leadership Principles*. The Company's executives (the "Senior Leadership Team"), including the President and Chief Executive Officer, are responsible for developing and executing the Company's human capital strategy. This includes the attraction, acquisition, development, and engagement of talent to deliver on the Company's strategy and the design of employee compensation and benefits programs. The Senior Leadership Team is also responsible for developing and integrating the Company's diversity and inclusion roadmap. In addition, regular updates are provided to the Company's Board of Directors and its committees on the operation and status of human capital trends and activities. Key areas of focus for the Company include:

- ***Employee Engagement*** – We define engagement as a deep connection and sense of purpose at work that creates extra energy and commitment. Our goal is to engineer a winning culture that is designed to execute the Company's strategic plan. Over the long-term, we seek better outcomes from having a highly engaged and values-aligned workforce, including higher retention, higher productivity, better customer satisfaction, better quality, and better safety. We provide all employees with the opportunity to share their opinions and feedback on our culture through a voluntary annual employee engagement assessment where all employees are encouraged to participate. Results are measured and analyzed to enhance the employee experience, promote employee retention, drive positive change, and leverage the overall success of our organization.

- ***Talent Development*** – One of our Company values is *Always Learn*. We put that into practice by offering our own welding and skills training courses, self-directed learning modules and an executive leadership development program at no cost to employees. Additionally, we host a wide variety of learning and development opportunities through our custom-tailored Learning Management System — Wabash U. Our employees have access through an online portal to thousands of self-directed and instructor-led courses on a variety of professional development topics. Our employees also have access to WMS University ("WMS U"), which was developed and accredited by Purdue University's Dauch Center for the Management of Manufacturing Enterprises and TP3 Institute for smart manufacturing. WMS U teaches participants about our WMS systems and tools in our lean enterprise, the goal of which is to equip our employees with the knowledge to live WMS principles every day. There are over 225 graduates to date from our WMS U programs. Finally, in partnership with Purdue University, we developed curriculum for WMS Facilitator and Coaching training, which was launched during the first quarter of 2022.

  Targeted learning and development opportunities are also created through external partnerships, including special development programs for front line leaders (with over 400 trained since the program began in 2022), as well as focused executive development across a variety of topics. Full-time Wabash employees can pursue various courses, undergraduate and graduate degree programs, or relevant certifications at an accredited college or university without added financial burden by using our Accelerator tuition reimbursement program. We provide all employees a wide range of professional development experiences, both formal and informal, at all stages in their careers. In addition, Wabash employees and dependents of employees are eligible for a variety of scholarships offered by Wabash and the industry associations to which we belong. We support the youth in our communities through program funding, training programs, internships, co-ops, and our emerging leadership development programs. We also sponsor youth clubs in our communities, including robotics clubs, STEM programs, and the Purdue University's Women in Engineering Program. In 2023, we awarded 12 high school graduates with Wabash scholarships totaling $60,000.

- ***Focus on Safety*** – At Wabash, safety is our first priority. We prioritize the safety of our employees, our customers, and our communities. We demonstrate this core value by working on innovations to protect the people who operate our equipment. In addition, we partner with other manufacturers in the industry to further promote safety by sharing best practices and ideas for implementing higher standards.

  We continually focus on reducing the severity and frequency of workplace injuries to create a safe environment for our employees. We provide ongoing safety training and development at our production facilities, which are designed to focus on empowering our employees with the knowledge and tools they need to make safe choices and to mitigate risks. Our employees are encouraged to identify safety opportunities and report near-misses through our safety good catch program. The Company utilizes a mixture of leading and lagging indicators to assess the health and safety performance of its operations. For example, a lagging indicator includes the OSHA Total Recordable Incident Rate ("TRIR"). TRIR in 2023 was 4.32, which is one of the Company's best-ever years for TRIR performance. A leading metric we use is scoring from our Blueprint for Excellence, which assesses a facility's overall safety program and identifies key areas of improvement. Wabash utilizes a software platform to proactively mitigate safety risks by driving business decisions based on actionable insights and advanced analytics. We continue to encourage reporting of near-miss incidents and track near-misses enterprise-wide.

  Our safety awards include:

  - 2022 Truck Trailer Manufacturers Association Plant Safety Awards (Fond du Lac, WI, and New Lisbon, WI)
  - 2021 Truck Trailer Manufacturers Association Plant Safety Awards (Little Falls, MN, and San José Iturbide, Guanajuato, Mexico)
  - 2020 Truck Trailer Manufacturers Association Plant Safety Awards (Fond du Lac, WI, and San José Iturbide, Guanajuato, Mexico)
  - 2019 Truck Trailer Manufacturers Association Plant Safety Award (New Lisbon, WI)
  - 2018 Truck Trailer Manufacturers Association Plant Safety Award (San José Iturbide, Guanajuato, Mexico)

    - 2017 Kentucky Governor’s Safety and Health Award (Cadiz, KY)
    - 2016 Truck Trailer Manufacturers Association Plant Safety Awards (New Lisbon, WI, and San José Iturbide, Guanajuato, Mexico)
    - 2015 Truck Trailer Manufacturers Association Plant Safety Awards (New Lisbon, WI)

- ***Health and Wellness*** – The health and wellness of our employees is critical to our success. We provide our employees with access to a variety of innovative, flexible, and convenient health and wellness programs. Such programs are designed to support employees' physical and mental health by providing tools and resources to help them improve or maintain their health status and encourage engagement in healthy behaviors.

- ***Diversity and Inclusion*** – Wabash is committed to having a workforce that is diverse and embraces inclusion at all levels, reflecting the diversity of our customers and the varied environments in which we conduct business around the globe. Recognizing, valuing, and fully leveraging our different perspectives and backgrounds to achieve our business goals demonstrate our inclusive culture and are part of our *Leadership Principles* (“Embrace Diversity and Inclusion”). We need inclusion and diversity to achieve our targeted business results and fulfill our vision of being the visionary leader of connected solutions for the transportation, logistics and distribution industries. Openness to diversity widens our access to the best talent, and inclusion allows us to engage that talent fully. In addition, we place special focus on preventing pay imbalances among genders, including proactive adjustments to pay, titles, and/or benefits to prevent gender pay gaps.

  In 2023, 66% of our total hourly hires were women and/or minorities, and 47% of total salaried hires in 2023 were women and/or minorities.

- ***Compensation and Benefits*** – Wabash is committed to providing a comprehensive total compensation and benefits program that is competitive within the local market as well as the industries we serve. Our compensation and benefits program not only ensures external market competitiveness and internal equity, but it also maintains a strong emphasis on performance. The tenets of our compensation philosophy are:

    - Compensation is calibrated to market to facilitate access to and retain needed talent.
    - Compensation design is transparent to help employees clearly understand all components of their compensation.
    - Compensation is connected to individual performance and, in some cases, performance of the organization.
    - Compensation enables purpose by being connected to the Company’s values and leadership principles.

  In addition to salaries, these programs can include annual bonuses, stock-based compensation awards, a 401(k) plan and non-qualified deferred compensation plan with employee matching opportunities, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave, family care resources, flexible work schedules, safety shoe and prescription safety glass programs, an employee assistance program, and tuition assistance, among many others.

- ***Community Involvement*** – Wabash’s charitable giving program combines volunteer work with financial support to make a meaningful, lasting impact on our communities. We actively partner with nonprofit groups and projects to donate time, needed materials and financial resources to support the communities where we live and work. We place special emphasis on combating food insecurity in our communities, as well as supporting children and veterans. We believe that enriching the lives of those around us is a powerful investment in our future. Involvement in our communities is unique to our various locations. During 2022, we announced a national partnership to help end food insecurity with Feeding America®, the nation’s largest domestic hunger-relief organization. Through this partnership, Wabash has donated $150,000 annually in support of mobile food pantries and freight subsidies, which are crucial to increasing the distribution of fresh and healthy food in vulnerable communities. This national partnership is an expansion of the work Wabash has done over the past 20 years on a local level with various Feeding America member food banks.

  In 2023, Wabash donated more than $755,000 through corporate gifts, local charitable sponsorships and employee donations to nonprofit organizations. Our charitable contributions included gifts to Feeding America, Fisher House, United Way, Cystic Fibrosis Foundation, Junior Achievement, National Alliance on Mental Illness, Gary Sinise Foundation, Boys and Girls Club, Humane Society, Habitat for Humanity, Mental Health America, Wreaths Across America, Special Olympics, YWCA, Boys Scouts of America, and more. In addition to these organizations, we also supported local schools across the country with robotics clubs, weld programs, career development, food bank backpack programs, youth sports, music enrichment programs, and more.

We also run a Day of Giving program, which allows all full-time employees the opportunity to volunteer one scheduled workday each calendar year. In 2023, around 10% of the Company's workforce dedicated over 5,000 hours of volunteer work, actively supporting local food banks, homeless shelters, veteran services agencies, environmental conservation programs, local schools' leadership and career readiness activities, Junior Achievement, Salvation Army, YWCA, local animal shelters, Wreaths Across America, youth athletics, art programs, foster child agencies, programs to support people with disabilities, and more.

Our annual Corporate Responsibility Report is available on our website (ir.onewabash.com) and references the ongoing environmental, social, and governance (ESG) initiatives that demonstrate our commitment to sustainability and social responsibility. The content on any website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report on Form 10-K unless expressly noted.

Competitive Strengths

We believe our core competitive strengths include, but are not limited to:

- ***Long-Term Core Customer Relationships*** – We are the leading provider of trailers to a significant number of top tier trucking companies, generating a revenue base that has helped to sustain us as one of the market leaders. Our van products are preferred by many of the industry's leading carriers. We are also a leading provider of liquid-transportation systems and engineered products and we have a strong customer base, consisting of mostly private fleets, and have earned a leading market position across many of the markets we serve. In addition, we are a leading manufacturer of truck bodies, and we have a strong customer base of large national fleet leasing companies and large retailers. Our competitive strength related to long-term core customer relationships is evidenced by our multi-year order agreement with J.B. Hunt Transport Inc., which we announced in January 2023.

- ***Technology and Innovation*** **–** We continue to be recognized by the trucking industry as a leader in developing technology to provide value-added solutions for our customers that reduce trailer operating costs, improve revenue opportunities, and solve unique transportation problems. Throughout our history, we have been and we expect to continue to be a leading innovator in the design and production of trailers and related products. We have commercialized and launched DuraPlate® Cell Core, a modified DuraPlate® panel that reduces the weight of a conventional 53 foot DuraPlate® trailer by 300 pounds without compromising strength or durability. Our refrigerated van offerings now include EcoNex™ Technology, which is under our recently introduced Acutherm™ portfolio of solutions designed for intelligent thermal management. In connection with our Cold Chain strategic initiative, a refrigerated trailer with EcoNex™ Technology provides up to 28% improvement in thermal performance over Wabash's conventional ArcticLite® refrigerated trailer, and is being engineered to be lighter with greater strength and durability. This translates into lower lifetime operational costs and more conscious use of resources. In August 2022, we announced a $20 million investment to be made in our manufacturing capacity to scale our EcoNex™ technology within refrigerated vans, truck bodies, and other transportation and logistics related products. Additionally, The Kroger Company continues to a be a large Wabash customer since placing an initial order for more than $10 million in 2021 of refrigerated home delivery vehicles with EcoNex™ Technology.

  During 2021, we received the 2021 Indiana Manufacturers Association's Manufacturing Excellence Award for Innovation for our EcoNex™ Technology. We are leveraging this innovative technology in other facets of our business, such as the final mile and home delivery space.

  Since December 2021 we have partnered with Purdue University to accelerate the Company's speed to market with proprietary, innovative products. The partnership connects Wabash to Purdue's Office of Industry Partnerships, allowing us to leverage Purdue University's resources to deliver new and improved sustainability-focused solutions to the transportation, logistics, and distribution industries.

- ***Significant Brand Recognition*** **–** In January 2022, Wabash National Corporation and its portfolio of brands rebranded as Wabash® and began a significant shift in the Company's go-to-market brand strategy. This rebranding provides the foundation to build upon our history of being one of the most widely recognized brands in the industry, recognized for quality, performance, and innovation leadership. It also positions us to increase the ease of doing business for customers and solve critical customer needs with innovative solutions across products from the first to final mile. In addition, we were named to the Forbes list of America's Most Successful Small-Cap Companies 2024.

- ***WMS and Enterprise Lean*** – By codifying what makes our company great, the Wabash Management System ("WMS") drives focus on the interconnected processes that are critical for success across our business. WMS is based on forward planning and continuous capability evaluation as we simultaneously drive execution and breakthrough performance. WMS requires everyone to be an active contributor to our enterprise-wide lean efforts and enables growth through innovation and industry leading customer satisfaction and alliances. Our WMS principles underpin an ongoing improvement cycle that includes Strategic Planning and Deployment, Kaizen, and Daily Management. It is through this set of standards and thinking that we create a "One Wabash" approach to our customers, add new business capabilities, and enable profitable growth.

  Safety, quality, delivery, cost, morale, and environment are the core elements of our program of continuous improvement. We currently maintain an ISO 14001 registration of the Environmental Management System at four facilities, which include our Lafayette, Indiana; Cadiz, Kentucky; San José Iturbide, Mexico; and Harrison, Arkansas locations. In addition, we have achieved ISO 9001 registration of the Quality Management Systems at our Lafayette, Indiana and Cadiz, Kentucky facilities.

- ***Corporate Culture*** – As further described above in the "Human Capital Resources and Management" section, we believe strong human capital acts as a competitive differentiator and our focus is not only on ensuring we have the right leaders in place to drive our strategic initiatives today, but also to nurture our talent pipeline to develop strong leaders for our company's future. To that end, we benefit from an experienced, value-driven management team and dedicated workforce.

  We strive to achieve alignment at every layer and throughout all functional areas of our business and are focused on ensuring the right systems are in place to facilitate all team members working toward the same shared goals. Critical to this is the One Wabash mindset that our business is constructed of three interlinked segments that benefit from one another and are stronger as a result of being part of Wabash.

- ***Extensive Distribution Network*** – We utilize a network of 23 independent dealers with approximately 70 locations throughout North America to distribute our van trailers. Our platform trailer distribution network consists of 58 independent dealers with approximately 105 locations throughout North America. Our tank trailers are distributed through a network of 3 independent dealers with 5 locations throughout North America, along with additional arrangements to provide supplemental coverage as needed. Additionally, our truck body commercial network consists of more than 900 partners. Our commercial network primarily serves mid-market and smaller sized carriers and private fleets in the geographic region where the partner is located and occasionally may sell to large fleets.

Regulation

Truck trailer length, height, width, maximum weight capacity and other specifications are regulated by individual states. The federal government also regulates certain safety and environmental sustainability features incorporated in the design and use of truck and tank trailers, as well as truck bodies. These regulations include: requirements to install Electronic Logging Devices, the use of aerodynamic devices and fuel saving technologies, as well as operator restrictions as to hours of service and minimum driver safety standards (see "Industry Trends" included within Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K for more details on these regulations). In addition, most tank trailers we manufacture have specific federal regulations and restrictions that dictate tank design, material type and thickness. Manufacturing operations are subject to environmental laws enforced by federal, state and local agencies (see "Environmental Matters").

Products

Since our inception, we have worked to expand our product offerings from a single truck trailer dry van product to a broad range of connected solutions for the transportation, logistics, and distribution industries to help our customers move everything from first to final mile. We manage a diverse product portfolio, maintain long-standing customer relationships, and focus on innovative and breakthrough technologies within two operating segments.

Our current Transportation Solutions segment primarily includes the following products:

- **Van, Platform, and Tank Trailers**
  - *Dry Van Trailers.* The dry van market represents our largest product line and includes trailers sold under the DuraPlate® and DuraPlate HD® trademarks. Our DuraPlate® trailers utilize a proprietary technology that consists of a composite sandwich panel wall for increased durability and greater strength. In addition, we have introduced DuraPlate® Cell Core, a modified DuraPlate® panel that reduces the weight of a conventional 53-foot DuraPlate® trailer by 300 pounds.

- *Platform Trailers.* Platform trailers were sold under the Transcraft® and Benson® trademarks until the January 2022 rebranding as Wabash®. Platform trailers consist of a trailer chassis with a flat or "drop" loading deck without permanent sides or a roof. These trailers are primarily utilized to haul steel coils, construction materials, and large equipment. In addition to our all steel and combination steel and aluminum platform trailers, we also offer a premium all-aluminum platform trailer.

- *Acutherm™ Refrigerated Trailers.* Our refrigerated trailers provide thermal efficiency, maximum payload capacity, and superior damage resistance. Our refrigerated trailers were sold under the ArcticLite® trademark until the January 2022 rebranding as Wabash® and use our SolarGuard® technology, coupled with our foaming process, which we believe enables customers to achieve lower costs through reduced operating hours of refrigeration equipment and therefore reduced fuel consumption. As previously discussed, our Acutherm™ refrigerated trailer with EcoNex™ Technology provides up to 28% improvement in thermal performance over Wabash's conventional ArcticLite® refrigerated trailer construction, prevents water intrusion, slows foam degradation, and ultimately, extends equipment life. The all-composite floor system of the Acutherm™ refrigerated trailer with EcoNex™ Technology is being engineered to increase cube capacity and eliminate corrosion issues of conventional refrigerated trailers.

- *Tank Trailers.* Our tank trailer offerings include several products dedicated to transportation solutions. These brands included Walker™ Transport, Brenner® Tank, and Bulk Tank International until the January 2022 rebranding as Wabash®. Our product offerings in this component of the TS segment include stainless steel and aluminum tank trailers for the dairy, food and beverage, oil, and gas markets, as well as stainless steel and fiberglass reinforced poly tank trailers for chemical end markets.

- **Truck Bodies and Related Products**

  - *Wabash® Dry Freight Truck Bodies.* These truck bodies range from 12 to 30 feet in length with exterior walls assembled from one of several material options, including our premium DuraPlate® panels and pre-painted aluminum sheet and post. Additional features include industry-leading durable one-piece front header design, LED marker lights, sealed wiring harnesses, hardwood flooring, and various door configurations to accommodate end-user loading and unloading requirements. This product is adaptable for a diverse range of uses in dry-freight transportation.

  - *Cargo and Cargo XL Bodies.* An ideal route truck for a variety of commercial applications, these van bodies are manufactured on cutaway chassis which allow access from the cab to the cargo area. This newly designed product line utilizes our DuraPlate® panel wall construction as the foundation for a superior light duty delivery vehicle for the growing final mile segment of the truck body market we serve.

  - *Insulated Acutherm™ Refrigerated Truck Bodies.* These insulated van bodies, in lengths from 12 to 28 feet, provide versatility and dependability for temperature-controlled applications. Flexible for either hand-load or pallet-load requirements, they are ideal for multi-stop distribution of both fresh and frozen products. Soon to be offered in late 2024, Acutherm™ Refrigerated Truck Bodies with EcoNex™ Technology will join the ranks of our refrigerated products introducing a lighter and more thermally efficient insulated wall, floor, and roof construction to meet the growing demand for a more sustainable thermal delivery solution for our customers.

  - *Light-Duty Acutherm™ Refrigerated Bodies with EcoNex™ Technology.* Our new light-duty, home delivery refrigerated truck body with EcoNex™ Technology is being designed to maximize both cargo capacity and delivery productivity on chassis with gross vehicle weight ratings below 10,000 pounds. The purpose-built insulated body design facilitates a rack and tote system unique to the food distribution industry while creating easy access to separate temperature zones for perishable goods.

  - *Platform Truck Bodies.* Our platform truck bodies offer various configurations with steel front bulkheads and removable stake racks on the sides and rear. The platform truck body is utilized for a broad range of manufacturing and construction industries' transportation needs.

- **Other Transportation Solutions Components**

  - *Used Trailers.* These products include the sale of used trailers through our used fleet sales center to facilitate additional new trailer sales with a focus on selling both large and small fleet trade packages to the wholesale market.

  - *Wood Products.* We manufacture laminated hardwood oak flooring used primarily in our dry van trailer products at our manufacturing operations located in Harrison, Arkansas.

Our current Parts & Services segment primarily includes the following products:

- **Upfit, Parts, and Services Offerings**
    - *Aftermarket Parts and Services.* Aftermarket component products are manufactured to provide continued support to our customers throughout the life-cycle of the trailer. Utilizing our on-site service centers, we provide a wide array of quality aftermarket parts and services to our customers. In addition, we provide parts and maintenance and repair services for tank trailers and other related equipment through our five tank service centers.
    - *Truck Body Upfitting, Parts, and Services.* Through our truck body upfitting locations, we offer solutions to help customize and ensure our products meet the needs of our customers. Offerings include steel flatbed bodies, truck body mounting, shelving for package delivery, partitions, roof racks, hitches, thermal solutions, liftgates, and more. We also offer direct-line access to truck body repair parts (generally for all manufacturers) and provide other services such as door repair and replacement, collision repair (generally for all manufacturers), and basic maintenance. We currently have six locations throughout the United States for truck body parts and services, five of which also offer upfitting services.
- **Linq Venture Holdings, LLC**
    - *Linq Venture Holdings LLC.* As further described in Note 6 in the Notes to Consolidated Financial Statements, during the fourth quarter of 2023, the Company continued to unify and expand its parts and services capabilities and ecosystem by executing an agreement with a partner to create a new legal entity (Linq Venture Holdings LLC, "Linq") to develop and scale a digital marketplace in and for the transportation and logistics distribution industry. Linq is intended to be the digital channel to market Wabash equipment and parts & services, as well as non-Wabash parts & services, in a digital marketplace format to end-customers as well as dealers.
- **Wabash Parts LLC**
    - *Wabash Parts LLC.* As further described in Note 6 in the Notes to Consolidated Financial Statements, during the second quarter of 2022, we unified and expanded our parts and distribution capabilities by executing an agreement with a partner to create a new legal entity (Wabash Parts LLC) to operate a parts and services distribution platform. The single channel distribution network will, over time, include the entire Wabash aftermarket portfolio and a wide range of transportation parts with increased inventory and faster shipping. In addition, the network utilizes Wabash's extensive network of equipment dealers' service capabilities, as well as the infrastructure of industry-leading partners of national wholesale distribution for aftermarket heavy-duty truck and trailers parts, using multiple distribution centers across the United States.
- **Process Systems**
    - *Process Systems.* Product offerings include stainless steel storage tanks and silos, mixers, and processors for the dairy, food and beverage, pharmaceutical, chemical, craft brewing, and biotech end markets. As further described in Note 21 of the Notes to Consolidated Financial Statements in Part II Item 8 of this Form 10-K, during the second quarter of 2021 we sold the Extract Technology® business. Extract Technology® manufactured stainless steel isolators and downflow booths, as well as custom-fabricated equipment including workstations and drum booths for the pharmaceutical, fine chemical, biotech, and nuclear end markets.
- **Other Parts & Services Product Offerings**
    - *Trailers as a Service (TAAS)℠.* Our TAAS initiative combines our market-leading trailer products with emerging capabilities like parts distribution and a growing maintenance and repair network in order to provide a valuable suite of services to our customers and contribute to our growing base of recurring revenue in our Parts & Services operating segment.
    - *Composites*. Our Composites products focus on the use of DuraPlate® composite panels and EcoNex™ technology beyond the semi-trailer market. Product offerings include truck bodies, overhead doors, and other industrial applications. We continue to develop new products and actively explore markets that can benefit from the proven performance of our proprietary technology. We offer a number of aerodynamic solutions designed to improve overall trailer aerodynamics and fuel economy, most notably the DuraPlate® AeroSkirt®, which is EPA Smartway® verified and California Air Resource Board compliant.
    - *Used Trailers*. These products include the sale of used trailers that do not occur through our used fleet sales center.

Customers

Our customer base has historically included many of the nation's largest truckload common carriers, leasing companies, private fleet carriers, less-than-truckload common carriers, and package carriers. We continue to expand our customer base and achieve diversification through acquisitions, organic growth, product innovation, and through our extensive distribution and service network. All of these efforts have been accomplished while maintaining our relationships with our core customers. Our five largest customers together accounted for approximately 32%, 33%, and 30% of our aggregate net sales in 2023, 2022 and 2021, respectively. Our largest customer accounted for 12% of our aggregate net sales in 2023. No individual customer accounted for more than 10% of our aggregate net sales in either 2022 or 2021. International sales accounted for less than 10% of net sales for each of the last three years.

We have established relationships as a supplier to many large customers in the transportation industry for our dry and refrigerated van products, platform trailers, and tank trailers, including the following:

- *Truckload Carriers:* Averitt Express, Inc.; Crete Carrier Corporation; J.B. Hunt Transport, Inc.; and Werner Enterprises, Inc.
- *Less-Than-Truckload Carriers:* Old Dominion Freight Lines, Inc.; R&L Carriers, Inc.; and Saia, Inc.
- *Leasing Companies:* Penske Truck Leasing Company; Ryder System, Inc.
- *Private Fleets:* Kroger; Target Corporation; and Walmart.
- *Liquid Carriers:* Dana Liquid Transport Corporation; Oakley Transport, Inc.; Quality Carriers, Inc.; and Sprint Transport, LLC.

Through our engineered products component of the Parts & Services segment we also sell our products to other customers including, but not limited to, GlaxoSmithKline Services Unlimited and W.M. Sprinkman.

In addition, we sell our truck bodies to fleet leasing customers and direct customers including, but not limited to: Budget Truck Rental, LLC; Enterprise Holdings, Inc.; Penske Truck Leasing Company; and Ryder System, Inc. Notable end users of our truck body products include, but are not limited to: Krispy Kreme, Inc.; Southern Glazer's Wine and Spirits of America; and Costco Wholesale Corporation.

Marketing and Distribution

We market and distribute our products through the following channels:

- Factory direct accounts; and
- Independent dealerships.

Factory direct accounts are generally large fleets that are high volume purchasers. Historically, we have focused on the factory direct market in which customers are highly knowledgeable of the life-cycle costs of equipment and, therefore, are best equipped to appreciate the innovative design and value-added features of our products, as well as the value proposition for lower total cost of ownership over the life-cycle of our products.

We also sell our van, platform, and tank trailers through a network of independent dealers. Additionally, our truck body products are sold through commercial dealers. Our dealers primarily serve mid-market and smaller sized carriers and private fleets in the geographic region where the dealer is located and occasionally may sell to large fleets. The dealers may also perform service and warranty work for our customers.

Raw Materials

We utilize a variety of raw materials and components including, but not limited to, specialty steel coil, stainless steel, plastic, aluminum, lumber, tires, landing gear, axles and suspensions, which we purchase from a limited number of suppliers. While we manage some of our commodity price changes by entering into fixed price contracts with our suppliers and through financial derivatives, raw material costs as a percentage of net sales for 2023 increased slightly compared to 2022. Significant price fluctuations or shortages in raw materials or finished components have had, and could have in the future, adverse effects on our results of operations. In 2024 and for the foreseeable future, we expect that the raw materials used in the greatest quantity will be steel, aluminum, plastic, and wood. We will continue to endeavor to pass along raw material and component cost increases. Price increases used to offset inflation or disruption of supply in core materials have generally been successful, although sometimes are delayed. Increases in prices for these purposes represent a risk in execution. In an effort to minimize the effect of price fluctuations, we hedge certain commodities that have the potential to significantly impact our results of operations.

Backlog

Orders that have been confirmed by customers in writing and have defined delivery timeframes are included in our backlog. Orders that comprise our backlog may be subject to changes in quantities, delivery, specifications, terms, or cancellation. The following table presents backlog information as of December 31, 2023 and December 31, 2022 (in millions):

	December 31,		
	2023	2022	Change
12-month backlog	$ 1,589	$ 2,787	(43)%
Total backlog	$ 1,895	$ 3,396	(44)%

The decrease in rolling 12-month backlog and total backlog from December 31, 2022 is primarily related to the current order season materializing similarly to the calendarization of many years prior to COVID-19, particularly for our dry van products. Our observation thus far during the current season for dry vans generally align with industry forecasters in that demand seems poised for a modest pullback.

In addition, we continue to believe that our long-term relationship agreements with certain strategic customers (including J.B. Hunt Transport Inc., which we announced in January, 2023) will provide a good base of backlog for years to come. Refer to the "Outlook" section below for additional details related to industry and market conditions.

Patents and Intellectual Property

We hold or have applied for 153 patents in the U.S. on various components and techniques utilized in our manufacture of transportation equipment and engineered products. In addition, we hold or have applied for 153 patents or registered designs in foreign countries. Our patents include intellectual property related to the manufacture of trailers, containers, truck bodies, platform trailers, tanks, and other engineered products—all of which we believe offer us a significant competitive advantage in the markets in which we compete.

Many of our patents include intellectual property related to the manufacture of trailers, containers, truck bodies, and platforms using our proprietary EcoNex™ Technology. Our EcoNex™ Technology is a molded structural composite technology and these patents and patent applications cover the use of extruded foam bricks assembled and cured together in different configurations with resins and fiber mats to create various components and structures including, for example, wall panels and flooring assemblies. We believe the intellectual property related to this use of composite technology in our industry, including proprietary knowledge of the processes involved in manufacturing these components and the resulting products, will offer us a significant market advantage to continue to create proprietary products exploiting this technology. These patent applications will not begin to expire until 2036.

Our DuraPlate® patent portfolio includes several patents and pending patent applications, which cover not only utilization of our DuraPlate® products in the manufacture of trailers, but also cover a number of aerodynamic-related products aimed at increasing the fuel efficiency of trailers, including DuraPlate AeroSkirt®. U.S. and foreign patents and patent applications in our DuraPlate® patent portfolio have expiration dates extending until 2036. Certain U.S. patents relating to the combined use of DuraPlate® panels and logistics systems within the sidewalls of our dry van trailers will not expire until 2027 or after; several other issued U.S. patents and pending patent applications relating to the use of DuraPlate® panels, or other composite materials, within aerodynamic-related products will not begin to expire until after 2030. Additionally, we also believe that our proprietary DuraPlate® and DuraPlate® Cell Core production processes, which have been developed and refined since 1995, offer us a significant competitive advantage in the industry—above and beyond the benefits provided by any patent protection concerning the use and/or design of our DuraPlate® products. We believe the proprietary knowledge of these processes and the significant intellectual and capital hurdles in creating similar production processes provide us with an advantage over others in the industry who utilize composite sandwich panel technology.

Additionally, our intellectual property portfolio includes patents related to the rear impact guard ("RIG"). The RIG patents include RIG designs which surpass the new federal regulatory RIG standards for the U.S. and Canada and will not begin to expire until 2035.

In addition, our intellectual property portfolio includes patents and patent applications covering many trailer industry components. These products have become highly desirable and are recognized for their innovation in the markets we serve. These patents include, for example, those covering the Trust Lock Plus® door locking mechanism, the Max Clearance® Overhead Door System, which provides additional overhead clearance when an overhead-style rear door is in the opened position that would be comparable to that of swing-door models, the use of bonded or riveted intermediate logistics strips, the bonded D-ring hold-down device, bonded skylights, and the DuraPlate® arched roof. The patents covering these products will not expire before 2029. We believe all of these proprietary products offer us a competitive market advantage in the industries in which we compete.

We also hold or have applied for 46 trademarks in the U.S. as well as 73 trademarks in foreign countries. These trademarks include the Wabash® brand as well as trademarks associated with our proprietary technologies and products such as DuraPlate®, MaxClearance® Overhead Door System, Trust Lock Plus®, EZ-7®, DuraPlate Aeroskirt®, Aeroskirt CX®, DuraPlate HD®, Lock-Rite®, and EZ-Adjust®. Further, our EcoNex™ Technology trademark application currently pending in the U.S., Canada, Mexico, and Australia covers our proprietary molded structural composites technology featured in many of our refrigerated solutions. Additional trademark and service mark applications covering our proprietary technologies include Acutherm™ covering an intelligent thermal management system of components, products, and solutions as well as our Trailers as a Service (TAAS)™ platform for providing customers with trailer pool services. We believe all of these trademarks are important for the identification of our products and the associated customer goodwill; however, our business is not materially dependent on such trademarks.

Environmental Matters

Our facilities are subject to various environmental laws and regulations, including those relating to air emissions, climate change, wastewater discharges, the handling and disposal of solid and hazardous wastes and occupational safety and health. Our operations and facilities have been, and in the future may become, the subject of enforcement actions or proceedings for non-compliance with such laws or for remediation of company-related releases of substances into the environment. Resolution of such matters with regulators can result in commitments to compliance abatement or remediation programs and, in some cases, the payment of penalties (see “Legal Proceedings” in Part I, Item 3 for more details).

We believe that our facilities are in substantial compliance with applicable environmental laws and regulations. Our facilities have incurred, and will continue to incur, capital and operating expenditures and other costs in complying with these laws and regulations. However, we currently do not anticipate that the future costs of environmental compliance will have a material adverse effect on our business, financial condition, cash flows, or results of operations.

Website Access to Company Reports

We use our Investor Relations website, ir.onewabash.com, as a channel for routine distribution of important information, including news releases, presentations, and financial information. We post filings as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities Exchange Commission (“SEC”), including our annual, quarterly, and current reports on Forms 10-K, 10-Q and 8-K, our proxy statements, and any amendments to those reports or statements. All such postings and filings are available on our Investor Relations website. The SEC also maintains a website, www.sec.gov, that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The content on any website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report on Form 10-K unless expressly noted.

Information About Our Executive Officers

The following are the executive officers of the Company:

Name	Age	Position
Brent L. Yeagy	53	President and Chief Executive Officer, Director on the Board of Directors
M. Kristin Glazner	46	Senior Vice President, Chief Administrative Officer, Corporate Secretary
Kevin J. Page	62	Senior Vice President, Chief Commercial Officer
Michael N. Pettit	48	Senior Vice President, Chief Financial Officer
Dustin T. Smith	46	Senior Vice President, Chief Operating Officer

Brent L. Yeagy. Since June 2018, Mr. Yeagy has been responsible for the strategic direction and operations of Wabash in his role as President and Chief Executive Officer. Before his appointment as President and CEO, Mr. Yeagy was President and Chief Operating Officer from October 2016 to June 2018. Mr. Yeagy joined Wabash in 2003 and held a number of positions with increasing responsibility, including Vice President of Manufacturing, Vice President and General Manager of Commercial Trailer Products, and Senior Vice President – Group President, Commercial Trailer Products. Prior to Wabash, from 1999 to 2003, Mr. Yeagy held various positions within human resources, environmental engineering, and safety management for Delco Remy International. Mr. Yeagy served in various plant engineering roles at Rexnord Corporation from December 1995 through 1999. He also served in the United States Navy from 1991 to 1994. Mr. Yeagy holds a Bachelor of Science in Environmental Engineering Science and a Master of Science in Safety Engineering from Purdue University, and an MBA in Business Management from Anderson University. He has also attended executive programs at the University of Michigan’s Ross School of Business as well as Stanford’s Graduate School of Business. Mr. Yeagy is a graduate of the U.S. Navy’s Naval Nuclear Power Program and participated in the Navy’s Officer Candidate Program.

M. Kristin Glazner. Ms. Glazner was appointed to Senior Vice President, Chief Administrative Officer ("CAO") in December 2023. She remains General Counsel, Chief Human Resources Officer, and Corporate Secretary, roles in which she has served since June, 2020, in addition to her added responsibility of Chief Administrative Officer. She previously served as Senior Vice President and Chief Human Resources Officer since November 2018. Ms. Glazner joined Wabash in February 2010 as Corporate Counsel and served in that role until October 2017, when she was appointed to the position of Vice President – Human Resources and Legal Administration, then Vice President – Corporate Human Resources. Before joining Wabash, Ms. Glazner was an attorney with the law firm Baker & Daniels LLP (now Faegre Drinker Biddle & Reath LLP) from 2002 to 2010. She holds a Juris Doctor degree from Indiana University Maurer School of Law and a Bachelor of Arts degree from Butler University.

Kevin J. Page. Mr. Page was appointed to Senior Vice President, Chief Commercial Officer and has served in the role since March 23, 2020. He previously served as Wabash's Senior Vice President and Group President, Diversified Products Group and Final Mile Products since January 2020, after serving as Senior Vice President and Group President, Diversified Products Group from October 2017 to January 2020. Mr. Page joined Wabash in February 2017 as Vice President and General Manager, Final Mile and Distributed Services. Prior to Wabash, he was Interim President of Truck Accessories Group, LLC from 2015 to 2016, and Vice President of Sales, Marketing and Business Development from 2012 to 2015. He served as President of Universal Trailer Cargo Group from 2008 to 2012. Mr. Page also had a 23-year tenure at Utilimaster Corporation serving in various sales roles, including as Vice President of Sales and Marketing. Mr. Page has a Bachelor of Arts in Economics from Wabash College and an MBA (Executive) from Notre Dame. Throughout his career he has also completed executive programs at the University of Chicago, Harvard Business School, University of Michigan and American Management Association.

Michael N. Pettit. Mr. Pettit was appointed to Senior Vice President, Chief Financial Officer in January 2020. He previously served as Senior Vice President and Group President, Final Mile Products (2018-2020) and Vice President of Finance and Investor Relations (2014–2018). He joined Wabash in 2012 as Director of Finance for Commercial Trailer Products. Prior to Wabash, from 1998 to 2012, Mr. Pettit held various finance positions with increasing responsibility at Ford Motor Company. With more than 20 years of experience in the transportation industry, he has a broad understanding of strategic planning, mergers and acquisitions, pricing strategy, production planning, and lean manufacturing processes and principles. Mr. Pettit has a Bachelor of Science in Industrial Management from Purdue University and an MBA from Indiana University.

Dustin T. Smith. Mr. Smith was appointed Senior Vice President, Chief Operating Officer in December 2023. He previously served as Chief Strategy Officer from June 2021 to December 2023 and as Senior Vice President, Global Operations from March 2020 to June 2021. Mr. Smith joined Wabash in 2007 and has held a number of positions with increasing responsibility, including Director of Finance, Director of Manufacturing, Vice President of Manufacturing, Senior Vice President and General Manager - Commercial Trailer Products, and Senior Vice President and Group President - Commercial Trailer Products. Prior to Wabash, from 2000 to 2007, Mr. Smith held various positions at Ford Motor Company in Dearborn Michigan, across both product development and manufacturing divisions, including Plant Controller. His 23+ years of experience in finance and operations gives Mr. Smith a unique understanding of how manufacturing systems directly affect financial results. Mr. Smith holds a Bachelor of Science in Accounting and an MBA in Corporate Finance from Purdue University. He has also completed the Advanced Management Program at Harvard Business School, in addition to attending several executive programs at the Booth School of Management from University of Chicago.

ITEM 1A—RISK FACTORS

You should carefully consider the risks described below in addition to other information contained or incorporated by reference in this Annual Report before investing in our securities. Realization of any of the following risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Risks Related to Our Business, Strategy and Operations

Demand for our products is sensitive to economic conditions over which we have no control and that may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Demand for our products is sensitive to changes in economic conditions, including changes related to unemployment, consumer confidence, consumer income, new housing starts, industrial production, government regulations, inflationary pressures, and the availability of financing and interest rates. The status of these economic conditions periodically has an adverse effect on truck freight and the demand for, and the pricing of, our products, and has also resulted in, and could in the future result in, the inability of customers to meet their contractual terms or payment obligations, any of which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our business is highly cyclical, and a downturn could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The truck trailer manufacturing industry historically has been, and is expected to continue to be, cyclical, as well as affected by overall economic conditions. Customers historically have replaced trailers in cycles that run from five to 12 years, depending on service and trailer type. Poor economic conditions can adversely affect demand for new trailers and has historically led to an overall aging of trailer fleets beyond a typical replacement cycle. Customers' buying patterns can also be influenced by regulatory changes, such as federal hours-of-service rules as well as overall truck safety, limitations on vehicle weight, size, and configuration, and federal emissions standards.

The steps we have taken to diversify our product offerings through the implementation of our strategic plan do not insulate us from this cyclicality. During downturns, we operate with a lower level of backlog and have had to temporarily slow down or halt production at some or all of our facilities, including extending normal shut down periods and reducing salaried headcount levels. An economic downturn may reduce, and in the past has reduced, demand for trailers and our other products, resulting in lower sales volumes and lower prices and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Economic weakness and its impact on the markets and customers we serve could have a material adverse effect on our business, financial condition, cash flows and results of operations.

While the trailer industry has recently experienced a period of strong demand levels, we cannot provide any assurances that we will be profitable in future periods or that we will be able to sustain or increase profitability in the future. Increasing our profitability will depend on several factors including our ability to increase our overall trailer volumes, improve our gross margins, gain continued momentum on our product diversification efforts and manage our expenses. If we are unable to sustain profitability in the future, we may not be able to meet our payment and other obligations under our outstanding debt agreements.

We continue to be reliant on the credit, housing, energy and construction-related markets in the U.S. The same general economic concerns faced by us are also faced by our customers. We believe that some of our customers are highly leveraged and have limited access to capital, and their continued existence may be reliant on liquidity from global credit markets and other sources of external financing. Lack of liquidity by our customers could impact our ability to collect amounts owed to us and our failure to collect these amounts could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our backlog may not be indicative of the level of our future revenues.

Our backlog represents future production for which we have written orders from our customers that have defined delivery timeframes. Orders that comprise our backlog may be subject to changes in quantities, delivery, specifications and terms, or cancellation. Our reported backlog may not be converted to revenue in any particular period and actual revenue from such orders may not equal our backlog. Therefore, our backlog may not be fully indicative of the level of our future revenues.

A change in our customer relationships or in the financial condition of our customers could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We have longstanding relationships with a number of large customers to whom we supply our products. We do not have long-term agreements with all of these customers. Our success is dependent, to a significant extent, upon the continued strength of these relationships and the growth of our core customers. We often are unable to predict the level of demand for our products from these customers, or the timing of their orders. In addition, the same economic conditions that adversely affect us also often adversely affect our customers. Furthermore, we are subject to a concentration of risk as the five largest customers together accounted for approximately 32% of our aggregate net sales in 2023. Our largest customer accounted for 12% of our aggregate net sales in 2023. No individual customer accounted for more than 10% of our aggregate net sales in either 2022 or 2021. The loss of a significant customer or unexpected changes or delays in product purchases could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We rely significantly on information technology to support our operations and if we are unable to protect against service interruptions or security breaches, it could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We depend on a number of information technologies, some of which are managed by third parties, to integrate departments and functions, enhance the ability to service customers, improve our control environment, and manage our cost reduction initiatives. We also collect and store certain sensitive data in data centers owned by third parties and on information technology networks. The secure maintenance and operation of these data centers and information technology networks is critical for our business operations and strategy. We have put in place a number of systems, processes, and practices designed to protect against the failure of our technologies, as well as the misappropriation, exposure or corruption of the information stored thereon. Unintentional service disruptions or intentional actions such as intellectual property theft, cyber-attacks, unauthorized access, or malicious software, may lead to such misappropriation, exposure or corruption if our protective measures prove to be inadequate. Any issues involving these critical business applications and infrastructure may adversely impact our ability to manage operations and the customers we serve. We could also encounter violations of applicable law or reputational damage from the disclosure of confidential business, customer, or employee information or the failure to protect the privacy rights of our employees in their personal identifying information. In addition, the disclosure of non-public information could lead to the loss of our intellectual property and diminished competitive advantages. Should any of the foregoing events occur, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future, any of which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Inflation could materially and adversely affect our business, financial condition, cash flows and results of operations.

Inflation rates in the markets in which we operate have seen increases in past years and may continue to rise. Inflation and elevated price levels have led us to experience higher costs of labor, materials and transportation. Our suppliers have raised their prices and may continue to raise prices, and in the competitive markets in which we operate, we may not be able to make corresponding price increases to preserve our gross margins and profitability. Deteriorating economic and political conditions and uncertainty, such as increased unemployment, changes in capital spending, declines in consumer confidence, or economic slowdowns or recessions, could cause a decrease in demand for our products. If inflation rates continue to rise or remain elevated for a sustained period of time, they could materially and adversely affect our business, financial condition, cash flows, and results of operations.

We have a limited number of suppliers of raw materials and components; increases in the price of raw materials and components or the inability to obtain raw materials and components could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We currently rely on a limited number of suppliers for raw materials and key components in the manufacturing of our products, such as tires, landing gear, axles, suspensions, specialty steel coil, stainless steel, plastic, aluminum and lumber. There have been, and may continue to be, shortages of supplies of raw materials or components (including foam insulation, suspension components and wiring), or our suppliers may place us on allocation, which has and would continue to have an adverse impact on our ability to meet demand for our products. Disruptions to the supply chain, shortages and allocations of raw materials and components have resulted and may continue to result in an increased backlog of orders for trailers and certain other products and inefficient operations, and in some cases may produce a build-up of inventory, all of which can negatively affect our working capital position, increase costs that are passed on to customers and delay our ability to fulfill customer orders. The loss of any of our suppliers or their inability to meet our price, quality, quantity and delivery requirements could have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, price volatility and changes in the availability of commodities we purchase, which have fluctuated significantly in the past, impact the pricing of raw materials, can increase production costs and could have negative impacts on our operating margins.

The ongoing global supply chain disruption continues to interfere with our ability to receive raw materials, components and commodities as scheduled and at expected costs. Such disruptions have been compounded with logistical factors that include reduced freight, railway, trucking and air capacity and delays, shortages of shipping containers and chassis, natural disasters and severe weather conditions, trade conflicts and labor availability constraints, which have resulted in increased transportation costs, shortages of raw materials, components and commodities, inefficient order fulfillment and significant order backlogs. Our supply chain may also continue to be impacted by damaging weather or acts of nature (including acts of nature caused by climate change). Supply chain disruptions, which may also include capacity constraints, effects of economic downturn, cybersecurity threats, geopolitical uncertainties and other related interferences, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The inability to attract and retain key personnel or a sufficient workforce could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our ability to operate our business and implement our strategies depends, in part, on the efforts of our executive officers and other key associates. Tight labor markets may negatively impact our ability to retain a sufficient workforce of qualified personnel. Labor shortages, increased competition in the hiring market, high employee turnover rates and the resulting impacts of increased recruitment costs, wages and training and related inefficiencies, may disrupt our ability to meet consumer demands and expectations. Our future success depends, in large part, on our ability to attract and retain qualified personnel, including manufacturing personnel, sales professionals and engineers. The unexpected loss of services of any of our key personnel or the failure to attract or retain other qualified personnel, including personnel with engineering and technical expertise in the industry, could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We may not be able to execute on our long-term strategic plan and growth initiatives, or meet our long-term financial goals, and this may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our long-term strategic plan is intended to generate long-term value for our shareholders while delivering profitable growth through all our business segments. The long-term financial goals that we expect to achieve as a result of our long-term strategic plan and organic growth initiatives are based on certain assumptions, which may prove to be incorrect. Organically, our focus is on profitably growing and diversifying our operations by leveraging our existing assets, capabilities, and technology into higher margin products and markets and thereby providing value-added customer solutions, including continuing to expand and develop our parts & services operating segment. We cannot provide any assurance that we will be able to fully execute on our strategic plan or growth initiatives, which are subject to a variety of risks including our ability to: diversify the product offerings of our non-trailer businesses, including continuing to expand and develop our parts and services offerings; leverage acquired businesses and assets to grow sales with our existing products; design, develop, and commercialize new products to meet the needs of our customers; increase the pricing of our products and services to offset cost increases and expand gross margins; scale our manufacturing capacity and resources to efficiently meet customer demand; and execute potential future acquisitions, mergers, joint ventures, and other business development opportunities. If we are unable to successfully execute on our strategic plan, we may experience increased competition, material adverse financial consequences and a decrease in the value of our stock. Additionally, our management's attention to the implementation of the strategic plan, which includes our efforts at diversification, may distract them from implementing our core business which may also have material adverse financial consequences.

Volatility in the supply of vehicle chassis and other vehicle components could have a material adverse effect on our truck body product line.

With the exception of some specialty vehicle products, we generally do not purchase vehicle chassis for our inventory and accept shipments of vehicle chassis owned by dealers or end-users for the purpose of installing and/or manufacturing our specialized truck bodies on such chassis. Historically, General Motors Company ("GM"), Freightliner Custom Chassis ("Freightliner"), International Truck ("International"), and Ford Motor Company ("Ford") have been the primary suppliers of chassis. In the event of a disruption in supply from one major supplier, we would attempt to use another major supplier, but there can be no assurance that this attempt would be successful. Nevertheless, in the event of chassis supply disruptions, there could be unforeseen consequences that may have a material adverse effect on our truck body operations.

We also face risks relative to finance and storage charges for maintaining an excess supply of chassis from GM, Freightliner, International, and Ford. Under the converter chassis pool agreements, if a chassis is not delivered to a customer within a specified time frame, we are required to pay finance or storage charges on such chassis.

Significant competition in the industries in which we operate may result in our competitors offering new or better products and services or lower prices, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The industries in which we participate are highly competitive. We compete with other manufacturers of varying sizes, some of which have substantial financial resources. Manufacturers compete primarily on the quality of their products, customer relationships, service availability and price. Additionally, we face increasing competition to develop innovative products that result in lower emissions. Manufacturing over-capacity and high leverage of some of our competitors, along with bankruptcies and financial stresses that affected the industry, have in the past contributed, and may in the future contribute to significant pricing pressures.

If we are unable to successfully compete with other manufacturers, we could lose customers and our revenues may decline. In addition, competitive pressures in the industry may affect the market prices of our new and used equipment, which, in turn, may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our truck body product lines compete in the highly competitive specialized vehicle industry which may impact our financial results.

The competitive nature of the specialized vehicle industry creates a number of challenges for our truck body products. Important factors include product pricing, quality of product, lead times, geographic proximity to customers, and the ability to manufacture a product customized to customer specifications. Specialized vehicles are produced by a number of smaller, regional companies which create product pricing pressures that could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our technology and products may not achieve market acceptance or competing products could gain market share, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We continue to optimize and expand our product offerings to meet our customers' needs. While we target product development to meet customer needs, there is no assurance that our product development efforts will be embraced and that we will meet our strategic goals, including sales projections. Companies in the truck transportation industry, a very fluid industry in which our customers primarily operate, make frequent changes to maximize their operations and profits.

A number of our competitors followed our leadership in the development and use of composite sidewalls that brought them into direct competition with our DuraPlate® products. Our product development is focused on maintaining our leadership for these products and others, but competitive pressures may erode our market share or margins. We hold U.S. and foreign utility and design patents and patent applications on various components and techniques utilized in our manufacturing of transportation equipment and products with expiration dates ranging from 2024 to 2044. We continue to take steps to protect our proprietary rights in our products and the processes used to produce them. However, the steps we have taken may not be sufficient or may not be enforced by a court of law. If we are unable to protect our intellectual properties, other parties may attempt to copy or otherwise obtain or use our products or technology. If competitors are able to use our technology, our ability to effectively compete could be harmed and this could have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, litigation related to intellectual property could result in substantial costs and efforts which may not result in a successful outcome.

Disruption of our manufacturing operations could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We manufacture our van trailer products at two facilities in Lafayette, Indiana, a flatbed trailer facility in Cadiz, Kentucky, a hardwood floor facility in Harrison, Arkansas, three liquid-transportation systems facilities in New Lisbon, Wisconsin; Fond du Lac, Wisconsin; and Queretaro, Mexico, two engineered products facilities in New Lisbon, Wisconsin; and Elroy, Wisconsin, five truck body facilities in Goshen, Indiana; Cleburne, Texas; Griffin, Georgia; Jonestown, Pennsylvania; and Moreno Valley, California, produce composite products in Lafayette, Indiana, and produce our EcoNex™ Technology products in Little Falls, Minnesota. Our production at these facilities could be subject to disruptions which may include work stoppages, severe weather, natural disaster, public health crises, including the spread of a contagious disease, pandemics or epidemics, quarantines or shutdowns related to public health crises, threats to physical security or information security systems or other catastrophic events beyond our control. The effects of climate change, including increased severity and frequency of extreme weather events, natural disasters, long term changes in temperature levels and water availability, may exacerbate these risks, and could increase the costs of insuring company assets. An unexpected disruption in our production at any of these facilities for any length of time could have a material adverse effect on our business, financial condition, cash flows and results of operations. Similarly, if one or more of our customers experiences an unexpected disruption, that customer may reduce or halt purchases of our products, which could result in reduced production or other cost-reduction initiatives at our related manufacturing facilities.

Our failure to effectively manage, safeguard, design, manufacture, service, repair, and maintain our leased (or subleased) trailers could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our Trailers as a Service (TAAS)[SM] initiative includes leased and subleased trailers. These trailers and our current and future TAAS initiative trailers have long economic lives and managing our evolving trailer fleet is a critical element to our leasing business.

We face significant risks and challenges to our business and prospects as a recent entrant into the leasing and subleasing industry, including, among other things, with respect to our ability to design and build long-lived products that are aligned with freight leasing customer needs and changes in legislation and regulations in the various markets in which we operate, and cost-effectively maintain and repair our fleet to maximize the economic life of the products and the proceeds we receive from product sales. As the needs of our freight leasing customers and the scope of our customers change, we may incur costs to relocate or retrofit our assets to better meet shifts in demand. If the distribution of our assets is not aligned with regional demand or there is excess leased equipment in the fleet industry, we may be unable to take advantage of sales and leasing opportunities in certain regions, despite excess inventory in other regions.

If we do not appropriately manage the design, manufacture, repair and maintenance of our product fleet, or if we are unexpectedly unable to complete such repair or maintenance or suffer unexpected losses of equipment due to theft or obsolescence, we may be required to incur impairment charges for equipment that is beyond economic repair or incur significant capital expenditures to build new equipment to serve demand. These failures may also result in personal injury or property damage claims and termination of leases or contracts by customers. Costs of contract performance, potential litigation and profits lost from termination could materially adversely affect our future operating results and cash flows. If a significant number of leased units are returned in a short period of time, a large supply of units would need to be remarketed. If we are not able to successfully manage our lease assets or remarket a large influx of units returning from leases, our business, financial condition, cash flows and results of operations may be materially adversely affected.

Our joint venture arrangement to create Linq Venture Holdings LLC and related agreements are subject to risks and we may fail to realize all of the expected enhanced revenue, earnings and cash flows.

Our ability to realize all of the expected enhanced revenue, earnings, and cash flows from our agreements related to the creation of Linq Venture Holdings LLC, a jointly owned legal entity, will depend, in substantial part, on each party's ability to successfully develop, operate, and scale a digital marketplace for the transportation and logistics distribution industry. In connection with this joint venture, the parties plan to use an engaged investor operating model to help accelerate the development and scaling, with a goal to migrate the digital marketplace to us and terminate these relationships in the future. While we believe we will ultimately achieve these objectives, it is possible that we will be unable to achieve all of the goals within our anticipated time frame or in the anticipated amounts.

If we are not able to successfully complete our digital marketplace strategy and transition of the related business, the anticipated enhanced revenue, earnings and cash flows resulting from this joint venture may not be realized fully or may take longer to realize than expected. Our participation in this joint venture is also subject to the risks that put/call arrangements and other joint venture exit rights could require us to utilize our cash flow, incur additional indebtedness or issue stock to satisfy the payment obligations in respect of such arrangements.

Additional risks include that we do not have sole decision-making authority and have a minority right to appoint members to the board of the joint venture, which could require us to expend additional resources on resolving impasses or potential disputes. Our future growth may be limited if we are unable to maintain good relationships or maintain aligned goals with our joint venture partner.

We may fail to realize all of the expected enhanced revenue, earnings and cash flow from our agreement to create Wabash Parts LLC, a jointly owned legal entity.

Our ability to realize all of the expected enhanced revenue, earnings, and cash flow from our 2022 agreement with a partner to create Wabash Parts LLC, a jointly owned legal entity, will depend, in substantial part, on each party's ability to successfully operate a parts and services distribution platform and achieve our projected distribution goals. While we believe we will ultimately achieve these objectives, it is possible that we will be unable to achieve all of the goals within our anticipated time frame or in the anticipated amounts. If we are not able to successfully complete our parts and services distribution strategy, the anticipated enhanced revenue, earnings and cash flows resulting from this joint venture may not be realized fully or may take longer to realize than expected.

As part of the joint venture, we have the obligation to absorb the benefits and losses of Wabash Parts LLC that could potentially be significant to the entity. We are also required to provide funding to the entity if needed. These potential losses and funding requirements could have a material adverse effect on our business, financial condition, cash flows and results of operations.

We are subject to extensive governmental laws and regulations, and our costs related to compliance with, or our failure to comply with, existing or future laws and regulations could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The length, height, width, maximum weight capacity and other specifications of truck and tank trailers are regulated by individual states. The federal government also regulates certain trailer safety features, such as lamps, reflective devices, tires, air-brake systems and rear-impact guards. In addition, most tank trailers we manufacture have specific federal regulations and restrictions that dictate tank design, material type and thickness. Our products are also subject to various state and federal environmental laws and regulations specifically including those related to greenhouse gas emissions, including regulations with respect to per-and polyfluoroalkyl substances (PFAS). Changes or anticipation of changes in these regulations can have a material impact on our financial results, as our customers may defer purchasing decisions and we may have to re-engineer products. We are subject to various environmental laws and regulations dealing with the transportation, storage, presence, use, disposal and handling of hazardous materials, discharge of storm water and underground fuel storage tanks, and we may be subject to liability associated with operations of prior owners of acquired property. In addition, we are subject to laws and regulations relating to the employment of our employees and labor-related practices.

If we are found to be in violation of applicable laws or regulations in the future, it could have a material adverse effect on our business, financial condition, cash flows and results of operations. Our costs of complying with these or any other current or future regulations may be material. Such regulations include technical safety standards that could delay product development or require manufacturer recall campaigns to remedy certain defects. In addition, if we fail to comply with existing or future laws and regulations, we may be subject to governmental or judicial fines or sanctions.

Changes to U.S. or foreign tax laws could affect our effective tax rate and our future profitability.

Tax rates in various jurisdictions may be subject to significant change. Changes in tax legislation could significantly impact our overall profitability, the provisions for income taxes, the amount of taxes payable, and our deferred tax asset and liability balances.

Changes in U.S. trade policy, including the imposition of tariffs and the resulting consequences, may have a material adverse effect on our business, financial condition, cash flows and results of operations.

The U.S. government previously announced, and in some cases implemented, an approach to trade policy that includes renegotiating or potentially terminating certain trade agreements, as well as implementing or increasing tariffs on foreign goods and raw materials such as steel and aluminum. These tariffs and potential tariffs have resulted, and may further result, in increased prices for certain imported goods and raw materials. While we source the majority of our materials and components domestically, tariffs and potential tariffs have caused, and may continue to cause, increases and volatility in prices for domestically sourced goods and materials that we require for our products, particularly aluminum and steel. When the costs of our components and raw materials increase, we may not be able to hedge or pass on these costs to our customers, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Product liability and other legal claims could have a material adverse effect on our business, financial condition, cash flows and results of operations.

As a manufacturer of products widely used in commerce, we are subject to product liability claims and litigation, as well as warranty claims. From time-to-time claims may involve material amounts and novel legal theories, and any insurance we carry may not provide adequate coverage to insulate us from material liabilities for these claims, or we may not be able to maintain this insurance on our preferred terms or at an acceptable cost. Additionally, we are, and may in the future be, party to safety-related litigation that could materially and adversely affect our financial condition, results of operations and cash flows. Our strategy has been, and continues to be, to mount a vigorous defense against such claims. We cannot predict with certainty the extent to which we will be successful in litigating or otherwise resolving these claims in the future, and we continue to evaluate different strategies related to the safety-related claims filed against us. Even if lawsuits are decided in our favor, or are unfounded, we may incur material expenses and reputational damage. Such matters may also require significant management attention. Unfavorable rulings, judgments or settlement terms could have a material adverse impact on our business and financial condition, results of operations and cash flows.

In addition to product liability claims, we are subject to legal proceedings and claims that arise in the ordinary course of business, such as workers' compensation claims, OSHA investigations, employment disputes and customer and supplier disputes arising out of the conduct of our business. Litigation may result in substantial costs and may divert management's attention and resources from the operation of our business, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Climate change and related public focus from regulators and various stakeholders could have a material adverse effect on our business, financial condition, cash flows and results of operations.

There is scientific consensus and increased public concern that emissions of greenhouse gases are linked to global climate changes. Climate changes, such as extreme weather conditions, including floods or hurricanes, decreased water availability or quality, sea level changes, extreme fires and overall temperature shifts, may have physical impacts on our facilities and operations, as well as those of our suppliers and customers. Such impacts are geographically specific, highly uncertain and may result in diminished availability of materials, indirect financial risks passed through our supply chain, decreased demand for our products and adverse impacts on our financial performance and operations.

These considerations may also result in additional and increasingly stringent international, national, regional or local legislative or regulatory responses to mitigate greenhouse gas emissions. Timing and scope of any regulations are uncertain, and regulation could result in additional costs of compliance, increased energy, transportation and materials costs and other additional expenses to improve the efficiency of our products, facilities and operations. We could also face increased costs related to defending and resolving legal claims and other litigation related to climate change regulations and the alleged impact of our operations on climate change.

Relatedly, the expectations of our customers, stockholders and employees have heightened in areas such as the environment, social matters and corporate governance. Increased public focus requires us to provide information on our approach to these issues, including certain climate-related matters such as mitigating greenhouse gas emissions, and continuously monitor related reporting standards. A failure to adequately meet stakeholder expectations or to comply with climate change related regulations may result in a loss of business, diminished ability to successfully market our products to new and existing customers, decreased demand for our products, diluted market valuation or an inability to attract and retain key personnel.

An impairment in the carrying value of goodwill and other long-lived intangible assets could negatively affect our operating results.

We have a substantial amount of goodwill and purchased intangible assets on our balance sheet as a result of acquisitions. The carrying value of goodwill represents the fair value of an acquired business in excess of identifiable assets and liabilities as of the acquisition date. The carrying value of other long-lived intangible assets represents the fair value of trademarks and trade names (until the non-cash impairment charge discussed throughout this Annual Report on Form 10-K), customer relationships and technology as of the acquisition date, net of accumulated amortization. Under generally accepted accounting principles, goodwill is required to be reviewed for impairment at least annually, or more frequently if potential interim indicators exist that could result in impairment, and other long-lived intangible assets require review for impairment only when indicators exist. If any business conditions or other factors cause profitability or cash flows to significantly decline, we may be required to record an additional non-cash impairment charge, which could adversely affect our operating results. Events and conditions that could result in impairment include a prolonged period of global economic weakness, a decline in economic conditions or a slow, weak economic recovery, sustained declines in the price of our common stock, adverse changes in the regulatory environment, adverse changes in the market share of our products, adverse changes in interest rates, or other factors leading to reductions in the long-term sales or profitability that we expect.

There is no assurance that we will have the ability to continue a regular quarterly dividend.

Our ability to pay dividends, and our Board of Directors’ determination to maintain our current dividend policy, will depend on numerous factors, including:

- The state of our business, competition, and changes in our industry;
- Changes in the factors, assumptions, and other considerations made by our Board of Directors in reviewing and revising our dividend policy;
- Our future results of operations, financial condition, liquidity needs, and capital resources; and
- Our various expected cash needs, including cash interest and principal payments on our indebtedness, capital expenditures, the purchase price of acquisitions, and taxes.

Each of the factors listed above could negatively affect our ability to pay dividends in accordance with our dividend policy or at all. In addition, the Board may elect to suspend or alter the current dividend policy at any time.

Our ability to fund our working capital needs and capital expenditures, and our ability to pay dividends on our common stock, is limited by the net cash provided by operations, cash on hand and available borrowings under our Credit Agreement (as defined below). Declines in net cash provided by operations, increases in working capital requirements necessitated by an increased demand for our products and services, decreases in the availability under the Credit Agreement or changes in the credit our suppliers provide to us, could rapidly exhaust our liquidity.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond our control. We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to fund our day-to-day operations or to pay the principal, premium, if any, and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, and other cash requirements, we could face substantial liquidity problems and could be forced to reduce or delay capital expenditures or to sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We may not be able to affect any such alternative measures, if necessary, on commercially reasonable terms or at all and, even if successful, such alternative actions may not allow us to meet our scheduled debt service obligations. Rising interest rates, along with actions by credit ratings agencies, such as downgrades or negative changes to our ratings outlook, may also reduce our ability to access the capital markets and/or increase our cost of capital either of which could have material adverse effects on our financial condition and cash flows. The indenture governing the New Senior Notes and the Credit Agreement (each, as defined below) restrict (a) our ability to dispose of assets and use the proceeds from any such dispositions and (b) the Company's and our subsidiaries' ability to raise debt or certain equity capital to be used to repay our indebtedness when it becomes due. We may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due.

Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, would materially and adversely affect our financial position and results of operations and our ability to satisfy our indebtedness.

If we cannot make scheduled payments on our debt, it will be in default and, as a result, holders of our outstanding debt could declare all outstanding principal and interest to be due and payable, the lenders under the Credit Agreement could terminate their commitments to loan money, our secured lenders could foreclose against the assets securing such borrowings and we could be forced into bankruptcy or liquidation.

Our indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations thereunder.

As of December 31, 2023, we had approximately $400.0 million of total indebtedness, and approximately $339.9 million of additional borrowings were available and undrawn under the Revolving Credit Agreement (as defined below). We also have other contractual obligations and currently pay a regular quarterly dividend of $0.08 per share, or approximately $4.0 million in the aggregate per quarter.

Our debt level could have significant consequences on future operations and financial position. For example, it could:

- Negatively affect our ability to pay principal and interest on our debt;
- Increase our vulnerability to general adverse economic and industry conditions;
- Limit our ability to fund future capital expenditures and working capital, to engage in future acquisitions or development activities, or to otherwise realize the value of our assets and opportunities fully because of the need to dedicate a substantial portion of our cash flow from operations to payments of interest and principal or to comply with any restrictive terms of our debt;
- Limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- Impair our ability to obtain additional financing or to refinance our indebtedness in the future;
- Place us at a competitive disadvantage compared to our competitors that may have proportionately less debt; and
- Impact our ability to continue to fund a regular quarterly dividend.

International operations are subject to increased risks, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our ability to manage our business and conduct operations internationally is subject to a number of risks, including the following:

- Economic and political instability, including international conflicts, war, acts of terrorism, or the threat thereof, political or labor unrest, civil unrest, riots, or insurrections;
- Public health crises, including the spread of a contagious disease, pandemics or epidemics, quarantines or shutdowns related to public health crises and other catastrophic events;

- Challenges caused by distance, language and cultural differences and by doing business with foreign agencies and governments;
- Uncertainty regarding liability for services and content;
- Currency exchange rate fluctuations and our ability to manage these fluctuations;
- Foreign exchange controls that might prevent us from repatriating cash earned outside the U.S.;
- Import and export requirements that may prevent us from shipping products or providing services to a particular market and may increase our operating costs;
- Potentially adverse tax consequences; and
- Different expectations regarding working hours, work culture and work-related benefits.

Compliance with complex foreign and U.S. laws and regulations that apply to international operations may increase our cost of doing business and could expose us or our employees to fines, penalties and other liabilities. These numerous and sometimes conflicting laws and regulations include import and export requirements, content requirements, trade restrictions, tax laws, environmental laws and regulations, sanctions, internal and disclosure control rules, data privacy requirements, labor relations laws, and U.S. laws such as the Foreign Corrupt Practices Act and substantially equivalent local laws prohibiting corrupt payments to governmental officials and/or other foreign persons. Any violation of the laws and regulations that apply to our operations and properties could result in, among other consequences, fines, environmental and other liabilities, criminal sanctions against us, our officers or our employees, and prohibitions on our ability to offer our products and services to one or more countries. Such consequences could materially damage our reputation, brand, business, efforts to diversify our business, ability to attract and retain employees, financial condition, cash flows, and results of operations.

Failure to meet environmental, social and governance ("ESG") expectations or standards or to achieve our ESG goals could result in legal and regulatory proceedings against us and materially adversely affect our business, reputation, financial condition, cash flows and results of operations.

We make statements about our ESG goals and initiatives through information provided on our website, press statements and other communications, including through our Corporate Responsibility Report. Our publicly announced goals, commitments and targets, which we may refine or expand further in the future, reflect our current plans and aspirations and are not guarantees that we will be able to achieve them. Responding to these ESG considerations and implementation of these goals and initiatives involves risks and uncertainties, requires investments and are impacted by factors that may be outside our control.

Such risks and uncertainties include:

- Reputational harm, including damage to our relationships with customers, suppliers, investors, governments or other stakeholders;
- Adverse impacts on our ability to sell and manufacture products;
- The success of our collaborations with third parties;
- Increased risk of litigation, investigations or regulatory enforcement action;
- Unfavorable ESG ratings or investor sentiment;
- Diversion of resources and increased costs to control, assess and report on ESG metrics;
- Our ability to achieve our goals, commitments and targets within the timeframes announced;
- Access to and increased cost of capital; and
- Adverse impacts on our stock price.

In addition, some stakeholders may disagree with our goals and initiatives and the focus of stakeholders may change and evolve over time. Stakeholders also may have very different views on where ESG focus should be placed, including differing views of regulators in various jurisdictions in which we operate. Any failure, or perceived failure, to achieve our goals, further our initiatives, adhere to our public statements, comply with federal, state or international ESG laws and regulations or meet evolving and varied stakeholder expectations and standards could result in legal and regulatory proceedings against us and materially adversely affect our business, reputation, financial condition, cash flows and results of operations.

Provisions of the New Senior Notes could discourage a potential future acquisition of us by a third party.

Certain provisions of the New Senior Notes could make it more difficult or more expensive for a third party to acquire us. Upon the occurrence of certain transactions constituting a fundamental change, holders of the New Senior Notes will have the right, at their option, to require us to repurchase all of their New Senior Notes, as applicable, or any portion of the principal amount of such New Senior Notes, as applicable. In addition, the indentures governing the New Senior Notes prohibit us from engaging in certain mergers or acquisitions unless, among other things, the surviving entity assumes our obligations under the New Senior Notes. These and other provisions of the New Senior Notes could prevent or deter a third party from acquiring us even where the acquisition could be beneficial to our stockholders.

Our New Senior Notes indenture and Credit Agreement contain restrictive covenants that, if breached, could limit our financial and operating flexibility and subject us to other risks.

Our New Senior Notes indenture and Credit Agreement include customary covenants limiting our ability to, among other things, pay cash dividends, incur debt or liens, redeem or repurchase stock, enter into transactions with affiliates, merge, dissolve, repay subordinated indebtedness, make investments and dispose of assets. As required under our Credit Agreement, we are required to maintain a minimum fixed charge coverage ratio of not less than 1.0 to 1.0 as of the end of any period of 12 fiscal months when excess availability under the facility is less than the greater of (a) 10% of the lesser of (i) the total revolving commitments and (ii) the borrowing base (such lesser amount, the “Line Cap”) and (b) $25 million.

If availability under the Credit Agreement is less than the greater of (i) 10% of the Line Cap and (ii) $25 million for three consecutive business days, if there exists an event of default, amounts in any of the Borrowers’ and the Guarantors’ deposit accounts (other than certain excluded accounts) will be transferred daily into a blocked account held by the Agent and applied to reduce the outstanding amounts under the facility.

As of December 31, 2023, we believe we are in compliance with the provisions of our New Senior Notes indenture and our Credit Agreement. Our ability to comply with the various terms and conditions in the future may be affected by events beyond our control, including prevailing economic, financial and industry conditions.

Risks Related to an Investment in Our Common Stock

Our common stock has experienced, and may continue to experience, price and trading volume volatility.

The trading price and volume of our common stock has been and may continue to be subject to large fluctuations. The market price and volume of our common stock may increase or decrease in response to a number of events and factors, including:

- Trends in our industry and the markets in which we operate;
- Changes in the market price of the products we sell;
- The introduction of new technologies or products by us or by our competitors;
- Changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;
- Operating results that vary from the expectations of securities analysts and investors;
- Announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures, financings or capital commitments;
- Changes in laws and regulations;
- Any announcement that we plan to issue additional equity to the public;
- General economic and competitive conditions; and
- Changes in key management personnel.

This volatility may adversely affect the prices of our common stock regardless of our operating performance. To the extent that the price of our common stock declines, our ability to raise funds through the issuance of equity or otherwise use our common stock as consideration will be reduced. These factors may limit our ability to implement our operating and growth plans.

Also, shareholders may from time to time engage in proxy solicitations, advance shareholder proposals or otherwise attempt to effect changes or acquire control over the Company. Such shareholder campaigns could disrupt our operations and divert the attention of our Board of Directors and senior management and employees from the pursuit of business strategies and adversely affect our results of operations, cash flows and financial condition.

ITEM 1B—UNRESOLVED STAFF COMMENTS

None.

ITEM 1C—CYBERSECURITY

The Company's Board of Directors (the "Board") recognizes the critical importance of maintaining the trust and confidence of our customers, clients, business partners and employees. The Board is actively involved in oversight of the Company's risk management program, and cybersecurity represents an important component of the Company's overall approach to enterprise risk management ("ERM"). The Company's cybersecurity policies, standards, processes, and practices are fully integrated into the Company's ERM program. In general, the Company seeks to address cybersecurity risks through a comprehensive, cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that the Company collects and stores by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

Risk Management and Strategy

As one of the critical elements of the Company's overall ERM approach, the Company's cybersecurity program is focused on the following key areas:

Governance: The Board's oversight of cybersecurity risk management is supported by the Audit Committee of the Board, which regularly interacts with the Company's General Counsel, ERM committee, the Sr. Director, IT, and executive leadership. The ERM committee is a cross-functional team of high-level leaders that meet at least quarterly to anticipate, identify, prioritize, and manage material risks to the Company's strategic objectives. It conducts an extensive bi-annual survey and interview process to identify the material risks, and it continues to monitor for any emerging material risks between surveys. The ERM Committee reports on its findings and activities twice annually to the Audit Committee of the Board.

Collaborative Approach: The Company has implemented a comprehensive, cross-functional approach to identifying, preventing and mitigating cybersecurity threats and incidents, while also implementing controls and procedures, including an incident response team, that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding the public disclosure and reporting of such incidents can be made by management in a timely manner. Senior leadership also briefs the Board on information security matters with quarterly updates.

Technical Safeguards: The Company deploys technical safeguards that are designed to protect the Company's information systems from cybersecurity threats, like artificial intelligence platforms with an array of technologies, extensive encryption, firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence. The Company's cybersecurity controls are incorporated into our internal control environment, managed and tested in accordance with the Sarbanes-Oxley Act.

Incident Response Planning: The Company has established, maintains and regularly tests incident response plans that address the Company's response to a cybersecurity incident. The Company also has a cybersecurity risk insurance policy.

Third-Party Risk Management: The Company maintains a comprehensive, risk-based approach to identifying and overseeing cybersecurity risks presented by third parties, including vendors, service providers and other external users of the Company's systems, as well as the systems of third parties that could adversely impact our business in the event of a cybersecurity incident affecting those third-party systems.

Education and Awareness: The Company employs a variety of security-focused training/awareness practices to equip the Company's personnel with effective tools to address cybersecurity threats. Information Technology ("IT") and cybersecurity-based training is performed during employee on-boarding to communicate the Company's evolving information security policies, standards, processes and practices. Phishing simulations are performed on a monthly basis and Company-wide notifications and/or cyber awareness messages are sent on an as-needed basis.

The Audit Committee also surveys data and factors that impact costs and incident response efforts.

Governance

The Board, in coordination with the Audit Committee, oversees the Company's ERM process, including the management of risks arising from cybersecurity threats. The Board and the Audit Committee each receive regular presentations and reports on cybersecurity risks from the Sr. Director, IT. The Board and the Audit Committee also receive prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed. On an annual basis, the Board and the Audit Committee discuss the Company's approach to cybersecurity risk management with members of management.

The Sr. Director, IT, in coordination with management, works collaboratively across the Company to implement a program designed to protect the Company's information systems from cybersecurity threats and to promptly respond to any cybersecurity incidents in accordance with the Company's incident response plans. Risks are evaluated with cross functional input using external guidance, risk matrices, governmental guidelines, and other cybersecurity best practices. This evaluation is shared with executive leadership via the ERM committee and through regular updates provided by the Sr. Director, IT.

To facilitate the success of the Company's cybersecurity risk management program, multidisciplinary processes and controls are in place to address cybersecurity threats and to respond to cybersecurity incidents. Through ongoing communications with the ERM committee and the cybersecurity team, management monitors the prevention, detection, mitigation and remediation of cybersecurity threats and incidents in real time and reports such threats and incidents to the Audit Committee when appropriate.

The Sr. Director, IT holds a chief information security officer certification from Heinze College at Carnegie Mellon and has over 15 years of cybersecurity experience.

The Company has not experienced a material information security breach in the last three years.

The Company has not experienced a material third-party information security breach.

Cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected the Company, including its business strategy, results of operations or financial condition. For a discussion of whether and how any risks from cybersecurity threats are reasonably likely to materially affect the Company, including our business strategy, results of operations or financial condition, refer to Part I, Item 1A, "Risk Factors" - "We rely significantly on information technology to support our operations and if we are unable to protect against service interruptions or security breaches, it could have a material adverse effect on our business, financial condition, cash flows and results of operations," which is incorporated by reference into this Item 1C.

ITEM 2—PROPERTIES

We have manufacturing and retail operations located throughout the United States as well as a facility in Mexico. Properties owned by Wabash are subject to security interests held by our lenders. We believe the facilities we are now using, as well as any planned capacity expansions, are adequate and suitable for our current business operations and the currently foreseeable level of operations. The following table provides information regarding the locations of our major facilities. In addition to the locations listed below, we have other facilities in the United States.

Location	Owned or Leased	Description of Primary Activities at Location	Primary Segment and Products
Cadiz, Kentucky	Owned	Manufacturing	Transportation Solutions (Platform Trailers)
Cleburne, Texas	Owned/Leased	Manufacturing	Transportation Solutions and Parts & Services (Truck Bodies)
Fond du Lac, Wisconsin	Owned	Manufacturing	Transportation Solutions and Parts & Services (Tank Trailers)
Goshen, Indiana	Owned	Manufacturing	Transportation Solutions and Parts & Services (Truck Bodies)
Griffin, Georgia	Owned	Manufacturing	Transportation Solutions and Parts & Services (Truck Bodies)
Jonestown, Pennsylvania	Owned/Leased	Manufacturing	Transportation Solutions and Parts & Services (Truck Bodies)
Lafayette, Indiana	Owned/Leased	Corporate Headquarters, Manufacturing	Transportation Solutions and Parts & Services (Van Trailer Products)
Moreno Valley, California	Owned/Leased	Manufacturing	Transportation Solutions (Truck Bodies)
New Lisbon, Wisconsin	Owned	Manufacturing	Transportation Solutions and Parts & Services (Tank Trailers & Engineered Products)
San José Iturbide, Mexico	Owned	Manufacturing	Transportation Solutions (Tank Trailers)

ITEM 3—LEGAL PROCEEDINGS

As of December 31, 2023, we were named as a defendant or were otherwise involved in numerous legal proceedings and governmental examinations, including class action lawsuits, in connection with the conduct of our business activities, in various jurisdictions, both in the United States and internationally. Accrual for losses have been recorded for those matters deemed both probable and reasonably estimated. On the basis of information currently available to us, management does not believe that existing proceedings and investigations will have a material impact on our consolidated financial condition or liquidity if determined in a manner adverse to us. However, such matters are unpredictable, and we could incur judgments or enter into settlements for current or future claims that could materially and adversely affect our financial statements. Costs associated with the litigation and settlements of legal matters are reported within *General and administrative expenses* in the Consolidated Statements of Operations.

Legal Matter Estimated Liability

As of September 30, 2023, we were named as a defendant in California state court in two purported class action lawsuits, alleging wage and hour claims under California-specific employment laws (collectively, the "Matters"). The defense of both lawsuits is being handled conjunctively. During the three months ended March 31, 2023, in accordance with ASC 450, we concluded a liability related to the Matters was probable and estimable. As such, an estimated liability of $3.0 million is included in *General & administrative expenses* in the Consolidated Statements of Operations for the year ended December 31, 2023. During the second quarter of 2023, we reached an agreement to resolve the Matters via settlement for an amount materially consistent with the estimated liability. The settlement proceeds will be paid in the first quarter of 2024.

Product Liability Claims

We have been, and may in the future be, subject to product liability claims and litigation incidental to our normal operating activities. The ultimate outcome of such claims and litigation cannot be predicted with any certainty and any such claim or litigation could materially and adversely affect our financial condition, results of operations and cash flows.

Environmental Disputes

In August 2014, we received notice as a potentially responsible party ("PRP") by the South Carolina Department of Health and Environmental Control (the "DHEC") pertaining to the Philip Services Site located in Rock Hill, South Carolina pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and corresponding South Carolina statutes. PRPs include parties identified through manifest records as having contributed to deliveries of hazardous substances to the Philip Services Site between 1979 and 1999. The DHEC's allegation that we were a PRP arises out of four manifest entries in 1989 under the name of a company unaffiliated with Wabash National Corporation (or any of its former or current subsidiaries) that purport to be delivering a de minimis amount of hazardous waste to the Philip Services Site "c/o Wabash National Corporation." As such, the Philip Services Site PRP Group (the "PRP Group") notified Wabash in August 2014 that it was offering us the opportunity to resolve any liabilities associated with the Philip Services Site by entering into a Cash Out and Reopener Settlement Agreement (the "Settlement Agreement") with the PRP Group, as well as a Consent Decree with the DHEC. We have accepted the offer from the PRP Group to enter into the Settlement Agreement and Consent Decree, while reserving its rights to contest its liability for any deliveries of hazardous materials to the Philips Services Site. The requested settlement payment is immaterial to our financial condition and results of operations, and as a result, if the Settlement Agreement and Consent Decree are finalized, the payment to be made by us thereunder is not expected to have a material adverse effect on our financial condition or results of operations.

On November 13, 2019, we received a notice that we were considered one of several PRPs by the Indiana Department of Environmental Management ("IDEM") under CERCLA and state law related to substances found in soil and groundwater at a property located at 817 South Earl Avenue, Lafayette, Indiana (the "Site"). We have never owned or operated the Site, but the Site is near certain of our owned properties. In 2020, we agreed to implement a limited work plan to further investigate the source of the contamination at the Site and worked with IDEM and other PRPs to finalize the terms of the work plan. We submitted our initial site investigation report to IDEM during the third quarter of 2020, indicating that the data collected by our consultant confirmed that our properties are not the source of contamination at the Site. In December 2021, after completing further groundwater sampling work, we submitted to IDEM a supplemental written report, which again stated that we are not a responsible party and our properties are not a source of any contamination. In June 2022, we and other PRPs finalized Work Plan Addendum No. 3, which provided for additional groundwater sampling on another PRP property. We completed all additional sampling between the second quarter and fourth quarter of 2023, and all available information establishes there is no source of any contamination on our owned properties. As of December 31, 2023, based on the information available, we do not expect this matter to have a material adverse effect on our financial condition or results of operations.

ITEM 4—MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5—MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Information Regarding our Common Stock

Our common stock is traded on the New York Stock Exchange under the ticker symbol "WNC." The number of record holders of our common stock at February 15, 2024 was 508.

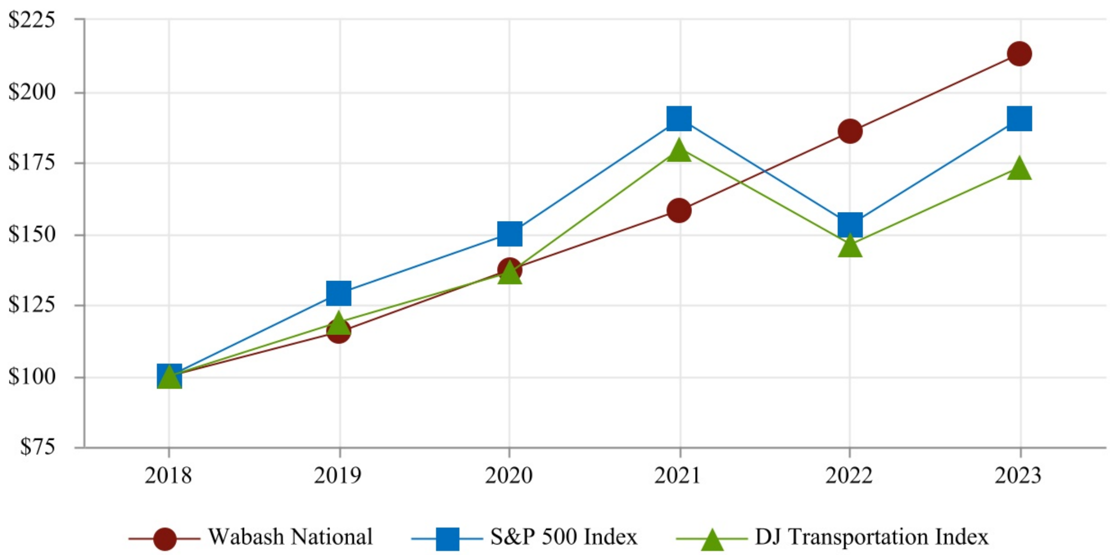
In December 2016, our Board of Directors approved the reinstatement of a dividend program under which we pay regular quarterly cash dividends to holders of our common stock. Prior to 2017, no dividends had been paid since the third quarter of 2008. Payments of cash dividends depends on our future earnings, capital availability, financial condition, and the discretion of our Board of Directors.

Our Certificate of Incorporation, as amended and approved by our stockholders, authorizes 225 million shares of capital stock, consisting of 200 million shares of common stock, par value $0.01 per share, and 25 million shares of preferred stock, par value $0.01 per share.

Performance Graph

The following graph shows a comparison of cumulative total returns for an investment in our common stock, the S&P 500 Composite Index, and the Dow Jones Transportation Index. It covers the period commencing December 31, 2018 and ending December 31, 2023. The graph assumes that the value for the investment in our common stock and in each index was $100 on December 31, 2018.

Comparative of Cumulative Total Return
December 31, 2018 through December 31, 2023
among Wabash National Corporation, the S&P 500 Index,
and the Dow Jones Transportation Index



Company/Index	Base Period December 31, 2018	Indexed Returns Years ended December 31, 2019	2020	2021	2022	2023
Wabash National Corporation	$100.00	$115.46	$137.31	$158.15	$185.69	$213.07
S&P 500 Index	$100.00	$128.88	$149.83	$190.13	$153.16	$190.27
Dow Jones Transportation Index	$100.00	$118.87	$136.38	$179.69	$146.03	$173.37

Purchases of Our Equity Securities

On February 15, 2024, we announced that our Board of Directors approved the repurchase of an additional $150 million in shares of common stock over a three-year period. This authorization was an increase to the previous $150 million repurchase program approved in August 2021 and the previous $100 million repurchase programs approved in November 2018, February 2017, and February 2016. The repurchase program is set to expire in February 2027. Stock repurchases under this program may be made in the open market or in private transactions at times and in amounts determined by us. During the fourth quarter of 2023, there were 904,899 shares repurchased pursuant to our repurchase program. As of December 31, 2023, $38.5 million remained available under the program. Additionally, for the quarter ended December 31, 2023, there were 364 shares surrendered or withheld to cover minimum employee tax withholding obligations generally upon the vesting of restricted stock awards.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Amount That May Yet Be Purchased Under the Plans or Programs ($ in millions)
October 2023	361,644	$ 21.32	361,280	$ 51.1
November 2023	342,899	$ 21.44	342,899	$ 43.6
December 2023	200,720	$ 25.14	200,720	$ 38.5
Total	905,263	$ 22.21	904,899	$ 38.5

ITEM 6—RESERVED

ITEM 7—MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") describes the matters that we consider to be important to understanding the results of our operations for each of the two years in the period ended December 31, 2023, and our capital resources and liquidity as of December 31, 2023. Our discussion begins with our assessment of the condition of the North American trailer industry along with a summary of the actions we have taken to strengthen the Company. We then analyze the results of our operations for the last two years, including trends in the overall business and our operating segments, followed by a discussion of our cash flows and liquidity, capital market events, our debt obligations, and our contractual commitments. We conclude with a review of critical accounting judgments and estimates and information on recent accounting pronouncements that we adopted during the year, if any, as well as those not yet adopted that may have an impact on our financial accounting practices, if any.

For discussion of results of operations for the year ended December 31, 2022 compared to the results of operations for the year ended December 31, 2021, see Part II, Item 7,—"Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2022 Annual Report on Form 10-K, filed with the SEC on February 23, 2023.

Executive Summary

The most recent estimates from industry forecasters ACT Research Co. ("ACT") and FTR Associates ("FTR") indicate total United States trailer production levels for 2023 of approximately 311,000 and 322,000, respectively, which represents an increase of approximately 0.8% and 4.4%, respectively, from 2022 production levels.

Current estimates from ACT and FTR for 2024 United States trailer production are 254,000 and 240,000, respectively, representing decreases from 2023 of approximately 18.2% and 25.5%, respectively. These estimates are generally in-line with our expectations as trailer manufacturers manage a softening of 2024 demand compared to previous years.

In addition, ACT is forecasting annual new trailer production levels for 2025, 2026, 2027, and 2028 of approximately 291,000, 296,000, 309,000, and 300,000, respectively. These estimates are generally more consistent with historical trailer industry production levels, and in some years higher than historical production levels. However, overall economic uncertainty and softening demand in the industry for certain of our products could continue to impact these estimates. This uncertainty and softening are evident in the ACT and FTR forecasts, particularly for 2024 production. However, we believe that our strategic plan and actions taken over the last several years have positioned us to remain well-suited to adapt to changes in the industry and demand environment due to our strong balance sheet, liquidity profile, and diversification.

Despite uncertainty over the past several years due to the COVID-19 pandemic and related impacts, primarily centered around supply chain disruptions and labor shortages, we have maintained a solid position from a liquidity perspective. While we are focused in the near-term on executing on demand that has fallen back to a more normalized environment, we continue to work on strategic initiatives to profitably grow the Company in the long-term. In 2023, we added 20% more dry van manufacturing capacity which we believe will allow us to go-to-market with a portfolio-based selling approach that leverages the breadth of our products. We have also created more points of connection with our customers with greater focus on Parts & Services as well as innovative offerings like Trailers as a Service that allow us to add recurring, longer-term value beyond an initial transaction. These advancements have not only deepened our customer engagement but have also enriched our collaborations with supplier and technology partners. We have solidified specific partnerships that are enabling us to grow our recurring revenue within the transportation, logistics and distribution ecosystem. Our Wabash Parts joint venture rapidly established significant distribution capabilities that allow our dealer network efficient access to our comprehensive portfolio of aftermarket parts. Fernweh Group is now playing a crucial role in advancing our digital capabilities, which aim to revolutionize the online experience for our dealers, traditional and non-traditional suppliers of both parts and services and a broad set of customers spanning across the vast transportation and logistics landscape.

The Company's record operating performance throughout 2023 highlights the success of our adaptability, balanced growth, and diversification, all of which are driven by our long-term strategic plan to transform the Company into the visionary leader of connected solutions for the transportation, logistics, and distribution industries. In December 2023, Wabash was named to Forbes list of America's Most Successful Small-Cap Companies 2024. Operating income in 2023 totaled a Wabash record $311.9 million and operating margin was 12.3%, both of which are significant increases from 2022 driven in part by record sales and strong demand for our products. Additional discussion related to financial results are included in the "Results of Operations" section below.

In addition to our commitment to sustain profitable growth within each of our existing reporting segments, our long-term strategic initiatives include a focus on diversification efforts, both organic and strategic, to continue to transform Wabash into a lean, visionary leader of connected solutions with a higher growth and margin profile to successfully deliver a greater value to our shareholders. Our strategy is centered around our ability to scale core competencies by growing in and around core markets with known customers—this strategy is evidenced by our multi-year order agreement with J.B. Hunt Transport Inc., which we announced in January 2023.

Key strategic initiatives include, but are not limited to, cold chain, recurrent revenue, and logistics network efficiency. Our ability to generate solid margins and cash flows and a healthy balance sheet should position the Company with ample resources to (1) fund our internal capital needs to support both organic growth and productivity improvements, (2) optimize our debt leverage and other financial ratios, (3) return capital to shareholders, and (4) selectively pursue strategic acquisitions. We will continue our internal effort to strategically identify potential acquisition or partnership targets that we believe can create shareholder value and accelerate our growth and diversification efforts, while leveraging our strong competencies in manufacturing execution, sourcing and innovative engineering leadership to assure strong value creation. Organically, our focus is on profitably growing and diversifying our operations through leveraging our existing assets, capabilities, and technology into higher margin products and markets and thereby providing value-added customer solutions.

Throughout 2023, we demonstrated our commitment to be responsible stewards of the business by maintaining a balanced approach to capital allocation. Our operational performance, healthy backlog, industry outlook, and financial position provided us the opportunity to take specific actions as part of the ongoing commitment to prudently manage the overall financial risks of the Company, returning capital to our shareholders, and deleveraging our balance sheet. These actions included repurchasing $66.6 million (inclusive of excise tax) of common stock under the share repurchase program approved by our Board of Directors and paying dividends of $15.9 million. In addition, as further described in the “Liquidity and Capital Resources” section below, in September 2022 we amended our Revolving Credit Agreement. The amendment increased the total credit facility to $350 million, extended the maturity to September 2027, which is the nearest maturity date of our long-term debt, and as of December 31, 2023, there were no amounts outstanding under the Revolving Credit Agreement. During the fourth quarter of 2023, our credit rating was upgraded by Moody’s which followed another upgrade by S&P earlier in the year. Collectively, these actions demonstrate our confidence in the financial outlook of the Company and our ability to generate cash flow, both near and long term, and reinforce our overall commitment to deliver shareholder value while maintaining the flexibility to continue to execute our strategic plan for profitable growth and diversification.

In addition to overall industry risks, there are downside risks relating to issues with both the domestic and global economies, including the housing, energy, and construction-related markets in the U.S. Other potential risks as we proceed into 2024 primarily relate to the fact that we rely on a limited number of suppliers for certain key components and raw materials in the manufacturing of our products, including tires, landing gear, axles, suspensions, aluminum extrusions, chassis and specialty steel coil. While we have taken actions to mitigate certain of these risks, which include our previously announced supply agreements with Hydro, Ryerson and Rockland Flooring, at current and expected demand levels, there may be additional or increased shortages of supplies of raw materials or components which would have an adverse impact on our ability to meet demand for our products. Despite these risks, we believe we are well positioned to capitalize on a historically normalized overall demand level while maintaining or growing margins through improvements in product pricing as well as productivity and other operational excellence initiatives.

As we enter 2024, we will continue to adjust to changes in the current environment, preserve the strength of our balance sheet, prioritize the safety of our employees, and ensure the liquidity and financial well-being of the Company. We believe we remain well-positioned for both near-term and long-term success in the transportation, logistics, and distribution industries because: (1) our core customers are among the major participants in these industries; (2) our technology and innovation provides value-added solutions for our customers by reducing operating costs, improving revenue opportunities, and solving unique transportation problems; (3) our Wabash Management System (“WMS”) principles and processes and enterprise-wide lean efforts drive focus on the interconnected processes that are critical for success across our business; (4) our significant brand recognition, presence throughout North America, and the utilization of our extensive dealer network to market and sell our products; and (5) our One Wabash approach to create a consistent, superior experience for all customers who seek our connected solutions in the transportation, logistics, and distribution markets. By continuing to be an innovation leader in the transportation, logistics, and distribution industries we expect to leverage our existing assets and capabilities into higher margin products and markets by delivering connected value-added customer solutions.

Operating Performance

We generally measure our operating performance in five key areas – Safety/Morale, Quality, Delivery, Cost Reduction, and Environment. We maintain a continuous improvement mindset in each of these key performance areas.

Safety/Morale. The safety of our employees is our number one priority. We demonstrate this core value by working on innovations to protect the people who operate our equipment and partnering with others to promote higher standards in transportation and manufacturing. We continually focus on reducing the severity and frequency of workplace injuries to create a safe environment for our employees and minimize workers compensation costs. We believe that our improved environmental, health, and safety management translates into higher labor productivity and lower costs as a result of less time away from work and improved system management. See the “Human Capital Resources and Management” section in Part I, Item 1, "Business" of this Annual Report on Form 10-K for additional detail on our commitment to safety and human capital.

Quality. Our commitment to quality and safety is backed by a robust concern reporting system and associated processes. Any Wabash employee can report a potential safety-related concern that could cause unreasonable risk of harm to our customers. Potential or reported safety concerns are routed to a cross-functional Product Safety Team that includes members from Quality, Warranty, Engineering, Sales and Strategic Sourcing. The Product Safety Team investigates submissions and serves as an initial filter of potential safety issues. Issues that need to be escalated are sent to the Product Safety Council, which consists of executive team members who will coach and give final direction to the Product Safety Team. We monitor product quality on a continual basis through a number of means for both internal and external performance as follows:

- *Internal performance.* Key process indicators for our quality measurement include both First Time Quality (“FTQ”) and Defects Per Unit (“DPU”). FTQ is a performance metric that measures the impact of all aspects of the business on our ability to ship our products at the end of the production process and DPU is a measurement of defects found at the end of the production process. As with previous years, the expectations of the highest quality product continue to increase while maintaining FTQ performance and reducing rework. In addition, we currently maintain ISO 9001 registrations at our Lafayette, Indiana (since 2012) and Cadiz, Kentucky facilities (since 2014).
- *External performance.* We actively track our warranty claims and costs to identify and drive improvement opportunities in quality and reliability. Early life-cycle warranty claims for our van trailers are trended for performance monitoring. Using a unit-based warranty reporting process to track performance and document failure rates, early life-cycle warranty units per 100 van trailers shipped averaged approximately 1.8, 1.5, and 1.9 units in 2023, 2022 and 2021, respectively. Continued low claim rates have been driven by our successful execution of continuous improvement programs centered on process variation reduction and responding to the input from our customers. We expect that these activities will continue to drive down our total warranty cost profile.

In addition to managing a robust quality management system for Wabash’s operations for internal and external performance, we expect all direct and indirect suppliers to meet certain standards of quality, engineering, delivery, and management. Our supplier audit process is a comprehensive assessment performed at the supplier’s facility focusing on their system capabilities and how they measure to Wabash’s established requirements. Based on a supplier’s overall rating, action plans are developed to identify improvement opportunities, corrective actions, and timelines to ensure proper closure.

Delivery/Productivity. We measure productivity on many fronts. Some key indicators include production line throughput, labor hours per trailer or truck body, labor cost as a percentage of revenue, scrap rates, and inventory levels. Improvements over the last several years in these areas have translated into significant improvements in our ability to better manage inventory flow, control costs, and analyze material and contribution margins.

- During the past several years, we have focused on productivity enhancements across all of our product lines within manufacturing assembly and sub-assembly areas through developing the capability for mixed model production.
- Through deployment of the Wabash Management System (“WMS”), all of our business reporting segments have focused on increasing velocity at all our manufacturing locations. We have engaged in extensive lean training and over the last three years have deployed purposeful capital to accelerate our productivity initiatives.
- Our manufacturing leadership teams have developed competencies to isolate process constraints, and then address those constraints through multiple avenues that drive additional throughput and cost reductions.

Cost Reduction and our Operating System. The WMS allows us to develop and scale high standards of excellence across the organization. We believe in our One Wabash approach and standardized processes to drive and monitor performance inside our manufacturing facilities. Continuous improvement is a fundamental component of our operational excellence focus. Our focus on leveraging One Wabash and the WMS mindset across the Company, for example, has allowed us to make strides in all areas of manufacturing including safety, quality, on-time delivery, cost reduction, employee morale, and environment. We continue to maintain focus on continuous improvement. In the past several years, we made adjustments throughout our processes to align variable and fixed costs with capacity and created leaner internal processes in multiple areas. In addition, we continued to invest capital in our processes to reduce variable cost, lowered inherent safety risk in our processes, improved overall consistency in our manufacturing processes, and maintained our assets to capitalize on any economic and/or industry upswings.

Environment. We have been on a sustainability journey since the Company's inception. Uniquely incentivized to improve product designs by utilizing new composite materials to reduce the weight and improve the durability of our products, we are a leader in creating value for customers by facilitating improved fuel efficiency and ensuring the quality and longevity of our equipment. We commit to our employees, customers and shareholders to manage all of our business activities in a responsible manner with respect for the environment through pollution prevention and with our highest priority being the health and safety of our employees. Energy conservation efforts are another critical part of our commitment to continuous improvement and environmental stewardship, and we require energy conservation efforts across all of our facilities. This policy includes improving operational efficiency as well as upgrading to energy-conserving equipment where possible.

We demonstrate our commitment to sustainability by maintaining ISO 14001 registration of our Environmental Management System at our Lafayette, Indiana; Cadiz, Kentucky; San José Iturbide, Mexico; and Harrison, Arkansas locations. In 2005, our Lafayette, Indiana facility was one of the first trailer manufacturing operations in the world to be ISO 14001 registered. Being ISO 14001 registered requires us to demonstrate quantifiable and third-party verified environmental improvements. In addition, our San José Iturbide, Mexico facility was recognized with Clean Industry certification from Mexico's Federal Agency of Environmental Protection for adhering to environmental care in its manufacturing processes.

During 2022, our recycling programs and use of recycled materials saved 346,000 cubic yards of landfill space (an increase of 49,000, or 17%, from 2021), 85,700,000 kilowatt-hours of electricity (an increase of 21,400,000, or 33%, from 2021), 83,000 metric tons of greenhouse gas emissions (an increase of 26,300, or 46%, from 2021), and 38,000 mature trees (an increase of 6,800, or 22%, from 2021). In addition, in December 2023 we were recognized among Newsweek's America's Most Responsible Companies 2024.

Additionally, Wabash views remanufacturing as an opportunity to help customers extend the useful life of their equipment, which reduces the amount of raw materials needed to produce new machinery. In 2022, revenue from remanufacturing totaled approximately $10.4 million.

In addition, manufacturers across multiple industries choose our proprietary DuraPlate® composite technology for its versatility and strength. Each DuraPlate® panel and product contains between 15% and 30% post-consumer resin ("PCR"). By using PCR in the manufacture of DuraPlate®, Wabash has diverted more than 1.7 billion plastic bottles from landfills including 130 million bottles in 2022. Furthermore, at the end of the product lifespan, DuraPlate® is 100% recyclable.

Our annual Corporate Responsibility Report is available on our website (ir.onewabash.com) and references the ongoing environmental, social, and governance ("ESG") initiatives that demonstrate our commitment to sustainability and social responsibility. The content on any website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report on Form 10-K unless expressly noted.

Industry Trends

Trucking in the U.S., according to the American Trucking Association ("ATA"), was estimated to be a $940.8 billion industry in 2022, representing approximately 81% of the total U.S. transportation industry revenue. From a financial (e.g., value) industry perspective, this represents an increase of approximately 7.5% from ATA's 2021 estimate and is consistent with the prior year as a percentage of the total U.S. transportation industry revenue (81% in both 2022 and 2021). Furthermore, ATA estimates that approximately 72.6% of all domestic freight tonnage in 2022 was carried by trucks, and 327.5 billion miles were traveled by registered trucks in 2021. Trailer demand is a direct function of the amount of freight to be transported. To monitor the state of the industry, we evaluate a number of indicators related to trailer manufacturing and the transportation industry. Recent trends we have observed include the following:

Transportation / Trailer Cycle. The trailer industry generally follows the transportation industry cycles. Data related to new trailer shipments over the last nine years is shown below.

	2015	2016	2017	2018	2019	2020	2021	2022	2023
New Trailer Shipments	308,000	286,000	290,000	323,000	328,000	210,000	265,000	302,000	311,000
Year-Over-Year Change (%)	14 %	(7)%	1 %	11 %	2 %	(36)%	26 %	14 %	3 %

The most recent estimates from industry forecasters ACT Research Co. ("ACT") and FTR Associates ("FTR") indicate total United States trailer production levels for 2023 of approximately 311,000 and 322,000, respectively, which each represent an increase of approximately 0.8% and 4.4%, respectively, from 2022 production levels.

Current estimates from ACT and FTR for 2024 United States trailer production are 254,000 and 240,000, respectively, representing a decrease from 2023 of approximately 18.2% and 25.5%, respectively. These estimates are generally in-line with our expectations as trailer manufacturers manage a softening 2024 demand compared to previous years.

In addition, ACT is forecasting annual new trailer production levels for 2025, 2026, 2027, and 2028 of approximately 291,000, 296,000, 309,000, and 300,000, respectively. These estimates are generally more consistent with historical trailer industry production levels, and in some years higher than historical production levels. However, overall economic uncertainty and softening demand in the industry for certain of our products could continue to impact these estimates. This uncertainty and softening are evident in the ACT and FTR forecasts, particularly for 2024 production. However, we believe that our strategic plan and actions taken over the last several years have positioned us to remain well-suited to adapt to changes in the industry and demand environment due to our strong balance sheet, liquidity profile, and diversification.

Transportation Regulations and Legislation. There are several different areas within both federal and state government regulations and legislation that are expected to have an impact on trailer demand, including:

- On July 15, 2022, the National Highway Traffic Safety Administration ("NHTSA") issued the final rule to upgrade Federal Motor Vehicle Safety Standard ("FMVSS") No. 223, "Rear impact guards," and FMVSS No. 224, "Rear impact protection," which together provide protection for occupants of passenger vehicles in crashes into the rear of trailers. This final rule adopts requirements of Canada Motor Vehicle Safety Standard ("CMVSS") No. 223, "Rear impact guards" for energy absorption, loadings, and the definition for rear extremity. Additionally, it defines an acceptable elimination of load path during the energy absorption test. The final rule became effective on January 11, 2023, with a compliance date of July 15, 2024. The majority of our trailer products comply with the final rule, while certain tank trailer configurations are being validated to ensure compliance by July 2024 when the rule becomes effective.
- On May 14, 2022, the Canadian Department of the Environment announced an interim order delaying the trailer portions of Canada's greenhouse gas regulations ("GHG2") until mid-2024 at the earliest, essentially following the California Air Resource Board ("CARB") who will provide at least a six-month notice prior to commencement of enforcing GHG2. This rule mirrored the EPA GHG2 regulations and would only apply to Wabash trailers registered in Canada.
- In December 2017, the CARB unveiled its own proposal for new greenhouse gas standards for medium- and heavy-duty trucks and trailers that operate in California. On September 27, 2018, CARB approved for adoption the California Phase 2 GHG regulation. That regulation largely aligns California's GHG emission standards and test procedures with the federal Phase 2 GHG emission standards and test procedures, however it would remain applicable to Wabash trailers registered in the state of California. The CARB requirements to be met for model years 2021, 2024, and 2027 become progressively more stringent and are driven by tire rolling resistance and pressure monitoring, aerodynamic drag, and weight—all of which effect CO_2 emissions.
- On December 3, 2019, CARB issued an official advisory notifying trailer manufacturers that CARB will be suspending enforcement of GHG2 trailer requirements and will provide at least a six-month written notice prior to commencement of enforcing GHG2. CARB continues to process and approve voluntary applications during the suspension period. If we were to receive CARB's six-month advance notice of enforcement, more stringent van trailer standards would become effective in model year 2024 and model year 2027—requiring more advanced fuel efficiency technologies, such as rear boat tails and higher percentage improvement side skirts and tires. (While CARB's 2021 requirements remain intact, they are not enforced—however, if we were to receive the six-month advance notice of enforcement prior to 2024, the 2021 objectives would become the requirement.) CARB continues to suspend enforcement as a six-month written notice has not been issued. We will continue preparations to become compliant if and when official notice has been received for commencement of the regulation.
- CARB Advanced Clean Fleet ("ACF") legislation sets requirements for organizations to reduce the overall emissions of the vehicle fleets they operate. These standards apply to fleets owned and operated by Wabash at the Moreno Valley and Perris, California facilities. ACF also affects many Wabash customers who own and operate fleets in California and is expected to increase demand for electric vehicles over the next 10 years as the requirements are ramped up.
- CARB's Advanced Clean Truck regulations impact the truck body chassis manufacturers that supply to Wabash by setting an annual zero emission sales requirement. This regulation is expected to drive larger market penetration of electric commercial trucks over the next 10 years as requirements are ramped up.
- In 2024, CARB zero-emissions Transport Refrigeration Unit ("TRU") rules become effective. Like ACF, these requirements impact Wabash customers and will drive greater demand for electric TRUs that are installed on Wabash vehicles.

- EPA's American Innovation and Manufacturing Act ("AIM") continues to phase-down the production and consumption of hydrofluorocarbons ("HFCs") in the United States. The AIM Act currently mandates that EPA provide Wabash with application-specific allowances to manufacture EcoNex™ Technology products. Such allowances operate to increase certainty that HFCs are made available to Wabash during the time that the application-specific provisions are active.
- Updates to the proposed CARB 2024 Heavy-Duty Engine and Vehicle Omnibus regulation provided greater flexibility to chassis manufacturers for 2024–2026 engine model years. While this should help OEMs as they develop near-term engine updates, OEMs will be required to comply with 2027 emission regulations in the long-term. While the number of chassis manufacturers registering EVs continued to grow (albeit largely in the traditional OEM space), hydrogen fuel cell manufacturers also started to register. While the numbers were small (primarily testing and over-the-road applications), this was a positive sign for the future of work trucks.

Other Developments. Other developments and potential impacts on the industry include:

- While EPA and NHTSA are unable to regulate trailers due to a previous ruling, which reduces the risk to trailer manufacturers in the near term, CARB continues to seek additional states to join their position in attempting to drive regulation at the state level.
- While we believe the need for trailer equipment will be positively impacted by the legislative and regulatory changes addressed above, these demand drivers could be offset by factors that contribute to the increased concentration and density of loads.
- Trucking company profitability, which can be influenced by factors such as fuel prices, freight tonnage volumes, and government regulations, is highly correlated with the overall economy of the U.S.; carrier profitability significantly impacts demand for, and the financial ability to, purchase new trailers.
- We expect that the majority of freight in our industry will continue to be moved by truck and, according to ATA, total freight transportation revenue is expected to increase from an estimated $1.04 trillion in 2022 to $1.51 trillion in 2034.
- The expected transition from diesel tractors (and their coolant systems) to electric or fuel cell vehicles changes how heated or cooled trailers can regulate temperature. This creates a market need for alternate heating and cooling solutions.
- The impacts of the continued near-shoring trend should be positive for trucking. It will continue to impact current supply chain routes, with possible movement of logistics hubs.
- Oversupply of refrigerated trailers in 2022-2023 has led to a surplus of inventory in the market, which will put downward pressure on supply for the majority of 2024. The long-term outlook of the market still remains strong, and there is expected to be a return to normal levels by the end of 2024.

Results of Operations

The following table sets forth certain operating data as a percentage of net sales for the periods indicated:

	Years Ended December 31,		
	2023	2022	2021
Net sales	100.0 %	100.0 %	100.0 %
Cost of sales	80.4 %	87.1 %	89.1 %
Gross profit	19.6 %	12.9 %	10.9 %
General and administrative expenses	5.8 %	4.5 %	4.9 %
Selling expenses	1.0 %	1.1 %	1.3 %
Amortization of intangibles	0.5 %	0.6 %	1.3 %
Impairment and other, net	— %	— %	1.5 %
Income from operations	12.3 %	6.7 %	1.9 %
Interest expense	(0.8)%	(0.8)%	(1.3)%
Other, net	0.1 %	— %	(0.5)%
Other expense, net	(0.6)%	(0.8)%	(1.8)%
Loss from unconsolidated entity	— %	— %	— %
Income before income taxes	11.6 %	5.9 %	0.1 %
Income tax expense	2.5 %	1.3 %	— %
Net income	9.1 %	4.5 %	0.1 %

2023 Compared to 2022

Net Sales

Net sales in 2023 increased $34.4 million, or 1.4%, compared to 2022. By business segment, net sales prior to intersegment eliminations and related trailer units sold were as follows (dollars in thousands):

	Year Ended December 31,		Change	
	2023	2022	Amount	%
	(prior to elimination of intersegment sales)			
Sales by Segment				
Transportation Solutions	$ 2,338,604	$ 2,320,914	$ 17,690	0.8%
Parts & Services	220,873	193,476	27,397	14.2%
Eliminations	(22,977)	(12,261)		
Total	$ 2,536,500	$ 2,502,129	$ 34,371	1.4%
New Units Shipped	(units)			
Trailers	44,450	52,210	(7,760)	(14.9%)
Truck bodies	16,070	14,800	1,270	8.6%
Total	60,520	67,010	(6,490)	(9.7%)
Used Units Shipped	(units)			
Trailers	90	95	(5)	(5.3%)

TS segment sales, prior to the elimination of intersegment sales, were $2,338.6 million in 2023, an increase of $17.7 million, or 0.8%, compared to 2022. The increase in sales was primarily due to higher revenue per trailer unit along with an increase in truck body shipments. Trailers shipped in 2023 decreased 14.9% as 44,450 trailers were shipped in 2023 compared to 52,210 trailer shipments in 2022. New truck bodies shipped during 2023 totaled 16,070 compared to 14,800 truck bodies in prior year, an increase of 8.6% primarily due to strong demand. The decrease in trailer shipments was primarily driven by our previously announced intentional ramp-down of manufacturing conventional refrigerated van trailers and fewer dry van shipments. While new trailer shipments decreased from the prior year period, higher revenue per new trailer unit along with the increase in truck body shipments and truck body revenue per unit resulted in an overall increase in new trailer and truck body revenue. The increases were primarily due to increased pricing to account for inflation, our curated customer portfolio, and improved pricing processes.

P&S segment sales, prior to the elimination of intersegment sales, were $220.9 million in 2023, an increase of $27.4 million, or 14.2%, compared to 2022. The overall increase in sales was primarily attributable to a $16.6 million increase in our upfitting solutions and services businesses based on strong demand for these offerings. There was also an increase in sales within our Engineered Products business of approximately $10.8 million, which was largely due to product mix and higher revenue per unit. In addition, the Wabash Parts LLC parts and distribution entity had higher sales in the current year period of approximately $7.9 million, which was primarily attributable to the fact that the entity was established with our partner during the second quarter of 2022 as further described in Note 6 in the Notes to Consolidated Financial Statements.

Cost of Sales

Cost of sales was $2,038.3 million in 2023, a decrease of $141.1 million, or 6.5%, compared to 2022. Cost of sales is comprised of material costs, a variable expense, and other manufacturing costs, comprised of both fixed and variable expenses, including direct and indirect labor, outbound freight, overhead expenses, and depreciation.

TS segment cost of sales was $1,898.7 million in 2023, a decrease of $144.3 million, or 7.1%, compared to 2022. The decrease in cost of sales, which was primarily driven by lower shipment volumes, was due to a decrease in materials costs of $160.8 million, or 11.0%, along with a decrease in certain other manufacturing costs. These decreases were partially offset by an increase in labor and employee-related costs of approximately $15.0 million as well as an increase in operating supplies and maintenance and repairs costs totaling approximately $13.3 million.

P&S segment cost of sales, prior to the elimination of intersegment sales, was $162.6 million in 2023, an increase of $13.9 million, or 9.4%, compared to 2022. The increase in cost of sales for this segment was due in part to an increase in materials costs of approximately $4.4 million, or 3.9%. In addition, there was an increase in labor and employee-related costs of approximately $5.1 million, and an increase in outside services, freight, and lease/rent costs of approximately $2.4 million in the aggregate.

Gross Profit

Gross profit was $498.2 million in 2023, an increase of $175.5 million, or 54.4% from 2022. Gross profit as a percentage of sales, or gross margin, was 19.6% in 2023 as compared to 12.9% in 2022. Gross profit by segment was as follows (in thousands):

	Year Ended December 31,		Change	
	2023	**2022**	**$**	**%**
Gross Profit by Segment				
Transportation Solutions	$ 439,864	$ 277,842	$ 162,022	58.3%
Parts & Services	58,323	44,849	13,474	30.0%
Corporate and Eliminations	—	—	—	
Total	$ 498,187	$ 322,691	$ 175,496	54.4%

TS segment gross profit was $439.9 million in 2023 compared to $277.8 million in 2022, an increase of $162.0 million. Gross profit, as a percentage of net sales prior to the elimination of intersegment sales, was 18.8% in 2023 as compared to 12.0% in 2022, an increase of 6.8%. The overall increase in gross profit from the prior year period was primarily driven by an increase in our dry van products of approximately $95.2 million. In addition, our truck bodies, tank trailers, and platforms had increases from the prior year period. Each of these increases, as well as the increase in gross profit as a percentage of net sales, was primarily attributable to higher revenue per new trailer unit and truck body due to increased pricing to account for inflation, our curated customer portfolio, and improved pricing processes.

P&S segment gross profit was $58.3 million in 2023 compared to $44.8 million in 2022. Gross profit, as a percentage of net sales prior to the elimination of intersegment sales, was 26.4% in 2023 compared to 23.2% in 2022, an increase of 3.2%. The overall increase in gross profit was primarily related to an increase within our Engineered Products business of approximately $6.1 million. In addition, our upfitting solutions and services businesses increased approximately $4.7 million from the prior year period on strong demand for these offerings. Finally, our Composites business, which focuses on the use of DuraPlate® composite panels beyond the semi-trailer market, increased approximately $2.4 million compared to the prior year period due in part to increased pricing.

General and Administrative Expenses

General and administrative expenses were $146.7 million in 2023, an increase of $33.6 million, or 29.7%, compared to 2022. The increase from the prior year period was due in part to an increase of approximately $18.3 million in professional fees and outside services costs, which includes the estimated liability for the Matters, as defined and further described in Note 14 in the Notes to Consolidated Financial Statements. There was also an increase in general and administrative employee-related costs, including benefits and incentive programs, of approximately $12.0 million. In addition, maintenance and repairs expense and lease/rental costs increased in total by approximately $2.7 million. As a percentage of sales, general and administrative expenses were 5.8% for the 2023 period as compared to 4.5% for the same period of 2022. The overall increase in general and administrative expenses as a percentage of net sales was primarily attributable to the increase in professional and outside services costs and employee-related costs, which outpaced the increase in sales.

Selling Expenses

Selling expenses were $26.5 million in 2023, a decrease of $0.5 million, or 2.0%, compared to 2022. The decrease was primarily attributable to a decrease in advertising and promotional expense of approximately $1.6 million, which is due in part to expenses incurred during the 2022 period related to our Ignite Conference. In addition, there was a decrease in professional fees and outside services costs of approximately $1.4 million. These decreases were partially offset by an increase in sales employee-related costs, including benefits and incentive programs, of approximately $1.6 million. There was also an increase in our reserve for expected credit losses and travel-related expenses totaling approximately $0.8 million. As a percentage of net sales, selling expenses were 1.0% in 2023 compared to 1.1% in 2022. The overall decrease in selling expenses as a percentage of net sales was primarily attributable to the increase in sales and the decrease in advertising and promotional expense and professional fees and outside services costs.

Amortization of Intangibles

Amortization of intangibles was $12.8 million in 2023 compared to $15.2 million in 2022. Amortization of intangibles was the result of expenses recognized for intangible assets recorded from previous acquisitions. The decrease from the prior year period is related to certain of the intangible assets that became fully amortized during the second quarter of 2022.

Impairment and Other, Net

Impairment and other, net was a net loss of $0.2 million during 2023 and a net loss of $0.7 million during 2022. Activity during the prior year period primarily related to the impairment of $1.0 million of construction-in-progress projects that were no longer expected to be completed and the write-off of certain property, plant, and equipment and IT-related assets. These items were partially offset by the sale of a building (and the related land) as further described in Note 21 in the Notes to Consolidated Financial Statements, which resulted in a gain of approximately $0.7 million.

Other Income

Interest expense in 2023 totaled $19.9 million compared to $20.5 million in 2022. Interest expense relates to interest and non-cash accretion charges on our Senior Notes due 2028 and Revolving Credit Agreement. Interest expense in the current year period was lower than in the 2022 period due to lower average outstanding balances under the Revolving Credit Facility.

Other, net for 2023 represented income of $3.4 million as compared to income of $0.3 million for 2022. Income for both the current and prior year period primarily relates to interest income.

Income Taxes

We recognized income tax expense of $62.8 million in 2023 compared to income tax expense of $33.7 million in 2022. The effective tax rate for 2023 was 21.3% compared to 23.0% for 2022. The effective tax rate for both 2023 and 2022 differs from the U.S. Federal statutory rate of 21% primarily due to the impact of state and local taxes and discrete items, including stock-based compensation. Net cash paid for income taxes in 2023 was $82.6 million compared to net cash paid during 2022 of $18.3 million.

Liquidity and Capital Resources

Capital Structure

Our capital structure is comprised of a mix of debt and equity. As of December 31, 2023, our debt-to-equity ratio was approximately 0.7:1.0. Our long-term objective is to generate operating cash flows sufficient to support the growth within our businesses and increase shareholder value. This objective will be achieved through a balanced capital allocation strategy of sustaining strong liquidity, maintaining healthy leverage ratios, investing in the business, both organically and strategically, and returning capital to our shareholders. Our Board of Directors designated a Finance Committee for the primary purpose of assisting the Board in its oversight of the Company’s capital structure, financing, investment, and other financial matters of importance to the Company.

Throughout 2023, and in keeping to this balanced approach, we repurchased $66.6 million (inclusive of excise tax) of common stock under the share repurchase program approved by our Board of Directors and paid dividends of $15.9 million. Also, as further described below in the “Debt Agreements and Related Amendments” section below, in September 2022 we amended our Revolving Credit Agreement. The amendment increased the total revolving commitments to $350 million and extended the maturity to September 2027, which is the nearest maturity date of our long-term debt. As of December 31, 2023, there were no amounts outstanding under the Revolving Credit Agreement. During the fourth quarter of 2023, our credit rating was upgraded by Moody’s which followed another upgrade by S&P earlier in the year. Collectively, these actions demonstrate our confidence in the financial outlook of the Company and our ability to generate cash flow, both near and long term, and reinforce our overall commitment to deliver shareholder value while maintaining the flexibility to continue to execute our strategic plan for profitable growth and diversification.

Our liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Facility, amounted to $516.1 million as of December 31, 2023 and $401.2 million as of December 31, 2022, an increase of 29%. The increase from the prior year is primarily attributable to a higher cash balance at December 31, 2023 due to positive cash flow from operating activities. For 2024, we expect to continue our commitment to fund our working capital requirements and capital expenditures from net cash provided by operations or available borrowing capacity under the Revolving Credit Agreement (as needed). Along with these investments, we will also maintain our assets to react to any economic and/or industry changes, while also responsibly returning capital to our shareholders. We will continue to move rapidly to adjust to the current environment to preserve the strength of our balance sheet, while prioritizing the safety of our employees and ensuring the liquidity and financial well-being of the Company.

Debt Agreements and Related Amendments

Senior Notes due 2028

On October 6, 2021, we closed on an offering of $400 million in aggregate principal amount of our 4.50% unsecured Senior Notes due 2028 (the "New Senior Notes"). The New Senior Notes were issued pursuant to an indenture dated as of October 6, 2021, by and among us, certain subsidiary guarantors named therein (the "Guarantors") and Wells Fargo Bank, National Association, as trustee (the "Indenture"). The New Senior Notes bear interest at the rate of 4.50% and pay interest semi-annually in cash in arrears on April 15 and October 15 of each year. The New Senior Notes will mature on October 15, 2028. At any time prior to October 15, 2024, we may redeem some or all of the New Senior Notes for cash at a redemption price equal to 100% of the aggregate principal amount of the New Senior Notes being redeemed plus an applicable make-whole premium set forth in the Indenture and accrued and unpaid interest to, but not including, the redemption date.

Prior to October 15, 2024, we may redeem up to 40% of the New Senior Notes at a redemption price of 104.500% of the principal amount, plus accrued and unpaid interest to, but not including, the redemption date, with the proceeds of certain equity offerings so long as if, after any such redemption occurs, at least 60% of the aggregate principal amount of the New Senior Notes remain outstanding. On and after October 15, 2024, we may redeem some or all of the New Senior Notes at redemption prices (expressed as percentages of principal amount) equal to 102.250% for the twelve-month period beginning on October 15, 2024, 101.125% for the twelve-month period beginning October 15, 2025 and 100.000% beginning on October 15, 2026, plus accrued and unpaid interest to, but not including, the redemption date. Upon the occurrence of a Change of Control (as defined in the Indenture), unless we have exercised our optional redemption right in respect of the New Senior Notes, the holders of the New Senior Notes will have the right to require us to repurchase all or a portion of the New Senior Notes at a price equal to 101% of the aggregate principal amount of the New Senior Notes, plus any accrued and unpaid interest to, but not including, the date of repurchase.

The New Senior Notes are guaranteed on a senior unsecured basis by all direct and indirect existing and future domestic restricted subsidiaries, subject to certain restrictions. The New Senior Notes and related guarantees are our and the Guarantors' general unsecured senior obligations and will be subordinated to all of our and the Guarantors' existing and future secured debt to the extent of the assets securing that secured obligation. In addition, the New Senior Notes are structurally subordinated to any existing and future debt of any of our subsidiaries that are not Guarantors, to the extent of the assets of those subsidiaries.

Subject to a number of exceptions and qualifications, the Indenture restricts our ability and the ability of certain of our subsidiaries to: (i) incur additional indebtedness; (ii) pay dividends or make other distributions in respect of, or repurchase or redeem, our capital stock or with respect to any other interest or participation in, or measured by, our profits; (iii) make loans and certain investments; (iv) sell assets; (v) create or incur liens; (vi) enter into transactions with affiliates; and (vii) consolidate, merge or sell all or substantially all of our assets. These covenants are subject to a number of important exceptions and qualifications.

During any time when the New Senior Notes are rated investment grade by at least two of Moody's, Fitch and Standard & Poor's Ratings Services and no Default (as defined in the Indenture) has occurred and is continuing, many of such covenants will be suspended and we and our subsidiaries will cease to be subject to such covenants during such period.

The Indenture contains customary events of default, including payment defaults, breaches of covenants, failure to pay certain judgments and certain events of bankruptcy, insolvency and reorganization. If an event of default occurs and is continuing, the principal amount of the New Senior Notes, plus accrued and unpaid interest, if any, may be declared immediately due and payable. These amounts automatically become due and payable if an event of default relating to certain events of bankruptcy, insolvency or reorganization occurs. As of December 31, 2023, we were in compliance with all covenants.

The sale of the New Senior Notes resulted in net proceeds of approximately $395 million, after deducting financing fees and other offering expenses. We used the net proceeds of the New Senior Notes and a portion of the $50 million draw from the increased capacity under the Revolving Credit Agreement to fund the redemption in full of the Senior Notes due 2025, to repay in full the $108.8 million of outstanding borrowings under the term loan credit agreement entered into on September 28, 2020 (the "New Term Loan Credit Agreement") among us, the lenders from time to time party thereto, and Wells Fargo Bank, National Association, as the administrative agent, and to pay all related fees and expenses. (The New Term Loan Credit Agreement refinanced and replaced that certain Term Loan Credit Agreement, dated as of May 8, 2012 (as amended, restated, supplemented, or otherwise modified from time to time, the "Old Term Loan Credit Agreement"), among us, the lenders party thereto and Morgan Stanley Senior Funding, Inc., as the administrative agent.) Debt extinguishment charges totaling $9.1 million were recorded during the fourth quarter of 2021 in connection with the redemption in full of the Senior Notes due 2025 and the repayment in full of the outstanding borrowings under the New Term Loan Credit Agreement. The loss on debt extinguishment charges is included in *Other, net* on our Consolidated Statements of Operations.

Contractual coupon interest expense and accretion of fees for the New Senior Notes for the years ended December 31, 2023, 2022 and 2021 were $18.0 million and $0.6 million, $18.0 million and $0.6 million, and $4.3 million and $0.1 million, respectively.

Contractual coupon interest expense and accretion of discount and fees for the Senior Notes due 2025, which were redeemed in full during the fourth quarter of 2021 as described above, for the year ended December 31, 2021, was $13.3 million and $0.5 million, respectively.

Contractual coupon interest expense and accretion of discount and fees are included in *Interest expense* on the Company’s Consolidated Statements of Operations.

Revolving Credit Agreement

On September 23, 2022, we entered into the Third Amendment to the Second Amended and Restated Credit Agreement among us, certain of our subsidiaries as borrowers (together with us, the “Borrowers”), certain of our subsidiaries as guarantors, the lenders party thereto, and Wells Fargo Capital Finance, LLC, as the administrative agent (the “Agent”), which amended our existing Second Amended and Restated Credit Agreement, dated as of December 21, 2018 (as amended from time to time, the “Revolving Credit Agreement”).

Under the Revolving Credit Agreement, the lenders agree to make available a $350 million revolving credit facility to the Borrowers with a scheduled maturity date of September 23, 2027. We have the option to increase the total commitments under the facility by up to an additional $175 million, subject to certain conditions, including obtaining agreements from one or more lenders, whether or not party to the Revolving Credit Agreement, to provide such additional commitments. Availability under the Revolving Credit Agreement is based upon quarterly (or more frequent under certain circumstances) borrowing base certifications of the Borrowers’ eligible inventory, eligible leasing inventory and eligible accounts receivable, and is reduced by certain reserves in effect from time to time.

Subject to availability, the Revolving Credit Agreement provides for a letter of credit subfacility in the amount of $25 million and allows for swingline loans in the amount of $35 million. Outstanding borrowings under the Revolving Credit Agreement bear interest at an annual rate, at the Borrowers’ election, equal to (i) adjusted term Secured Overnight Financing Rate plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the Revolving Credit Agreement. The Borrowers are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses of the Agent and the lenders.

The Revolving Credit Agreement is guaranteed by certain of our subsidiaries (the “Guarantors”) and is secured by substantially all personal property of the Borrowers and the Guarantors.

The Revolving Credit Agreement contains customary covenants limiting our ability and certain of our subsidiaries to, among other things, pay cash dividends, incur debt or liens, redeem or repurchase stock, enter into transactions with affiliates, merge, dissolve, repay subordinated indebtedness, make investments and dispose of assets. In addition, we will be required to maintain a minimum fixed charge coverage ratio of not less than 1.0 to 1.0 as of the end of any period of 12 fiscal months when excess availability under the Revolving Credit Agreement is less than the greater of (a) 10% of the lesser of (i) the total revolving commitments and (ii) the borrowing base (such lesser amount, the “Line Cap”) and (b) $25 million. As of December 31, 2023, we were in compliance with all covenants.

If availability under the Revolving Credit Agreement is less than the greater of (i) 10% of the Line Cap and (ii) $25 million for three consecutive business days, or if there exists an event of default, amounts in any of the Borrowers’ and the Guarantors’ deposit accounts (other than certain excluded accounts) will be transferred daily into a blocked account held by the Agent and applied to reduce the outstanding amounts under the facility.

The Revolving Credit Agreement contains customary events of default. If an event of default occurs and is continuing, the lenders may, among other things, require the immediate payment of all amounts outstanding and foreclose on collateral. In addition, in the case of an event of default arising from certain events of bankruptcy or insolvency, the lenders’ obligations under the Revolving Credit Agreement would automatically terminate, and all amounts outstanding under the Revolving Credit Agreement would automatically become due and payable.

Our liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Agreement, amounted to $516.1 million as of December 31, 2023 and $401.2 million as of December 31, 2022, an increase of $114.9 million (or 29%). The increase from the prior year is primarily attributable to a higher cash balance due to favorable cash flow from operations.

During the year ended December 31, 2023, we had payments of principal of $104.2 million and borrowings of principal of $104.2 million under the Revolving Credit Agreement, and as of December 31, 2023, there were no amounts outstanding.

During the year ended December 31, 2022, we had net payments of principal of $130.6 million and net borrowings of principal of $97.6 million under the Revolving Credit Agreement, and as of December 31, 2022, there were no amounts outstanding.

Interest expense under the Revolving Credit Agreement for the years ended December 31, 2023, 2022, and 2021, was approximately $0.9 million, $1.7 million, and $0.6 million, respectively. Interest expense under the Revolving Credit Agreement is included in *Interest expense* on the Company's Consolidated Statements of Operations.

New and Old Term Loan Credit Agreements

As described above, in October 2021, we used the net proceeds of the New Senior Notes and a portion of the $50 million draw from the increased capacity under the Revolving Credit Agreement to repay in full the $108.8 million of outstanding borrowings under the New Term Loan Credit Agreement. In addition to the full repayment during the fourth quarter, during the second quarter of 2021, we made principal payments totaling $30.0 million and recognized loss on debt extinguishment charges of approximately $0.5 million. The extinguishment charges are included in *Other, net* in the Consolidated Statements of Operations.

For the year ended December 31, 2021, under the New Term Loan Credit Agreement we paid interest of $3.9 million. For the year ended December 31, 2021, we incurred charges of $0.2 million for amortization of fees and original issuance discount, which are included in *Interest expense* in the Consolidated Statements of Operations.

Cash Flow

2023 Compared to 2022

Cash provided by operating activities for 2023 totaled $319.6 million, compared to cash provided by operating activities of $124.1 million in 2022. The cash provided by operations during the current year was the result of net income adjusted for various non-cash activities, including depreciation, amortization, deferred taxes, stock-based compensation, and a $42.1 million decrease in our working capital. Changes in key working capital accounts for 2023 and 2022 are summarized below (in thousands):

	2023	2022	Change
Source (Use) of cash:			
Accounts receivable	$ 72,587	$ (79,066)	$ 151,653
Inventories	(23,765)	(6,249)	(17,516)
Accounts payable and accrued liabilities	5,775	46,085	(40,310)
Net source (use) of cash	$ 54,597	$ (39,230)	$ 93,827

Accounts receivable decreased $72.6 million in 2023 and increased $79.1 million in 2022. Days sales outstanding, a measure of working capital efficiency that measures the amount of time a receivable is outstanding, was approximately 28 days and 35 days for the year-ended December 31, 2023 and 2022, respectively. The decrease in accounts receivable in 2023 was primarily due to the decrease in shipments during the second half of 2023 compared to 2022 as well as the timing of shipments and receipt of customer payments. Inventories increased in 2023 by $23.8 million compared to an increase in 2022 of $6.2 million. The overall increase in inventory for 2023 was primarily attributable to higher finished goods inventory compared to prior year. Our inventory turns, a commonly used measure of working capital efficiency that measures how quickly inventory turns per year, was approximately 6 times in 2023 and 7 times 2022. Accounts payable and accrued liabilities increased $5.8 million in 2023 compared to an increase of $46.1 million for 2022. Days payable outstanding, a measure of working capital efficiency that measures the amount of time a payable is outstanding, was 29 days in 2023 and 30 days in 2022.

Investing activities used $106.0 million during 2023 compared to $55.3 million used in 2022. Investing activities for 2023 included capital expenditures for property, plant, and equipment of $98.1 million, which was an increase compared to $57.1 million during 2022. In addition, expenditures related to revenue generating assets totaled approximately $5.7 million and expenditures related to investment in Linq Venture Holdings, LLC totaled approximately $2.5 million, which is further detailed in Note 6 in the Notes to Consolidated Financial Statements. Cash used in investing activities in 2023 and 2022 was primarily related to capital expenditures to support growth and improvement initiatives at our facilities. In 2023, investing activities included $0.2 million proceeds from the sale of assets compared to approximately $1.8 million in 2022.

Financing activities used $92.5 million during 2023 as compared to using $82.3 million during 2022. Net cash used in 2023 primarily relates to common stock repurchases of $76.2 million and cash dividend payments to our shareholders of $15.9 million. Borrowings under our Revolving Credit Agreement totaled $104.2 million which were fully offset by principal, interest, and unused fee payments made under our Revolving Credit Agreement of $104.2 million. Net cash used in financing activities in 2022 due in part to net payments on our Revolving Credit Agreement of $33.0 million. We also repurchased common stock of $34.3 million and paid cash dividends to our shareholders of $16.0 million in 2022.

Our liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Facility, amounted to $516.1 million as of December 31, 2023 and $401.2 million as of December 31, 2022, an increase of 29%. The increase from prior year is primarily attributable to a higher cash balance, a result of higher net cash provided by operating activities in 2023. Total debt obligations amounted to $400.0 million as of December 31, 2023.

For 2024 and forward, we expect to continue our commitment to fund our working capital requirements and capital expenditures from net cash provided by operations or available borrowing capacity under the Revolving Credit Agreement (as needed). Along with these investments, we will also maintain our assets to capitalize on any economic and/or industry upswings, while also responsibly returning capital to our shareholders. We will continue to move rapidly to adjust to the current environment to preserve the strength of our balance sheet, while prioritizing the safety of our employees and ensuring the liquidity and financial well-being of the Company.

Contractual Obligations and Commercial Commitments

A summary of our contractual obligations and commercial commitments, both on and off-balance sheet, as of December 31, 2023 are as follows (in thousands):

	2024	2025	2026	2027	2028	Thereafter	Total
Debt:							
Revolving Credit Agreement (due 2027)	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Senior Notes due 2028	—	—	—	—	400,000	—	400,000
Interest Payments on Revolving Credit Agreement (If Any) and Senior Notes due 2028[1]	18,000	18,000	18,000	18,000	18,000	—	90,000
Total Debt	18,000	18,000	18,000	18,000	418,000	—	490,000
Other:							
Operating Leases	10,418	9,364	8,310	4,349	1,920	1,066	35,427
Total Other	10,418	9,364	8,310	4,349	1,920	1,066	35,427
Other Commercial Commitments:							
Letters of Credit	6,002	—	—	—	—	—	6,002
Raw Material Purchase Commitments	35,700	—	—	—	—	—	35,700
Chassis Agreements and Programs	28,212	—	—	—	—	—	28,212
Total Other Commercial Commitments	69,914	—	—	—	—	—	69,914
Total Obligations	$ 98,332	$ 27,364	$ 26,310	$ 22,349	$ 419,920	$ 1,066	$ 595,341

[1] *Future interest payments on variable rate long-term debt (if any) are estimated based on the rate in effect as of December 31, 2023, and only include interest payments (not unused line fees). However, as of December 31, 2023, there was no variable rate debt (Revolving Credit Agreement) outstanding.*

Borrowings under the Revolving Credit Agreement bear interest at a variable rate based on the Secured Overnight Financing Rate ("SOFR") or a base rate determined by the lender's prime rate plus an applicable margin, as defined in the agreement. Any outstanding borrowings under the Revolving Credit Agreement bear interest at a rate, at our election, equal to (i) adjusted term SOFR plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the Revolving Credit Agreement. We are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses of our agent and lenders. During the year ended December 31, 2023, we had payments of principal of $104.2 million and borrowings of principal of $104.2 million under the Revolving Credit Agreement, and as of December 31, 2023, there were no amounts outstanding.

The Senior Notes due 2028 bear interest at the rate of 4.5% per annum from the date of issuance, payable semi-annually on April 15 and October 15.

Operating leases represent the total future minimum lease payments for leases that have commenced. As of December 31, 2023, obligations related to operating leases that we have executed but have not yet commenced were nominal.

We have standby letters of credit totaling $6.0 million issued in connection with workers compensation claims and surety bonds.

We have $35.7 million in purchase commitments through December 2024 for various raw material commodities, including aluminum, steel, polyethylene, and nickel, as well as other raw material components which are within normal production requirements.

We obtain vehicle chassis for our specialized vehicle products directly from the chassis manufacturers under converter pool agreements. Chassis are obtained from the manufacturers based on orders from customers, and to a lesser extent, for unallocated orders. Although each manufacturer's agreement has different terms and conditions, the agreements generally state that the manufacturer will provide a supply of chassis to be maintained from time to time at our various facilities with the condition that we will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. The manufacturer transfers the chassis to us on a "restricted basis" retaining the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to the manufacturer's dealers. The manufacturer also does not transfer the certificate of origin to us nor permit us to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer). Although we are party to related finance agreements with manufacturers, we have not historically settled, nor do we expect to in the future settle, any related obligations in cash. Instead, the obligation is settled by the manufacturer upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by the manufacturer. Accordingly, as of December 31, 2023, our outstanding chassis converter pool with the manufacturer totaled $27.3 million and has included this financing agreement on our Consolidated Balance Sheets within *Prepaid expenses and other* and *Other accrued liabilities*. All other chassis programs are handled as consigned inventory belonging to the manufacturer and totaled approximately $0.9 million. Under these agreements, if the chassis is not delivered to a customer within a specified time frame, we are required to pay a finance or storage charge on the chassis. Additionally, we receive finance support funds from manufacturers when the chassis are assigned into our chassis pool. Typically, chassis are converted and delivered to customers within 90 days of our receipt of the chassis.

The total amount of gross unrecognized tax benefits for uncertain tax positions, including positions impacting only the timing of tax benefits, was $4.8 million at December 31, 2023. Payment of these obligations would result from settlements with taxing authorities. Due to the difficulty in determining the timing of settlements, these obligations are not included in the table above. We do not expect to make a tax payment related to these obligations within the next year that would significantly impact liquidity.

Significant Accounting Policies and Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States. Our significant accounting policies are more fully described in Note 2 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K.

Certain of our accounting policies require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, terms of existing contracts, evaluation of trends in the industry, information provided by our customers, and information available from other outside sources, as appropriate.

We consider an accounting estimate to be critical if it requires us to make assumptions about matters that were uncertain at the time we were making the estimate or changes in the estimate or different estimates that we could have selected would have had a material impact on our financial condition or results of operations.

Legal and Other Contingencies. The outcomes of legal proceedings and claims brought against us and other loss contingencies are subject to significant uncertainty. We establish legal contingency reserves when we determine that it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. In determining the appropriate accounting for loss contingencies, we consider the likelihood of loss or the incurrence of a liability, as well as our ability to reasonably estimate the amount of loss. We regularly evaluate current information available to us to determine whether an accrual should be established or adjusted. Estimating the probability that a loss will occur and estimating the amount of a loss or a range of loss involves significant judgment and such matters are unpredictable. We could incur judgments or enter into settlements for current or future claims that could materially impact our results of operations.

Impairment of Long-Lived Assets and Definite-Lived Intangible Assets. We review, on at least a quarterly basis, the financial performance of each business unit for indicators of impairment. In reviewing for impairment indicators, we also consider events or changes in circumstances such as business prospects, customer retention, market trends, potential product obsolescence, competitive activities, and other economic factors. An impairment loss is recognized when the carrying value of an asset group exceeds the future net undiscounted cash flows expected to be generated by that asset group. The impairment loss recognized is the amount by which the carrying value of the asset group exceeds its fair value.

Impairment of Trade Name and Trademark Intangible Assets (2021)

As further described in Note 5 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K, on January 10, 2022, we completed our review and approval of our plan for rebranding as Wabash®. As part of the planning process, we assessed our usage of trade names and brand names in connection with the long-term growth strategy as One Wabash. Under the plan as approved, we no longer use certain trade names or brand names, and predominantly use Wabash (or variations thereof) to refer to the Company. The decision resulted in non-cash impairment charges of approximately $28.3 million during the fourth quarter of 2021 related to trade name and trademark intangible assets due to the significant reduction in the related useful lives of these assets.

Goodwill. We assess goodwill for impairment at the reporting unit level on an annual basis as of October 1st, after the annual planning process is complete. More frequent evaluations may be required if we experience changes in our business climate or as a result of other triggering events that may take place. If the carrying value exceeds fair value, the asset is considered impaired and is reduced to its fair value.

In assessing goodwill for impairment, we may choose to initially evaluate qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the qualitative assessment is not conclusive, then an impairment analysis for goodwill is performed at the reporting unit level using a quantitative approach. The quantitative test is a comparison of the fair value of the reporting unit, determined using a combination of the income and market approaches, to its recorded amount. If the recorded amount exceeds the fair value, an impairment is recorded to reduce the carrying amount to fair value, but will not exceed the amount of goodwill that is recorded.

The process of evaluating goodwill for impairment is subjective and requires significant judgment at many points during the analysis. If we elect to perform an optional qualitative analysis, we consider many factors including, but not limited to, general economic conditions, industry and market conditions, financial performance and key business drivers, long-term operating plans, and potential changes to significant assumptions used in the most recent fair value analysis for the reporting unit. When performing a quantitative goodwill impairment test, we generally determine fair value using a combination of an income-based approach and a market-based approach. The fair value determination consists primarily of using significant unobservable inputs (Level 3) under the fair value measurement standards. We believe the most critical assumptions and estimates in determining the estimated fair value of our reporting units include, but are not limited to, the amounts and timing of expected future cash flows which is largely dependent on expected EBITDA margins, the discount rate applied to those cash flows, and terminal growth rates. The assumptions used in determining our expected future cash flows consider various factors such as historical operating trends and long-term operating strategies and initiatives. The discount rate used by each reporting unit is based on our assumption of a prudent investor's required rate of return assuming the risk of investing in a particular company. The terminal growth rate reflects the sustainable operating income a reporting unit could generate in a perpetual state as a function of revenue growth, inflation, and future margin expectations.

Annual Goodwill Impairment Test

As of December 31, 2023, goodwill allocated to our TS and P&S segments was approximately $120.5 million and $67.9 million, respectively. For the 2023 annual goodwill impairment test conducted as of October 1st, 2023, the Company chose to evaluate qualitative factors to determine if it was more likely than not that the fair value of the TS and P&S reporting units were less than their respective carrying amounts. In accordance with the relevant accounting guidance, in order to perform the qualitative assessment, the Company considered many factors including, but not limited to, general economic conditions, industry and market conditions, financial performance and key business drivers, future operating plans, and potential changes to significant assumptions used in the most recent quantitative fair value analysis for each reporting unit (which was conducted in connection with the Company's segment realignment beginning in September 2021 as further described below). Based on the analysis of the factors and considerations described above, the Company concluded that it was more likely than not that the fair value of each reporting unit continued to be greater than the respective carrying value. Therefore, no impairment charges were recorded and a quantitative analysis was not performed.

During the fourth quarters of 2022 and 2021, the Company completed its annual goodwill impairment test using the qualitative assessment. Based on all assessments performed, the Company believed it was more likely than not that the fair value of its reporting units were greater than their carrying amount and no additional impairment of goodwill was recognized.

In connection with the Company's segment realignment beginning in September 2021 described in greater detail below, the Company performed a quantitative assessment for each reporting unit utilizing a combination of the income and market approaches, the results of which were weighted evenly. No impairment was indicated in either annual test as the fair value of each reporting unit exceeded its respective carrying value.

2021 Segment Realignment

As further described in Note 5 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K, beginning in September 2021 we realigned our operating and reportable segments. Based on these changes, we established two operating and reportable segments: Transportation Solutions ("TS") and Parts & Services ("P&S"). These operating and reportable segments were also determined to be the applicable reporting units for purposes of goodwill assignment and evaluation. In accordance with the relevant accounting guidance, we performed a quantitative impairment assessment of goodwill immediately prior to and subsequently following the change in segments and reporting units. The quantitative analyses did not result in any impairment charges as the fair value of each reporting unit exceeded the carrying value. In addition, as part of the change in segment structure, we reassigned goodwill from the historical Commercial Trailer Products ("CTP"), Diversified Products ("DPG"), and Final Mile Products ("FMP") reporting units to the TS and P&S reporting units using a relative fair value allocation approach as required by the relevant accounting guidance.

Goodwill Allocation for Extract Technology® ("Extract")

As further described in Note 21 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K, during the second quarter of 2021, we sold our Extract business that manufactured stainless steel isolators and downflow booths, as well as custom-fabricated equipment, including workstations and drum booths for the pharmaceutical, fine chemical, biotech, and nuclear end markets. Prior to the divestiture, Extract was an operating unit within the historical Process Systems reporting unit (which was within the historical DPG segment). In accordance with the relevant accounting guidance, as part of the sale we allocated $11.1 million of goodwill based upon the relative fair value of the Extract operating unit compared to the historical DPG reporting unit as a whole. This goodwill was included in the carrying value of the disposed assets and the resulting net gain recognized in connection with the sale. Prior to and subsequent to the divestiture, we performed an impairment assessment for the historical DPG reporting unit and concluded the fair value of the reporting unit continued to exceed the carrying value.

Other

Inflation

Inflation impacts prices paid for labor, materials and supplies. Significant increases in the costs of production or certain commodities, raw materials, and components could have an adverse impact on our results of operations. As has been our practice, we will endeavor to offset the impact of inflation through selective price increases, productivity improvements, and hedging activities. Our ability to mitigate the impact of inflation through selective price increases may be limited by our backlog in cases of orders without inflation-based price adjustment provisions.

New Accounting Pronouncements

For information related to new accounting standards, see Note 3 of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K.

ITEM 7A–QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In addition to the risks inherent in our operations, we have exposure to financial and market risk resulting from volatility in commodity prices, interest rates, and foreign exchange rates. The following discussion provides additional detail regarding our exposure to these risks.

Commodity Price Risks

We are exposed to fluctuation in commodity prices through the purchase of various raw materials that are processed from commodities such as aluminum, steel, lumber, nickel, copper, and polyethylene. Given the historical volatility of certain commodity prices, this exposure can significantly impact product costs. We manage some of our commodity price changes by entering into fixed price contracts with our suppliers and through financial derivatives. To the extent that we are unable to offset the increased commodity costs in our product prices, our results would be materially and adversely affected. As of December 31, 2023, we had $35.7 million in raw material purchase commitments through December 2024 for materials that will be used in the production process, as compared to $59.2 million as of December 31, 2022. The decrease from the prior year is primarily attributable to lower backlog. As of December 31, 2023, a hypothetical ten percent change in commodity prices based on our raw material purchase commitments through December 2024 would result in a corresponding change in cost of goods sold over a one-year period of approximately $3.6 million. This sensitivity analysis does not account for the change in the competitive environment indirectly related to the change in commodity prices and the potential managerial action taken in response to these changes.

Interest Rates

As of December 31, 2023, we had no floating rate debt outstanding under our Revolving Facility. The only other outstanding debt on our Consolidated Balance Sheets as of December 31, 2023 were the New Senior Notes, which carry a fixed interest rate of 4.50%. Based on the current borrowings under our Revolving Facility, a hypothetical 100 basis-point change in the floating interest rate would result in no corresponding change in interest expense over a one-year period. This sensitivity analysis does not account for the change in the competitive environment indirectly related to the change in interest rates and the potential managerial action taken in response to these changes.

Foreign Exchange Rates

We are subject to fluctuations in the Mexican peso exchange rates that impact transactions with our foreign subsidiaries, as well as U.S. denominated transactions between these foreign subsidiaries and unrelated parties. A ten percent change in the Mexican peso exchange rates would have an immaterial impact on our results of operations. We do not hold or issue derivative financial instruments for speculative purposes.

ITEM 8—FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Wabash National Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Wabash National Corporation (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 22, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

	Valuation of Goodwill
Description of the Matter	At December 31, 2023, the Company's goodwill was $188.4 million. As discussed in Note 2 to the consolidated financial statements, goodwill is tested for impairment at the reporting unit level at least annually or whenever events or changes in circumstances indicate its carrying value may not be recoverable. Management first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Auditing management's goodwill impairment tests was complex and highly judgmental due to the significant estimation required to determine that the fair values of the reporting units were not less than their carrying values when applying a qualitative assessment. In particular, the fair value estimates were sensitive to qualitative factors, such as general economic conditions, industry and market conditions, financial performance and key business drivers, future operating plans, and potential changes to significant assumptions used in the most recent quantitative fair value analysis of each reporting unit.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment testing process, including controls over management's review of the qualitative factors described above.

To test the conclusion that the fair values of the Company's reporting units are not less than their carrying amounts, we performed audit procedures that included, among others, assessing the reasonableness of the factors considered within the analyses, testing the qualitative factors discussed above and the underlying data used by the Company in its analyses. We compared the qualitative factors used by management to current industry and economic trends, historical Company results, key business drivers, the Company's market capitalization and other relevant factors, including evaluating whether any contrary evidence exists.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.
Indianapolis, Indiana
February 22, 2024

WABASH NATIONAL CORPORATION
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 179,271	$ 58,245
Accounts receivable, net	182,990	255,577
Inventories	267,635	243,870
Prepaid expenses and other	51,457	34,927
Total current assets	681,353	592,619
Property, plant, and equipment, net	325,444	271,116
Goodwill	188,409	188,434
Intangible assets, net	86,418	99,231
Investment in unconsolidated entity	1,647	—
Other assets	79,543	52,123
Total assets	$ 1,362,814	$ 1,203,523
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ —	$ —
Accounts payable	156,608	189,141
Other accrued liabilities	195,601	158,327
Total current liabilities	352,209	347,468
Long-term debt	396,465	395,818
Deferred income taxes	17,013	27,758
Other non-current liabilities	47,028	34,354
Total liabilities	812,715	805,398
Commitments and contingencies		
Noncontrolling interest	603	512
Wabash National Corporation Stockholders' equity:		
Common stock, $0.01 par value: 200,000,000 shares authorized; 45,393,260 and 47,675,796 shares outstanding, respectively	774	766
Additional paid-in capital	677,886	665,941
Retained earnings	403,923	188,241
Accumulated other comprehensive loss	(428)	(882)
Treasury stock, at cost: 32,128,755 and 28,972,928 common shares, respectively	(532,659)	(456,453)
Total Wabash National Corporation stockholders' equity	549,496	397,613
Total liabilities, noncontrolling interest, and equity	$ 1,362,814	$ 1,203,523

The accompanying notes are an integral part of these Consolidated Statements.

WABASH NATIONAL CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)

	Year Ended December 31,		
	2023	2022	2021
Net sales	$ 2,536,500	$ 2,502,129	$ 1,803,268
Cost of sales	2,038,313	2,179,438	1,606,801
Gross profit	498,187	322,691	196,467
General and administrative expenses	146,658	113,083	88,807
Selling expenses	26,532	27,070	23,691
Amortization of intangible assets	12,813	15,211	22,858
Impairment and other, net	235	685	27,569
Income from operations	311,949	166,642	33,542
Other income (expense):			
Interest expense	(19,854)	(20,525)	(23,128)
Other, net	3,393	318	(9,124)
Other expense, net	(16,461)	(20,207)	(32,252)
Loss from unconsolidated entity	(803)	—	—
Income before income tax	294,685	146,435	1,290
Income tax expense	62,830	33,665	126
Net income	231,855	112,770	1,164
Net income attributable to noncontrolling interest	603	512	—
Net income attributable to common stockholders	$ 231,252	$ 112,258	$ 1,164
Net income attributable to common stockholders per share:			
Basic	$ 4.92	$ 2.31	$ 0.02
Diluted	$ 4.81	$ 2.25	$ 0.02
Weighted average common shares outstanding (in thousands):			
Basic	47,011	48,626	50,684
Diluted	48,030	49,881	51,608
Dividends declared per share	$ 0.32	$ 0.32	$ 0.32

The accompanying notes are an integral part of these Consolidated Statements.

WABASH NATIONAL CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Dollars in thousands)

	Year Ended December 31,		
	2023	2022	2021
Net income	$ 231,855	$ 112,770	$ 1,164
Other comprehensive (loss) income, net of tax:			
Foreign currency translation adjustment	975	198	193
Unrealized loss on derivative instruments	(521)	(1,939)	(6,967)
Total other comprehensive income (loss)	454	(1,741)	(6,774)
Comprehensive income (loss)	232,309	111,029	(5,610)
Comprehensive income attributable to noncontrolling interest	—	—	—
Comprehensive income (loss) attributable to common stockholders	$ 232,309	$ 111,029	$ (5,610)

The accompanying notes are an integral part of these Consolidated Statements.

WABASH NATIONAL CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Dollars in thousands)

	Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock	Total
	Shares	Amount					
Balances at December 31, 2020	52,536,482	$ 755	$ 644,695	$ 107,233	$ 7,633	$ (355,437)	$ 404,879
Net income for the year				1,164			1,164
Foreign currency translation					193		193
Stock-based compensation	145,118	2	7,057				7,059
Stock repurchase	(3,927,900)					(66,731)	(66,731)
Common stock dividends				(16,286)			(16,286)
Unrealized loss on derivative instruments, net of tax					(6,967)		(6,967)
Common stock issued in connection with:							
Stock option exercises	200,782	2	2,226				2,228
Balances at December 31, 2021	48,954,482	$ 759	$ 653,978	$ 92,111	$ 859	$ (422,168)	$ 325,539
Net income attributable to common stockholders for the year				112,258			112,258
Foreign currency translation					198		198
Stock-based compensation	298,458	5	9,741				9,746
Stock repurchase	(1,761,339)					(34,285)	(34,285)
Common stock dividends				(16,128)			(16,128)
Unrealized loss on derivative instruments, net of tax					(1,939)		(1,939)
Common stock issued in connection with:							
Stock option exercises	184,195	2	2,222				2,224
Balances at December 31, 2022	47,675,796	$ 766	$ 665,941	$ 188,241	$ (882)	$ (456,453)	$ 397,613
Net income attributable to common stockholders for the year				231,252			231,252
Foreign currency translation					975		975
Stock-based compensation	516,747	8	11,790				11,798
Stock repurchase	(2,810,716)					(76,206)	(76,206)
Common stock dividends				(15,570)			(15,570)
Unrealized loss on derivative instruments, net of tax					(521)		(521)
Common stock issued in connection with:							
Stock option exercises	11,433	—	155				155
Balances at December 31, 2023	45,393,260	$ 774	$ 677,886	$ 403,923	$ (428)	$ (532,659)	$ 549,496

The accompanying notes are an integral part of these Consolidated Statements.

WABASH NATIONAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Year Ended December 31,		
	2023	2022	2021
Cash flows from operating activities:			
Net income	$ 231,855	$ 112,770	$ 1,164
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	32,507	31,758	25,984
Amortization of intangibles	12,813	15,211	22,858
Net loss (gain) on sale of property, plant and equipment and business divestiture	235	(635)	(1,594)
Loss on debt extinguishment	—	—	9,504
Deferred income taxes	(13,459)	(7,614)	(8,147)
Stock-based compensation	11,799	9,746	7,059
Non-cash interest expense	946	868	1,082
Equity in loss of unconsolidated entity	803	—	—
Impairment	—	1,339	29,163
Accounts receivable	72,587	(79,066)	(80,879)
Inventories	(23,765)	(6,249)	(74,804)
Prepaid expenses and other	(10,727)	1,069	8,570
Accounts payable and accrued liabilities	5,775	46,085	54,862
Other, net	(1,763)	(1,198)	(2,292)
Net cash provided by (used in) operating activities	319,606	124,084	(7,470)
Cash flows from investing activities:			
Cash payments for capital expenditures	(98,093)	(57,086)	(49,105)
Expenditures for revenue generating assets	(5,650)	—	—
Proceeds from sale of assets and business divestiture	154	1,781	22,029
Investment in unconsolidated entity	(2,450)	—	—
Net cash used in investing activities	(106,039)	(55,305)	(27,076)
Cash flows from financing activities:			
Proceeds from exercise of stock options	155	2,224	2,228
Dividends paid	(15,861)	(16,020)	(16,435)
Borrowings under revolving credit facilities	104,199	97,549	50,823
Payments under revolving credit facilities	(104,199)	(130,584)	(17,788)
Principal payments under finance lease obligations	—	(59)	(319)
Borrowings under new senior notes	—	—	400,000
Principal payments against old senior notes	—	—	(315,000)
Principal payments under term loan credit facility	—	—	(138,835)
Debt issuance costs paid	(117)	(1,137)	(9,296)
Stock repurchases	(76,206)	(34,285)	(66,731)
Distribution to noncontrolling interest	(512)	—	—
Net cash used in financing activities	(92,541)	(82,312)	(111,353)
Cash, cash equivalents, and restricted cash:			
Net increase (decrease) in cash, cash equivalents, and restricted cash	121,026	(13,533)	(145,899)
Cash, cash equivalents, and restricted cash at beginning of period	58,245	71,778	217,677
Cash, cash equivalents, and restricted cash at end of period	$ 179,271	$ 58,245	$ 71,778
Supplemental disclosures of cash flow information:			
Cash paid for interest	$ 18,938	$ 20,131	$ 22,040
Net cash paid (refunds received) for income taxes	$ 82,589	$ 18,333	$ (467)
Period end balance of payables for property, plant, and equipment	$ 11,662	$ 18,809	$ 3,785

The accompanying notes are an integral part of these Consolidated Statements.

WABASH NATIONAL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF THE BUSINESS

Wabash National Corporation (the “Company,” “Wabash,” “we,” “our,” or “us”) was founded in 1985 and incorporated as a corporation in Delaware in 1991, with its principal executive offices in Lafayette, Indiana. The Company was founded as a dry van trailer manufacturer—today, the Company enables customers to thrive by providing insight into tomorrow and delivering pragmatic solutions today to move everything from first to final mile. Wabash designs, manufactures, and services a diverse range of products, including dry freight and refrigerated trailers, platform trailers, tank trailers, dry and refrigerated truck bodies, structural composite panels and products, trailer aerodynamic solutions, and specialty food grade processing equipment. This diversification has been achieved through acquisitions, organic growth, and product innovation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation. The consolidated financial statements reflect the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All significant intercompany profits, transactions, and balances have been eliminated in consolidation.

Reclassifications. Certain prior period amounts have been reclassified to conform to the current year presentation.

Use of Estimates. The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that directly affect the amounts reported in its consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Cash and Cash Equivalents. Cash and cash equivalents include all highly liquid investments with a maturity of three months or less at the time of purchase.

Accounts Receivable. Accounts receivable are shown net of expected losses and primarily include trade receivables. The Company records expected losses for customers based upon a variety of factors including the Company’s historical collection experience, the length of time the account has been outstanding, and the financial condition of the customer. If the circumstances related to specific customers were to change, the Company’s estimates of expected losses with respect to the collectability of the related accounts could be further adjusted. The Company’s policy is to write-off receivables when they are determined to be uncollectible. Expected losses are charged to *General and administrative expenses* and *Selling expenses* in the Consolidated Statements of Operations. The following table presents the changes in expected losses (in thousands):

	Years ended December 31,		
	2023	2022	2021
Balance at beginning of year	$ 428	$ 429	$ 536
Expected losses	651	179	10
Write-offs, net of recoveries	—	(180)	(117)
Balance at end of year	$ 1,079	$ 428	$ 429

Inventories. Inventories are stated at the lower of cost, determined on either the first-in, first-out or average cost method, or net realizable value. The cost of manufactured inventory includes raw material, labor and overhead.

Prepaid Expenses and Other. Prepaid expenses and other as of December 31, 2023 and 2022 consists of the following (in thousands):

	December 31,	
	2023	2022
Chassis converter pool agreements	$ 27,312	$ 20,345
Income tax receivables	11,840	2,358
Insurance premiums & maintenance/subscription agreements	5,899	3,949
Commodity swap contracts	1,511	2,674
All other	4,895	5,601
	$ 51,457	$ 34,927

Chassis converter pool agreements represent chassis transferred to the Company on a restricted basis by the manufacturer, who retains the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales to the manufacturer's dealers. As further described in Note 11, commodity swap contracts relate to our hedging activities (that are in an asset position) to mitigate the risks associated with fluctuations in commodity prices. Insurance premiums and maintenance/subscription agreements are charged to expense over the contractual life, which is generally one year or less. Other items primarily consist of investments held by the Company's captive insurance subsidiary and other various prepaid and other assets. As of December 31, 2023 and 2022, there was no restricted cash included in prepaid expenses and other current assets.

Property, Plant, and Equipment. Property, plant, and equipment are recorded at cost, net of accumulated depreciation. Maintenance and repairs are charged to expense as incurred, while expenditures that extend the useful life of an asset are capitalized. Depreciation is recorded using the straight-line method over the estimated useful lives of the depreciable assets. The estimated useful lives are up to 33 years for buildings and building improvements and range from three to ten years for machinery and equipment.

Goodwill. Goodwill represents the excess purchase price over fair value of the net assets acquired. The Company determines its reporting units at the individual operating segment level, or one level below, when there is discrete financial information available that is regularly reviewed by segment management for evaluating operating results. The Company reviews goodwill for impairment, at the reporting unit level, annually on October 1 and whenever events or changes in circumstances indicate its carrying value may not be recoverable. In accordance with ASC 350, *Intangibles - Goodwill and Other*, goodwill is reviewed for impairment utilizing either a qualitative assessment or a quantitative process.

The Company has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. An entity has an unconditional option to bypass the qualitative assessment in any period and proceed directly to performing the quantitative impairment test, which is the option the Company has historically chosen.

For reporting units in which the Company performs the quantitative analysis, the Company compares the carrying value, including goodwill, of each reporting unit with its estimated fair value. If the fair value of the reporting unit exceeds its carrying value, the goodwill is not considered impaired. If the carrying value is greater than the fair value, the difference is recognized as an impairment loss charged to the reporting unit. After an impairment loss is recognized, the adjusted carrying amount of goodwill shall be its new accounting basis.

As of December 31, 2023, goodwill allocated to the Transportation Solutions ("TS") and Parts & Services ("P&S") segments was approximately $120.5 million and $67.9 million, respectively.

For the 2023 annual goodwill impairment test conducted as of October 1st, 2023, the Company chose to evaluate qualitative factors to determine if it was more likely than not that the fair value of the TS and P&S reporting units were less than their respective carrying amounts. In accordance with the relevant accounting guidance, in order to perform the qualitative assessment, the Company considered many factors including, but not limited to, general economic conditions, industry and market conditions, financial performance and key business drivers, future operating plans, and potential changes to significant assumptions used in the most recent quantitative fair value analysis for each reporting unit (which was conducted in connection with the Company's segment realignment beginning in September 2021 as further described below). Based on the analysis of the factors and considerations described above, the Company concluded that it was more likely than not that the fair value of each reporting unit continued to be greater than the respective carrying value. Therefore, no impairment charges were recorded and a quantitative analysis was not performed.

During the fourth quarters of 2022 and 2021, the Company completed its annual goodwill impairment test using the qualitative assessment. Based on all assessments performed, the Company believed it was more likely than not that the fair value of its reporting units were greater than their carrying amount and no additional impairment of goodwill was recognized.

In connection with the Company's segment realignment beginning in September 2021 described in greater detail below, the Company performed a quantitative assessment for each reporting unit utilizing a combination of the income and market approaches, the results of which were weighted evenly. No impairment was indicated in either annual test as the fair value of each reporting unit exceeded its respective carrying value.

Long-Lived Assets. Long-lived assets, consisting primarily of intangible assets and property, plant, and equipment, are reviewed for impairment whenever facts and circumstances indicate that the carrying amount may not be recoverable. Specifically, this process involves comparing an asset's carrying value to the estimated undiscounted future cash flows the asset is expected to generate over its remaining life. If this process were to result in the conclusion that the carrying value of a long-lived asset would not be recoverable, a write-down of the asset to fair value would be recorded through a charge to operations. Fair value is determined based upon discounted cash flows or appraisals as appropriate.

During the first quarter of 2022, the Company impaired approximately $1.0 million of construction-in-progress projects that were no longer expected to be completed.

As further described in Note 5, in connection with the Company's rebranding initiative the Company recorded non-cash impairment charges of approximately $28.3 million during the fourth quarter of 2021 related to trade name and trademark intangible assets due to the significant reduction in the related useful lives of these assets. Net intangible assets of approximately $1.3 million were written-off during the second quarter of 2021 in connection with the Extract® Technology divestiture.

Other Assets. The Company capitalizes the cost of computer software developed or obtained for internal use. Capitalized software is amortized using the straight-line method over three to seven years. As of December 31, 2023 and 2022, the Company had software costs, net of amortization, of $8.0 million and $3.3 million, respectively. Amortization expense for 2023, 2022, and 2021 was $1.9 million, $1.8 million, and $1.7 million, respectively.

Warranties. The Company offers a limited warranty for its products with a coverage period that ranges between one and five years, except that the coverage period for DuraPlate® trailer panels is ten years. The Company passes through component manufacturers' warranties to our customers. The Company's policy is to accrue the estimated cost of warranty coverage at the time of the sale.

The following table presents the changes in the product warranty accrual included in *Other accrued liabilities* (in thousands):

	2023	2022
Balance as of January 1	$ 22,061	$ 22,045
Provision and revisions to estimates	3,716	2,806
Payments	(4,491)	(2,790)
Balance as of December 31	$ 21,286	$ 22,061

Self-Insured Liabilities. The Company is self-insured up to specified limits for medical and workers' compensation coverage. The self-insurance reserves have been recorded to reflect the undiscounted estimated liabilities, including claims incurred but not reported, as well as catastrophic claims as appropriate.

The following table presents the changes in the self-insurance accrual included in *Other accrued liabilities* (in thousands):

	2023	2022
Balance as of January 1	$ 10,718	$ 11,152
Expense	39,890	34,457
Payments	(39,297)	(34,891)
Balance as of December 31	$ 11,311	$ 10,718

Income Taxes. The Company determines its provision or benefit for income taxes under the asset and liability method. The asset and liability method measures the expected tax impact at current enacted rates of future taxable income or deductions resulting from differences in the tax and financial reporting basis of assets and liabilities reflected in the Consolidated Balance Sheets. Future tax benefits of tax losses and credit carryforwards are recognized as deferred tax assets. Deferred tax assets are reduced by a valuation allowance to the extent management determines that it is more-likely-than-not the Company would not realize the value of these assets.

The Company accounts for income tax contingencies by prescribing a "more-likely-than-not" recognition threshold that a tax position is required to meet before being recognized in the financial statements.

Used Trailer Trade Commitments. The Company may accept trade-in of used trailers when a customer enters into a contract to purchase a new trailer. However, in the contracts for the sale of the new trailers, there is no commitment to repurchase that trailer or a similar trailer in the future. The Company had $0.5 million and no outstanding trade commitments as of December 31, 2023 and December 31, 2022, respectively. On occasion, the amount of the trade allowance provided for in the used trailer commitments, or cost, may exceed the net realizable value of the underlying used trailer. In these instances, the Company's policy is to recognize the loss related to these commitments at the time the new trailer revenue is recognized. Net realizable value of used trailers is measured considering market sales data for comparable types of trailers.

Concentration of Credit Risk. Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash, cash equivalents, and customer receivables. We place our cash and cash equivalents with high quality financial institutions. Generally, we do not require collateral or other security to support customer receivables.

Research and Development. Research and development expenses are charged to *Cost of sales* and *General and administrative expenses* in the Consolidated Statements of Operations as incurred and were $7.5 million, $5.3 million, and $13.6 million in 2023, 2022, and 2021, respectively.

3. NEW ACCOUNTING PRONOUNCEMENTS

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ("ASU") No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses, allowing financial statement users to better understand the components of a segment's profit or loss to assess potential future cash flows for each reportable segment and the entity as a whole. The amendments expand a public entity's segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), clarifying when an entity may report one or more additional measures to assess segment performance, requiring enhanced interim disclosures, providing new disclosure requirements for entities with a single reportable segment, and requiring other new disclosures. The amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and early adoption is permitted. Although the ASU only requires additional disclosures about the Company's operating segments, the Company is currently evaluating the impact of adopting this guidance on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which is intended to enhance the transparency, decision usefulness and effectiveness of income tax disclosures. The amendments in this ASU require a public entity to disclose a tabular tax rate reconciliation, using both percentages and currency, with specific categories. A public entity is also required to provide a qualitative description of the states and local jurisdictions that make up the majority of the effect of the state and local income tax category and the net amount of income taxes paid, disaggregated by federal, state and foreign taxes and also disaggregated by individual jurisdictions. The amendments also remove certain disclosures that are no longer considered cost beneficial. The amendments are effective prospectively for annual periods beginning after December 15, 2024, and early adoption and retrospective application are permitted. Although the ASU only modifies the Company's required income tax disclosures, the Company is currently evaluating the impact of adopting this guidance on the consolidated financial statements.

4. REVENUE RECOGNITION

The Company recognizes revenue from the sale of its products when obligations under the terms of a contract with our customers are satisfied; this occurs with the transfer of control of our products and replacement parts or throughout the completion of service work. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring promised goods or services to a customer and excludes all taxes collected from the customer. Shipping and handling fees are included in *Net sales* and the associated costs are included in *Cost of sales* in the Consolidated Statements of Operations. For shipping and handling costs that take place after the transfer of control, the Company applies the practical expedient and treats it as a fulfillment cost. Incidental items that are immaterial in the context of the contract are recognized as expense. For performance obligations satisfied over time, which includes service work whereby the customer simultaneously receives and consumes the benefits provided, and also included certain equipment-related sales within our Parts & Services reportable segment prior to the sale of our Extract Technology® business during the second quarter of 2021 that had no alternative use and contained an enforceable right to payment, the Company recognizes revenue on the basis of the Company's efforts or inputs to the satisfaction of these performance obligations, measured by actual total cost incurred to the total estimated costs for each project. Total revenue recognized over time was not material to the consolidated financial statements for all periods presented.

The Company has identified three separate and distinct performance obligations: (1) the sale of a trailer or equipment, (2) the sale of replacement parts, and (3) service work. For trailer, truck body, equipment, and replacement part sales, control is transferred and revenue is recognized from the sale upon shipment to or pick up by the customer in accordance with the contract terms. The Company does not have any material extended payment terms as payment is received shortly after the point of sale. Accounts receivable are recorded when the right to consideration becomes unconditional. The Company does have customers who pay for the product prior to the transfer of control, which is recorded as customer deposits in *Other accrued liabilities* as shown in Note 9. Customer deposits are recognized as revenue when the Company performs its obligations under the contract and transfers control of the product.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and Related Annual Impairment Assessments

As of December 31, 2023, goodwill allocated to the Transportation Solutions ("TS") and Parts & Services ("P&S") segments was approximately $120.5 million and $67.9 million, respectively.

For the 2023 annual goodwill impairment test conducted as of October 1st, 2023, the Company chose to evaluate qualitative factors to determine if it was more likely than not that the fair value of the TS and P&S reporting units were less than their respective carrying amounts. In accordance with the relevant accounting guidance, in order to perform the qualitative assessment, the Company considered many factors including, but not limited to, general economic conditions, industry and market conditions, financial performance and key business drivers, future operating plans, and potential changes to significant assumptions used in the most recent quantitative fair value analysis for each reporting unit (which was conducted in connection with the Company's segment realignment beginning in September 2021 as further described below). Based on the analysis of the factors and considerations described above, the Company concluded that it was more likely than not that the fair value of each reporting unit continued to be greater than the respective carrying value. Therefore, no impairment charges were recorded and a quantitative analysis was not performed.

During the fourth quarters of 2022 and 2021, the Company completed its annual goodwill impairment test using the qualitative assessment. Based on all assessments performed, the Company believed it was more likely than not that the fair value of its reporting units were greater than their carrying amount and no additional impairment of goodwill was recognized.

In connection with the Company's segment realignment beginning in September 2021 described in greater detail below, the Company performed a quantitative assessment for each reporting unit utilizing a combination of the income and market approaches, the results of which were weighted evenly. No impairment was indicated in either annual test as the fair value of each reporting unit exceeded its respective carrying value.

2021 Segment Realignment

As further described in Note 20, beginning in September 2021 the Company realigned its operating and reportable segments. Based on these changes, the Company established two operating and reportable segments: Transportation Solutions ("TS") and Parts & Services ("P&S"). These operating and reportable segments were also determined to be the applicable reporting units for purposes of goodwill assignment and evaluation. In accordance with the relevant accounting guidance, the Company performed a quantitative impairment assessment of goodwill immediately prior to and subsequently following the change in segments and reporting units. The quantitative analyses did not result in any impairment charges as the fair value of each reporting unit exceeded the carrying value. In addition, as part of the change in segment structure, the Company reassigned goodwill from the historical Commercial Trailer Products ("CTP"), Diversified Products ("DPG"), and Final Mile Products ("FMP") reporting units to the TS and P&S reporting units using a relative fair value allocation approach as required by the relevant accounting guidance.

2021 Goodwill Allocation for Extract Technology®

As further described in Note 21, during the second quarter of 2021, the Company sold its Extract Technology® ("Extract") business that manufactured stainless steel isolators and downflow booths, as well as custom-fabricated equipment, including workstations and drum booths for the pharmaceutical, fine chemical, biotech, and nuclear end markets. Prior to the divestiture, Extract was an operating unit within the historical DPG reporting unit. In accordance with the relevant accounting guidance, as part of the sale the Company allocated $11.1 million of goodwill based upon the relative fair value of the Extract operating unit compared to the historical DPG reporting unit as a whole. This goodwill was included in the carrying value of the disposed assets and the resulting net gain recognized in connection with the sale. Prior to and subsequent to the divestiture, the Company performed an impairment assessment for the historical DPG reporting unit and concluded the fair value of the reporting unit continued to exceed the carrying value.

For the years ended December 31, 2023, 2022, and 2021, the changes in the carrying amounts of goodwill were as follows (in thousands):

	Transportation Solutions	Parts & Services	Total
Balance at December 31, 2021			
Goodwill	$ 188,764	$ 108,079	$ 296,843
Accumulated impairment losses	(68,257)	(40,143)	(108,400)
Net balance at December 31, 2021	120,507	67,936	188,443
Effects of foreign currency	(5)	(4)	(9)
Balance at December 31, 2022			
Goodwill	188,759	108,075	296,834
Accumulated impairment losses	(68,257)	(40,143)	(108,400)
Net balance as of December 31, 2022	120,502	67,932	188,434
Effects of foreign currency	(16)	(9)	(25)
Balance as of December 31, 2023			
Goodwill	188,743	108,066	296,809
Accumulated impairment losses	(68,257)	(40,143)	(108,400)
Net balance as of December 31, 2023	$ 120,486	$ 67,923	$ 188,409

Intangible Assets

Intangible asset amortization expense was $12.8 million, $15.2 million, and $22.9 million for 2023, 2022, and 2021, respectively. Annual intangible asset amortization expense for the next 5 fiscal years is estimated to be $12.2 million in 2024; $11.2 million in 2025; $10.7 million in 2026; $10.2 million in 2027; and $9.7 million in 2028.

As further described throughout our Annual Report on Form 10-K for the year ended December 31, 2021, on January 10, 2022, the Company completed its review and approval of its plan for rebranding as Wabash®. As part of the planning process, the Company assessed its usage of trade names and brand names in connection with the long-term growth strategy as One Wabash. Under the plan as approved, the Company no longer uses certain trade names or brand names, and predominantly uses Wabash (or variations thereof) to refer to the Company. The decision resulted in non-cash impairment charges of approximately $28.3 million (of which approximately $25.6 million related to the TS operating segment and $2.7 million to the P&S operating segment) during the fourth quarter of 2021 related to trade name and trademark intangible assets due to the significant reduction in the related useful lives of these assets. The impairment charges are included in *Impairment and other, net* in the Consolidated Statements of Operations.

Net intangible assets of approximately $1.3 million were written-off during the second quarter of 2021 in connection with the Extract® divestiture.

As of December 31, 2023, the balances of intangible assets, other than goodwill, were as follows (in thousands):

	Weighted Average Amortization Period	Gross Intangible Assets	Accumulated Amortization	Net Intangible Assets
Customer relationships	13 years	$ 270,016	$ (183,923)	$ 86,093
Technology	12 years	11,708	(11,383)	325
Total		$ 281,724	$ (195,306)	$ 86,418

As of December 31, 2022, the balances of intangible assets, other than goodwill, were as follows (in thousands):

	Weighted Average Amortization Period	Gross Intangible Assets	Accumulated Amortization	Net Intangible Assets
Customer relationships	13 years	270,016	(172,086)	97,930
Technology	12 years	11,708	(10,407)	1,301
Total		$ 281,724	$ (182,493)	$ 99,231

6. NONCONTROLLING INTEREST AND VARIABLE INTEREST ENTITIES ("VIEs")

VIEs & Consolidation

The Company consolidates those entities in which it has a direct or indirect controlling financial interest based on either the variable interest model (the "VIE model") or the voting interest model (the "VOE model").

VIEs are entities that, by design, either (i) lack sufficient equity to permit the entity to finance its activities without additional subordinated financial support from other parties, or (ii) have equity investors that do not have the ability to make significant decisions relating to the entity's operations through voting rights, or do not have the obligation to absorb the expected losses, or do not have the right to receive the residual returns of the entity.

The primary beneficiary of a VIE is required to consolidate the assets and liabilities of the VIE. The primary beneficiary is the party that has both (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance; and (ii) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE through its interest in the VIE.

To assess whether the Company has the power to direct the activities of a VIE that most significantly impact the VIE's economic performance, the Company considers all the facts and circumstances, including its role in establishing the VIE and its ongoing rights and responsibilities. This assessment includes identifying the activities that most significantly impact the VIE's economic performance and identifying which party, if any, has power over those activities. In general, the parties that make the most significant decisions affecting the VIE (typically management and representation on the board of directors as well as control of the overall strategic direction of the entity) and have the right to unilaterally remove those decision-makers are deemed to have the power to direct the activities of a VIE.

To assess whether the Company has the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE, the Company considers all of its economic interests, which primarily include the obligation to absorb losses or fund expenditures or losses (if needed), that are deemed to be variable interests in the VIE. This assessment requires the Company to apply judgment in determining whether these interests, in the aggregate, are considered potentially significant to the VIE. Factors considered in assessing the significance include: the design of the VIE, including its capitalization structure; subordination of interests; payment priority; relative share of interests held across various classes within the VIE's capital structure; and the reasons why the interests are held by the Company.

At the VIE's inception, the Company determines whether it is the primary beneficiary and if the VIE should be consolidated based on the facts and circumstances. The Company then performs on-going reassessments of the VIE based on reconsideration events and reevaluates whether a change to the consolidation conclusion is required each reporting period. If the Company is not deemed to be the primary beneficiary in a VIE, the Company accounts for the investment or other variable interests in a VIE in accordance with the applicable GAAP.

Entities that do not qualify as a VIE are assessed for consolidation under the VOE model. Under the VOE model, the Company consolidates the entity if it determines that it, directly or indirectly, has greater than 50% of the voting shares and that other equity holders do not have substantive voting, participating or liquidation rights. The Company has no entities consolidated under the VOE model.

At each reporting period, the Company reassesses whether it remains the primary beneficiary for VIEs consolidated under the VIE model.

If the Company concludes it is not the primary beneficiary of a VIE, the Company evaluates whether it has the ability to exercise significant influence over operating and financial policies of the entity requiring the equity method of accounting. The Company's judgment regarding the level of influence over an equity method investment includes, but is not limited to, considering key factors such as the Company's ownership interest (generally represented by ownership of at least 20 percent but not more than 50 percent), representation on the board of directors, participation in policy making decisions, technological dependency, and material intercompany transactions. Generally, under the equity method, investments are recorded at cost and subsequently adjusted by the Company's share of equity in income or losses after the date of the initial investment. Equity in income or losses is recorded according to the Company's level of ownership; if losses accumulate, the Company records its share of losses until the investment has been fully depleted. If the Company's investment has been fully depleted, the Company recognizes additional losses only when it is committed to provide further financial support. Dividends received from equity method investees reduce the amount of the Company's investment when received and do not impact the Company's earnings. The Company evaluates its equity method investments for an other-than-temporary impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable.

Linq Venture Holdings LLC

During the fourth quarter of 2023, the Company continued to unify and expand its parts and services capabilities and ecosystem by executing an agreement with a partner to create a new legal entity (Linq Venture Holdings LLC, "Linq") to develop and scale a digital marketplace in and for the transportation and logistics distribution industry. Linq is intended to be the digital channel to market Wabash equipment and parts & services, as well as non-Wabash parts & services, in a digital marketplace format to end-customers as well as dealers. The Company holds 49% ownership of the membership units in Linq while its partner holds 51%. Initial capital contributions to Linq were in proportion to the respective ownership interests. The Company's initial capital contribution was approximately $2.5 million while its partner's contribution was approximately $2.6 million. At its formation, Linq has no debt or other financial obligations other than typical operating expenses and costs. Creditors of Linq do not have recourse to the general credit of the Company. The operating agreement requires excess cash distributions, as defined in the agreement, no later than 30 days after the end of the second and fourth quarters of each year in proportion to the respective ownership interests.

The operating agreement provides the Company's partner with put rights that would require the Company to purchase its partner's interest in Linq. In addition, the operating agreement provides the Company with call rights that would allow it to purchase its partner's interest in Linq. These put and call rights vary depending upon when they may be exercised, which is generally from formation of Linq up to and including the seven-year anniversary of formation. Upon receiving notice that the Company's partner has exercised the put right or the Company has exercised the call right, a valuation will occur as stipulated within the operating agreement. Generally, the valuation stipulated within the operating agreement is materially equivalent to a fair value calculation. Such put and call rights have not been exercised by the Company's partner or the Company as of the current period end date.

Because Linq does not have sufficient equity at risk to permit it to carry on its activities without additional financial support, the Company concluded that Linq is a VIE. The Company has the ability to significantly influence the activities of Linq through minority representation on the Board of Directors as well as through participation in certain management and strategic decisions of Linq. The Company's partner is responsible for the overall development and management of the digital marketplace, the primary purpose for which Linq was formed. Both the Company and its partner have a requirement to provide funding to Linq if needed.

As part of the formation of Linq, the Company executed a credit agreement with Linq whereby a $10.0 million revolving line of credit (the "Wabash Note") with a 7% simple accrued interest rate, paid quarterly, is available to Linq. The commitment under the Wabash Note may be increased to $35.0 million subject to the approval of the Board of Directors as stipulated in the operating agreement. As of and through December 31, 2023, there were no amounts borrowed under the Wabash Note and the Company did not provide financial or other support to Linq that it was not contractually obligated to provide.

Given the facts and circumstances specific to Linq, the Company concluded that it is not the primary beneficiary of this VIE. However, the Company has the ability to exercise significant influence over the operating and financial policies of Linq. The Company's maximum exposure to loss in this unconsolidated VIE is limited to the Company's initial capital contribution and any amounts borrowed under the Wabash Note. The partner's put right does not have a standalone value as it based upon a fair value calculation when exercised, as stipulated in the operating agreement.

The Company's equity method investment in Linq is recorded in Investment in unconsolidated entity on its Consolidated Balance Sheets. Any amounts borrowed under the Wabash Note are recorded in *Other assets* on the Company's Consolidated Balance Sheets. Linq is considered operationally integral. The Company's share of the results from its equity method investment is included in *Loss from unconsolidated entity* in the Consolidated Statements of Operations.

Amounts recorded related to Linq are as follows (in thousands):

	December 31, 2023	December 31, 2022
Initial investment in unconsolidated entity	$ 2,450	$ —
Loss from unconsolidated entity for the year ended	(803)	—
Investment in unconsolidated entity	$ 1,647	$ —

Wabash Parts LLC

During the second quarter of 2022, the Company unified and expanded its parts and distribution capabilities by executing an agreement with a partner to create a new legal entity (Wabash Parts LLC, "WP") to operate a parts and services distribution platform. The Company holds 50% ownership in WP while its partner holds the remaining 50%. Initial capital contributions were insignificant. WP has no debt or other financial obligations other than typical operating expenses and costs. Creditors of WP do not have recourse to the general credit of the Company. The operating agreement requires excess cash distributions, as defined in the agreement, no later than 30 days after the end of the second and fourth quarters of each year in proportion to the respective ownership interests.

The operating agreement provides the Company's partner with a put right that would require the Company to purchase its partner's interest in WP. Upon receiving notice that the Company's partner has exercised the put right, a valuation will occur as stipulated within the operating agreement. Such put right has not been exercised by the Company's partner and is therefore not mandatorily redeemable as of the current period end date, however the existence of the put right that is beyond the Company's control requires the noncontrolling interest to be presented in the temporary equity section of the Company's Consolidated Balance Sheets.

Because the entity does not have sufficient equity at risk to permit it to carry on its activities without additional financial support, the Company concluded that WP is a VIE. The Company has the power to direct the activities of WP through majority representation on the Board of Directors as well as control related to the management and overall strategic direction of the entity. In addition, the Company has the obligation to absorb the benefits and losses of WP that could potentially be significant to the entity. The Company also has a requirement to provide funding to the entity if needed. Given the facts and circumstances specific to WP, the Company concluded that it is the primary beneficiary and, as such, is required to consolidate the entity. WP's results of operations are included in the Parts & Services operating and reportable segment. Through December 31, 2023, the Company did not provide financial or other support to this VIE that it was not contractually obligated to provide. As of December 31, 2023, the Company does not have any obligations to provide financial support to WP.

The following table presents the assets and liabilities of the WP VIE consolidated on the Company's Consolidated Balance Sheets as of December 31, 2023 and December 31, 2022 (in thousands):

	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 3,020	$ 1,379
Accounts receivable, net	1,540	1,509
Inventories, net	85	138
Prepaid expenses and other	68	16
Total current assets	4,713	3,042
Property, plant, and equipment, net	—	—
Other assets	543	141
Total assets	$ 5,256	$ 3,183
Liabilities		
Current liabilities:		
Accounts payable	$ 4,024	$ 2,136
Other accrued liabilities	26	23
Total current liabilities	4,050	2,159
Other non-current liabilities	—	—
Total liabilities	$ 4,050	$ 2,159

The following table is a rollforward of activities in the Company's noncontrolling interest (in thousands):

	2023	2022	2021
Balance at January 1	$ 512	$ —	$ —
Net income attributable to noncontrolling interest	603	512	—
Other comprehensive income (loss)	—	—	—
Distributions declared to noncontrolling interest	(512)	—	—
Balance at December 31	$ 603	$ 512	$ —

7. INVENTORIES

Inventories, net of reserves, consist of the following (in thousands):

	December 31,	
	2023	2022
Raw materials and components	$ 156,314	$ 176,080
Finished goods	86,586	50,005
Work in progress	14,102	9,983
Used trailers	3,370	737
Aftermarket parts	7,263	7,065
	$ 267,635	$ 243,870

8. PROPERTY, PLANT, AND EQUIPMENT

Depreciation expense on property, plant, and equipment, which is recorded in *Cost of sales* and *General and administrative expenses* in the Consolidated Statements of Operations, as appropriate, was $32.5 million, $31.8 million, and $24.3 million in 2023, 2022, and 2021, respectively, and includes depreciation of assets recorded in connection with the Company's finance lease agreement (which ended during the first quarter of 2022, at which point the property, plant, and equipment assets were legally owned by the Company).

See Note 21 for information related to property, plant, and equipment sales and impairment charges.

Property, plant, and equipment, net consist of the following (in thousands):

	December 31,	
	2023	2022
Land	$ 42,494	$ 42,342
Buildings and building improvements	159,046	149,052
Machinery and equipment	416,477	311,736
Construction in progress	52,417	94,018
	670,434	597,148
Less: accumulated depreciation	(344,990)	(326,032)
	$ 325,444	$ 271,116

9. OTHER ACCRUED LIABILITIES

The following table presents the major components of *Other accrued liabilities* (in thousands):

	December 31, 2023	December 31, 2022
Customer deposits	$ 45,586	$ 32,129
Chassis converter pool agreements	27,312	20,345
Warranty	21,286	22,061
Payroll and related taxes	40,265	29,219
Self-insurance	11,311	10,718
Accrued interest	3,817	3,854
Operating lease obligations	9,049	6,120
Accrued taxes	24,662	24,793
All other	12,313	9,088
	$ 195,601	$ 158,327

10. LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

	December 31, 2023	December 31, 2022
Senior Notes due 2028	$ 400,000	$ 400,000
Revolving Credit Agreement	—	—
	400,000	400,000
Less: unamortized discount and fees	(3,535)	(4,182)
Less: current portion	—	—
	$ 396,465	$ 395,818

Senior Notes due 2028

On October 6, 2021, the Company closed on an offering of $400 million in aggregate principal amount of its 4.50% unsecured Senior Notes due 2028 (the “New Senior Notes”). The New Senior Notes were issued pursuant to an indenture dated as of October 6, 2021, by and among the Company, certain subsidiary guarantors named therein (the “Guarantors”) and Wells Fargo Bank, National Association, as trustee (the “Indenture”). The New Senior Notes bear interest at the rate of 4.50% and pay interest semi-annually in cash in arrears on April 15 and October 15 of each year. The New Senior Notes will mature on October 15, 2028. At any time prior to October 15, 2024, the Company may redeem some or all of the New Senior Notes for cash at a redemption price equal to 100% of the aggregate principal amount of the New Senior Notes being redeemed plus an applicable make-whole premium set forth in the Indenture and accrued and unpaid interest to, but not including, the redemption date.

Prior to October 15, 2024, the Company may redeem up to 40% of the New Senior Notes at a redemption price of 104.500% of the principal amount, plus accrued and unpaid interest to, but not including, the redemption date, with the proceeds of certain equity offerings so long as if, after any such redemption occurs, at least 60% of the aggregate principal amount of the New Senior Notes remain outstanding. On and after October 15, 2024, the Company may redeem some or all of the New Senior Notes at redemption prices (expressed as percentages of principal amount) equal to 102.250% for the twelve-month period beginning on October 15, 2024, 101.125% for the twelve-month period beginning October 15, 2025 and 100.000% beginning on October 15, 2026, plus accrued and unpaid interest to, but not including, the redemption date. Upon the occurrence of a Change of Control (as defined in the Indenture), unless the Company has exercised its optional redemption right in respect of the New Senior Notes, the holders of the New Senior Notes will have the right to require the Company to repurchase all or a portion of the New Senior Notes at a price equal to 101% of the aggregate principal amount of the New Senior Notes, plus any accrued and unpaid interest to, but not including, the date of repurchase.

The New Senior Notes are guaranteed on a senior unsecured basis by all direct and indirect existing and future domestic restricted subsidiaries, subject to certain restrictions. The New Senior Notes and related guarantees are the Company's and the Guarantors' general unsecured senior obligations and will be subordinated to all of the Company and the Guarantors' existing and future secured debt to the extent of the assets securing that secured obligation. In addition, the New Senior Notes are structurally subordinated to any existing and future debt of any of the Company's subsidiaries that are not Guarantors, to the extent of the assets of those subsidiaries.

Subject to a number of exceptions and qualifications, the Indenture restricts the Company's ability and the ability of certain of its subsidiaries to: (i) incur additional indebtedness; (ii) pay dividends or make other distributions in respect of, or repurchase or redeem, its capital stock or with respect to any other interest or participation in, or measured by, its profits; (iii) make loans and certain investments; (iv) sell assets; (v) create or incur liens; (vi) enter into transactions with affiliates; and (vii) consolidate, merge or sell all or substantially all of its assets. These covenants are subject to a number of important exceptions and qualifications.

During any time when the New Senior Notes are rated investment grade by at least two of Moody's, Fitch and Standard & Poor's Ratings Services and no Default (as defined in the Indenture) has occurred and is continuing, many of such covenants will be suspended and the Company and its subsidiaries will cease to be subject to such covenants during such period.

The Indenture contains customary events of default, including payment defaults, breaches of covenants, failure to pay certain judgments and certain events of bankruptcy, insolvency and reorganization. If an event of default occurs and is continuing, the principal amount of the New Senior Notes, plus accrued and unpaid interest, if any, may be declared immediately due and payable. These amounts automatically become due and payable if an event of default relating to certain events of bankruptcy, insolvency or reorganization occurs. As of December 31, 2023, the Company was in compliance with all covenants.

The sale of the New Senior Notes resulted in net proceeds of approximately $395 million, after deducting financing fees and other offering expenses. The Company used the net proceeds of the New Senior Notes and a portion of the $50 million draw from the increased capacity under the Revolving Credit Agreement to fund the redemption in full of the Senior Notes due 2025, to repay in full the $108.8 million of outstanding borrowings under the term loan credit agreement entered into on September 28, 2020 (the "New Term Loan Credit Agreement") among the Company, the lenders from time to time party thereto, and Wells Fargo Bank, National Association, as the administrative agent, and to pay all related fees and expenses. (The New Term Loan Credit Agreement refinanced and replaced that certain Term Loan Credit Agreement, dated as of May 8, 2012 (as amended, restated, supplemented, or otherwise modified from time to time, the "Old Term Loan Credit Agreement"), among the Company, the lenders party thereto and Morgan Stanley Senior Funding, Inc., as the administrative agent.) Debt extinguishment charges totaling $9.1 million were recorded during the fourth quarter of 2021 in connection with the redemption in full of the Senior Notes due 2025 and the repayment in full of the outstanding borrowings under the New Term Loan Credit Agreement. The loss on debt extinguishment charges is included in *Other, net* on the Company's Consolidated Statements of Operations.

Contractual coupon interest expense and accretion of fees for the New Senior Notes for the years ended December 31, 2023, 2022 and 2021 were $18.0 million and $0.6 million, $18.0 million and $0.6 million, and $4.3 million and $0.1 million, respectively.

Contractual coupon interest expense and accretion of discount and fees for the Senior Notes due 2025, which were redeemed in full during the fourth quarter of 2021 as described above, for the year ended December 31, 2021, was $13.3 million and $0.5 million, respectively.

Contractual coupon interest expense and accretion of discount and fees are included in *Interest expense* on the Company's Consolidated Statements of Operations.

Revolving Credit Agreement

On September 23, 2022, the Company entered into the Third Amendment to the Second Amended and Restated Credit Agreement among the Company, certain of its subsidiaries as borrowers (together with the Company, the "Borrowers"), certain of its subsidiaries as guarantors, the lenders party thereto, and Wells Fargo Capital Finance, LLC, as the administrative agent (the "Agent"), which amended the Company's existing Second Amended and Restated Credit Agreement, dated as of December 21, 2018 (as amended from time to time, the "Revolving Credit Agreement").

Under the Revolving Credit Agreement, the lenders agree to make available a $350 million revolving credit facility to the Borrowers with a scheduled maturity date of September 23, 2027. The Company has the option to increase the total commitments under the facility by up to an additional $175 million, subject to certain conditions, including obtaining agreements from one or more lenders, whether or not party to the Revolving Credit Agreement, to provide such additional commitments. Availability under the Revolving Credit Agreement is based upon quarterly (or more frequent under certain circumstances) borrowing base certifications of the Borrowers' eligible inventory, eligible leasing inventory and eligible accounts receivable, and is reduced by certain reserves in effect from time to time.

Subject to availability, the Revolving Credit Agreement provides for a letter of credit subfacility in the amount of $25 million, and allows for swingline loans in the amount of $35 million. Outstanding borrowings under the Revolving Credit Agreement bear interest at an annual rate, at the Borrowers' election, equal to (i) adjusted term Secured Overnight Financing Rate plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the Revolving Credit Agreement. The Borrowers are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses of the Agent and the lenders.

The Revolving Credit Agreement is guaranteed by certain subsidiaries of the Company (the "Guarantors") and is secured by substantially all personal property of the Borrowers and the Guarantors.

The Revolving Credit Agreement contains customary covenants limiting the ability of the Company and certain of its subsidiaries to, among other things, pay cash dividends, incur debt or liens, redeem or repurchase stock, enter into transactions with affiliates, merge, dissolve, repay subordinated indebtedness, make investments and dispose of assets. In addition, the Company will be required to maintain a minimum fixed charge coverage ratio of not less than 1.0 to 1.0 as of the end of any period of 12 fiscal months when excess availability under the Revolving Credit Agreement is less than the greater of (a) 10% of the lesser of (i) the total revolving commitments and (ii) the borrowing base (such lesser amount, the "Line Cap") and (b) $25 million. As of December 31, 2023, the Company was in compliance with all covenants.

If availability under the Revolving Credit Agreement is less than the greater of (i) 10% of the Line Cap and (ii) $25 million for three consecutive business days, or if there exists an event of default, amounts in any of the Borrowers' and the Guarantors' deposit accounts (other than certain excluded accounts) will be transferred daily into a blocked account held by the Agent and applied to reduce the outstanding amounts under the facility.

The Revolving Credit Agreement contains customary events of default. If an event of default occurs and is continuing, the lenders may, among other things, require the immediate payment of all amounts outstanding and foreclose on collateral. In addition, in the case of an event of default arising from certain events of bankruptcy or insolvency, the lenders' obligations under the Revolving Credit Agreement would automatically terminate, and all amounts outstanding under the Revolving Credit Agreement would automatically become due and payable.

The Company's liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Agreement, amounted to $516.1 million as of December 31, 2023 and $401.2 million as of December 31, 2022.

During the year ended December 31, 2023, the Company had payments of principal of $104.2 million and borrowings of principal of $104.2 million under the Revolving Credit Agreement, and as of December 31, 2023, there were no amounts outstanding.

During the year ended December 31, 2022, the Company had net payments of principal of $130.6 million and net borrowings of principal of $97.6 million under the Revolving Credit Agreement, and as of December 31, 2022, there were no amounts outstanding.

Interest expense under the Revolving Credit Agreement for the years ended December 31, 2023, 2022, and 2021, was approximately $0.9 million, $1.7 million, and $0.6 million, respectively. Interest expense under the Revolving Credit Agreement is included in *Interest expense* on the Company's Consolidated Statements of Operations.

New and Old Term Loan Credit Agreements

As described above, in October 2021, the Company used the net proceeds of the New Senior Notes and a portion of the $50 million draw from the increased capacity under the Revolving Credit Agreement to repay in full the $108.8 million of outstanding borrowings under the New Term Loan Credit Agreement. In addition to the full repayment during the fourth quarter, during the second quarter of 2021, the Company made principal payments totaling $30.0 million and recognized loss on debt extinguishment charges of approximately $0.5 million. The extinguishment charges are included in *Other, net* in the Consolidated Statements of Operations.

For the year ended December 31, 2021, under the New Term Loan Credit Agreement the Company paid interest of $3.9 million. For the year ended December 31, 2021, the Company incurred charges of $0.2 million for amortization of fees and original issuance discount, which are included in *Interest expense* in the Consolidated Statements of Operations.

11. FINANCIAL DERIVATIVE INSTRUMENTS

Commodity Pricing Risk

As of December 31, 2023, the Company was party to commodity swap contracts for specific commodities with notional amounts of approximately $35.7 million. The Company uses commodity swap contracts to mitigate the risks associated with fluctuations in commodity prices impacting its cash flows related to inventory purchases from suppliers. The Company does not hedge all commodity price risk.

At inception, the Company designated the commodity swap contracts as cash flow hedges. The contracts mature at specified monthly settlement dates and will be recognized into earnings through November 2024. The effective portion of the hedging transaction is recognized in Accumulated Other Comprehensive Income (Loss) ("AOCI") and transferred to earnings when the forecasted hedged transaction takes place or when the forecasted hedged transaction is no longer probable to occur.

Financial Statement Presentation

As of December 31, 2023 and 2022, the fair value carrying amount of the Company's derivative instruments were recorded as follows (in thousands):

		Asset / (Liability) Derivatives	
	Balance Sheet Caption	**December 31, 2023**	**December 31, 2022**
Derivatives designated as hedging instruments			
Commodity swap contracts	Prepaid expenses and other	$ 1,511	$ 2,674
Commodity swap contracts	Accounts payable and Other accrued liabilities	(1,045)	(1,653)
Total derivatives designated as hedging instruments		$ 466	$ 1,021

The following table summarizes the gain or loss recognized in AOCI as of December 31, 2023 and 2022 and the amounts reclassified from AOCI into earnings for the years ended December 31, 2023, 2022, and 2021 (in thousands):

	Amount of Gain (Loss) Recognized in AOCI on Derivatives (Effective Portion, net of tax)		Location of Gain (Loss) Reclassified from AOCI into Earnings (Effective Portion)	Amount of Gain (Loss) Reclassified from AOCI into Earnings — Year Ended December 31,		
	December 31, 2023	**December 31, 2022**		**2023**	**2022**	**2021**
Derivatives instruments						
Commodity swap contracts	$ 388	$ 909	Cost of sales	$ (3,359)	$ 4,887	$ 54,937

Over the next 12 months, the Company expects to reclassify approximately $0.5 million of pretax deferred gains related to the commodity swap contracts from AOCI to cost of sales as inventory purchases are settled.

12. LEASES

Lessee Activities

The Company records a right-of-use ("ROU") asset and lease liability for substantially all leases for which it is a lessee, in accordance with ASC 842. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company recognizes lease expense for leases on a straight-line basis over the lease term. At inception of a contract, the Company considers all relevant facts and circumstances to assess whether or not the contract represents a lease by determining whether or not the contract conveys the right to control the use of an identified asset, either explicit or implicit, for a period of time in exchange for consideration.

The Company leases certain industrial spaces, office space, land, and equipment. Some leases include one or more options to renew, with renewal terms that can extend the lease term from generally one to 5 years. The exercise of lease renewal options is at the Company's sole discretion, and are included in the lease term only to the extent such renewal options are reasonably certain of being exercised upon lease commencement. Certain leases also include options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. Leased assets obtained in exchange for new operating lease liabilities during the year ended December 31, 2023 and December 31, 2022 were approximately $13.4 million and $16.6 million, respectively. As of December 31, 2023, obligations related to leases that the Company has executed but have not yet commenced were insignificant.

During the year ended December 31, 2022, the Company entered into sale-leaseback-sublease transactions. Such contracts were entered into in contemplation of each other and are thus recorded on a net basis. The net revenue from these contracts was insignificant for the year ended December 31, 2023. In addition, certain of the transactions occurred with a related party—such transactions were at market value and arm's length.

Leased assets and liabilities included within the Consolidated Balance Sheets consist of the following (in thousands):

	Classification	December 31, 2023	December 31, 2022
Right-of-Use Assets			
Operating	Other assets	$ 32,219	$ 23,003
Finance	Property, plant and equipment, net	—	—
Total leased ROU assets		$ 32,219	$ 23,003
Liabilities			
Current			
Operating	Other accrued liabilities	$ 9,049	$ 6,120
Finance	Current portion of finance lease obligations	—	—
Noncurrent			
Operating	Non-current liabilities	23,170	16,883
Finance	Finance lease obligations	—	—
Total lease liabilities		$ 32,219	$ 23,003

Lease costs included in the Consolidated Statements of Operations consist of the following (in thousands):

	Classification	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Operating lease cost	Cost of sales, selling expenses, and general and administrative expense	$ 8,869	$ 5,785
Finance lease cost			
Amortization of ROU leased assets	Depreciation and amortization within Cost of sales	—	36
Interest on lease liabilities	Interest expense	—	1
Net lease cost		$ 8,869	$ 5,822

Maturity of the Company's lease liabilities for leases that have commenced is as follows (in thousands):

	Operating Leases	Finance Leases	Total
2024	$ 10,418	$ —	$ 10,418
2025	9,364	—	9,364
2026	8,310	—	8,310
2027	4,349	—	4,349
2028	1,920	—	1,920
Thereafter	1,066	—	1,066
Total lease payments	$ 35,427	$ —	$ 35,427
Less: interest	3,208	—	
Present value of lease payments	$ 32,219	$ —	

As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. Remaining lease term and discount rates are as follows:

	December 31, 2023	December 31, 2022
Weighted average remaining lease term (years)		
Operating leases	3.8	4.3
Finance leases	0.0	0.0
Weighted average discount rate		
Operating leases	4.94 %	4.92 %
Finance leases	— %	— %

Lease costs included in the Consolidated Statements of Cash Flows are as follows (in thousands):

	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 8,866	$ 5,844
Operating cash flows from finance leases	$ —	$ 1
Financing cash flows from finance leases	$ —	$ 59

Lessor and Sublessor Activities

The Company leases dry van trailers to customers under full-service lease agreements and operating lease agreements. At the inception of a contract, in accordance with the applicable accounting guidance (ASC 842, *Leases*) the Company considers whether the arrangement contains a lease and, as applicable, performs the required lease classification tests. The Company, as a lessor, has no sales-type or direct financing lease arrangements as of December 31, 2023.

The Company's full-service lease agreements are an integrated service that include lease component amounts related to the use of the trailer, as well as non-lease components for preventative maintenance, certain repairs as defined in the related agreement, and ad valorem taxes. In accordance with the applicable accounting guidance (ASC 842, *Leases*), the Company has elected to combine lease and non-lease components when reporting revenue for the full-service underlying class of leased assets.

Initial lease terms are generally three to five years. Certain of the Company's leases provide customers with renewal options that provide the ability to extend the lease term for a period of generally one to five years. In addition, some leases include options for the customer to purchase the trailers at fair market value, as determined by the Company at or near the end of the lease. The Company's lease agreements generally do not have residual value guarantees nor permit customers to terminate the lease agreements prior to natural expiration. As stipulated in the lease agreements, the Company may receive reimbursements from customers for certain damage or required repairs to the trailers. We expect to derive an immaterial amount from the underlying assets following the end of the respective lease terms.

During the year ended December 31, 2022, the Company entered into sale-leaseback-sublease transactions. Such contracts were entered into in contemplation of each other and are thus recorded on a net basis. The net revenue from these contracts was insignificant for all periods presented but such revenue is included in the tables below.

Certain of the Company's leases and subleases are with a related party—such transactions were at market value and entered into at arm's length.

Lease income is included in *Net sales* on the Company's Consolidated Statements of Operations and is recorded in the P&S operating segment. For the twelve months ended December 31, 2023 and 2022, the Company's lease income consisted of the following components (in thousands):

	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Operating lease income		
Fixed lease income	$ 874	$ 125
Variable lease income	—	—
Total lease income[1]	$ 874	$ 125

(1) As noted above, net revenue related to subleases was insignificant for all periods presented but such revenue is included in the tables above.

The following table shows the Company's future contractual receipts from noncancelable operating leases for the years ended December 31 as of December 31, 2023 (in thousands):

	Operating Leases[1]
2024	$ 2,076
2025	2,064
2026	2,064
2027	1,950
2028	1,209
Thereafter	—
Total contractual receipts	$ 9,363

(1) The future contractual receipts due under the Company's full-service operating leases include amounts related to preventative maintenance, certain repairs as defined in the related agreements, and ad valorem taxes. Net revenue related to the Company's subleases are also included in the table above.

The leased trailers are recorded on the Company's Consolidated Balance Sheets within *Other assets* at cost, net of accumulated depreciation. Depreciation is recorded using the straightline method over the estimated useful lives of the trailers, which is generally 12 years. Revenue earning equipment, net consists of the following (in thousands):

	December 31, 2023	December 31, 2022
Revenue generating assets	$ 5,650	$ —
Less: accumulated depreciation	(186)	—
Revenue generating assets, net	$ 5,464	$ —

13. FAIR VALUE MEASUREMENTS

The Company's fair value measurements are based upon a three-level valuation hierarchy. These valuation techniques are based upon the transparency of inputs (observable and unobservable) to the valuation of an asset or liability as of the measurement date. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1 — Valuation is based on quoted prices for identical assets or liabilities in active markets;
- Level 2 — Valuation is based on quoted prices for similar assets or liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for the full term of the financial instrument; and
- Level 3 — Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

Recurring Fair Value Measurements

The Company maintains a non-qualified deferred compensation plan which is offered to senior management and other key employees. The amount owed to participants is an unfunded and unsecured general obligation of the Company. Participants are offered various investment options with which to invest the amount owed to them, and the plan administrator maintains a record of the liability owed to participants by investment. To minimize the impact of the change in market value of this liability, the Company has elected to purchase a separate portfolio of investments through the plan administrator similar to those chosen by the participant.

The investments purchased by the Company include mutual funds, which are classified as Level 1, and life-insurance contracts valued based on the performance of underlying mutual funds, which are classified as Level 2. Additionally, the Company holds a pool of investments made by a wholly owned captive insurance subsidiary. These investments are comprised of mutual funds, which are classified as Level 1.

The fair value of the Company's derivatives is estimated with a market approach using third-party pricing services, which have been corroborated with data from active markets or broker quotes.

Fair value measurements and the fair value hierarchy level for the Company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2023 and 2022 are shown below (in thousands):

	Frequency	Asset / (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2023					
Commodity swap contracts	Recurring	$ 466	$ —	$ 466	$ —
Mutual funds	Recurring	$ 11,735	$ 11,735	$ —	$ —
Life-insurance contracts	Recurring	$ 18,510	$ —	$ 18,510	$ —
December 31, 2022					
Commodity swap contracts	Recurring	$ 1,021	$ —	$ 1,021	$ —
Mutual funds	Recurring	$ 6,579	$ 6,579	$ —	$ —
Life-insurance contracts	Recurring	$ 15,509	$ —	$ 15,509	$ —

Estimated Fair Value of Debt

The estimated fair value of debt at December 31, 2023 consists of the Senior Notes due 2028 (see Note 10). The interest rates on the Company's borrowings under the Revolving Credit Agreement are adjusted regularly to reflect current market rates and thus carrying value approximates fair value for any borrowings. The fair value of the Senior Notes due 2028 as of December 31, 2023 and 2022 are based upon third party pricing sources, which generally do not represent daily market activity or represent data obtained from an exchange, and are classified as Level 2.

The Company's carrying and estimated fair value of debt at December 31, 2023 and December 31, 2022 were as follows (in thousands):

	December 31, 2023				December 31, 2022			
		Fair Value				Fair Value		
	Carrying Value	Level 1	Level 2	Level 3	Carrying Value	Level 1	Level 2	Level 3
Instrument								
Senior Notes due 2028	$ 396,465	$ —	$ 361,774	$ —	$ 395,818	$ —	$ 337,237	$ —
Revolving Credit Agreement	—	—	—	—	—	—	—	—
	$ 396,465	$ —	$ 361,774	$ —	$ 395,818	$ —	$ 337,237	$ —

The fair value of debt is based on current public market prices for disclosure purposes only. Unrealized gains or losses are not recognized in the financial statements as long-term debt is presented at carrying value, net of any unamortized premium or discount and unamortized deferred financing costs in the consolidated financial statements.

14. COMMITMENTS AND CONTINGENCIES

a. Litigation

As of December 31, 2023, the Company was named as a defendant or was otherwise involved in numerous legal proceedings and governmental examinations, including class action lawsuits, in connection with the conduct of its business activities, in various jurisdictions, both in the United States and internationally. Accrual for losses have been recorded for those matters deemed both probable and reasonably estimated. On the basis of information currently available to it, management does not believe that existing proceedings and investigations will have a material impact on our consolidated financial condition or liquidity if determined in a manner adverse to the Company. However, such matters are unpredictable, and we could incur judgments or enter into settlements for current or future claims that could materially and adversely affect our financial statements. Costs associated with the litigation and settlements of legal matters are reported within *General and administrative expenses* in the Consolidated Statements of Operations.

Legal Matter Estimated Liability

As of December 31, 2023, the Company was named as a defendant in California state court in two purported class action lawsuits, alleging wage and hour claims under California-specific employment laws (collectively, the “Matters”). The defense of both lawsuits is being handled in conjunction with one another. During the three months ended March 31, 2023, in accordance with ASC 450, the Company concluded a liability related to the Matters was probable and estimable. As such, an estimated liability of $3.0 million is included in *General & administrative expenses* in the Consolidated Statements of Operations for the year ended December 31, 2023. During the second quarter of 2023, the Company reached an agreement to resolve the Matters via settlement for an amount materially consistent with the estimated liability. The settlement proceeds will be paid in the first quarter of 2024.

Environmental Disputes

In August 2014, the Company received notice as a potentially responsible party (“PRP”) by the South Carolina Department of Health and Environmental Control (the “DHEC”) pertaining to the Philip Services Site located in Rock Hill, South Carolina pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) and corresponding South Carolina statutes. PRPs include parties identified through manifest records as having contributed to deliveries of hazardous substances to the Philip Services Site between 1979 and 1999. The DHEC’s allegation that the Company was a PRP arises out of four manifest entries in 1989 under the name of a company unaffiliated with Wabash National Corporation (or any of its former or current subsidiaries) that purport to be delivering a de minimis amount of hazardous waste to the Philip Services Site “c/o Wabash National Corporation.” As such, the Philip Services Site PRP Group (the “PRP Group”) notified Wabash in August 2014 that it was offering the Company the opportunity to resolve any liabilities associated with the Philip Services Site by entering into a Cash Out and Reopener Settlement Agreement (the “Settlement Agreement”) with the PRP Group, as well as a Consent Decree with the DHEC. The Company has accepted the offer from the PRP Group to enter into the Settlement Agreement and Consent Decree, while reserving its rights to contest its liability for any deliveries of hazardous materials to the Philips Services Site. The requested settlement payment is immaterial to the Company’s financial condition and results of operations, and as a result, if the Settlement Agreement and Consent Decree are finalized, the payment to be made by the Company thereunder is not expected to have a material adverse effect on the Company’s financial condition or results of operations.

On November 13, 2019, the Company received a notice that it was considered one of several PRPs by the Indiana Department of Environmental Management (“IDEM”) under CERCLA and state law related to substances found in soil and groundwater at a property located at 817 South Earl Avenue, Lafayette, Indiana (the “Site”). The Company has never owned or operated the Site, but the Site is near certain of the Company’s owned properties. In 2020, the Company agreed to implement a limited work plan to further investigate the source of the contamination at the Site and worked with IDEM and other PRPs to finalize the terms of the work plan. The Company submitted its initial site investigation report to IDEM during the third quarter of 2020, indicating that the data collected by the Company’s consultant confirmed that the Company’s properties are not the source of contamination at the Site. In December 2021, after completing further groundwater sampling work, the Company submitted to IDEM a supplemental written report, which again stated that the Company is not a responsible party and the Company’s properties are not a source of any contamination. In June 2022, the Company and other PRPs finalized Work Plan Addendum No. 3, which provided for additional groundwater sampling on another PRP property. The Company completed all additional sampling between the second quarter and fourth quarter of 2023, and all available information establishes there is no source of any contamination on the Company’s owned properties. As of December 31, 2023, based on the information available, the Company does not expect this matter to have a material adverse effect on its financial condition or results of operations.

b. Environmental Litigation Commitments and Contingencies

The Company generates and handles certain material, wastes and emissions in the normal course of operations that are subject to various and evolving federal, state and local environmental laws and regulations.

The Company assesses its environmental liabilities on an on-going basis by evaluating currently available facts, existing technology, presently enacted laws and regulations as well as experience in past treatment and remediation efforts. Based on these evaluations, the Company estimates a lower and upper range for treatment and remediation efforts and recognizes a liability for such probable costs based on the information available at the time. As of December 31, 2023, the Company had reserved an insignificant amount for estimated remediation costs for activities at existing and former properties which are recorded within *Other accrued liabilities* on the Consolidated Balance Sheets.

c. Letters of Credit

As of December 31, 2023, the Company had standby letters of credit totaling $6.0 million issued in connection with workers compensation claims and surety bonds.

d. Purchase Commitments

The Company has $35.7 million in purchase commitments at December 2023 for various raw material commodities, including aluminum, steel, nickel, and polyethylene, as well as other raw material components which are within normal production requirements.

e. Chassis Converter Pool Agreements

The Company obtains vehicle chassis for its specialized vehicle products directly from the chassis manufacturers under converter pool agreements. Chassis are obtained from the manufacturers based on orders from customers, and in some cases, for unallocated orders. The agreements generally state that the manufacturer will provide a supply of chassis to be maintained at the Company's facilities with the condition that we will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. In addition, the manufacturer typically retains the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to the manufacturer's dealers. The manufacturer also does not transfer the certificate of origin to the Company nor permit the Company to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer). Although the Company is party to related finance agreements with manufacturers, the Company has not historically settled, nor expects to in the future settle, any related obligations in cash. Instead, the obligation is settled by the manufacturer upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by the manufacturer. Accordingly, as of December 31, 2023, the Company's outstanding chassis converter pool with the manufacturer totaled $27.3 million and has included this financing agreement on the Company's Consolidated Balance Sheets within *Prepaid expenses and other* and *Other accrued liabilities*. All other chassis programs are handled as consigned inventory belonging to the manufacturer and totaled approximately $0.9 million. Under these agreements, if the chassis is not delivered to a customer within a specified time frame, the Company is required to pay a finance or storage charge on the chassis. Additionally, the Company receives finance support funds from manufacturers when the chassis are assigned into the Company's chassis pool. Typically, chassis are converted and delivered to customers within 90 days of the receipt of the chassis by the Company.

15. NET INCOME PER SHARE OF COMMON STOCK

Basic earnings per share is calculated based on the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined based on the weighted average number of common shares outstanding during the period combined with the incremental average common shares that would have been outstanding assuming the conversion of all potentially dilutive common shares into common shares as of the earliest date possible. The calculation of basic and diluted net income attributable to common stockholders per share is determined using net income applicable to common stockholders as the numerator and the number of shares included in the denominator as shown below (in thousands, except per share amounts).

	Year Ended December 31,		
	2023	2022	2021
Basic net income attributable to common stockholders per share:			
Net income attributable to common stockholders	$ 231,252	$ 112,258	$ 1,164
Weighted average common shares outstanding	47,011	48,626	50,684
Basic net income attributable to common stockholders per share	$ 4.92	$ 2.31	$ 0.02
Diluted net income attributable to common stockholders per share:			
Net income attributable to common stockholders	$ 231,252	$ 112,258	$ 1,164
Weighted average common shares outstanding	47,011	48,626	50,684
Dilutive stock options and restricted stock	1,019	1,255	924
Diluted weighted average common shares outstanding	48,030	49,881	51,608
Diluted net income attributable to common stockholders per share	$ 4.81	$ 2.25	$ 0.02

For the years ended December 31, 2023, 2022, and 2021, there were no options excluded from average diluted shares outstanding as the average market price of the common shares was greater than the exercise price.

16. STOCK-BASED COMPENSATION

On May 18, 2017, the shareholders of the Company approved the 2017 Omnibus Incentive Plan (the “2017 Incentive Plan”) which authorizes 3,150,000 shares for issuance under the plan. Awards granted under the 2017 Incentive Plan may be in the form of stock options, stock appreciation rights, restricted stock, restricted stock units, other share-based awards, and cash awards to directors, officers, and other eligible employees of the Company.

The Company recognizes all share-based awards to eligible employees based upon their grant date fair value. The Company’s policy is to recognize expense for awards that have service conditions only subject to graded vesting using the straight-line attribution method. In addition, the Company’s policy is to estimate expected forfeitures on share-based awards. Total stock-based compensation expense was $11.8 million, $9.7 million, and $7.1 million in the years ended December 31, 2023, 2022 and 2021, respectively, and is included in *Cost of sales*, *General and administrative expenses*, and *Selling expenses* within the Consolidated Statements of Operations. The amount of compensation cost related to non-vested restricted stock not yet recognized was approximately $13.5 million at December 31, 2023, for which the weighted average remaining life was approximately 1.8 years. There was no compensation cost related to non-vested stock options not yet recognized at December 31, 2023.

Restricted Stock

Restricted stock awards vest over a period of one to three years and may be based on the achievement of specific financial performance metrics and market conditions. Awards based strictly on time-based vesting and those awards with performance metrics are valued at the market price on the date of grant. The fair values of the awards that contain market conditions are estimated using a Monte Carlo simulation approach in a risk-neutral framework to model future stock price movements based upon historical volatility, risk-free rates of return, and correlation matrix. Restricted stock awards are generally forfeitable in the event of terminated employment prior to vesting.

A summary of all restricted stock activity during 2023 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Restricted Stock Outstanding at December 31, 2022	1,754,068	$ 16.05
Granted	630,445	25.56
Vested	(897,830)	13.97
Forfeited	(165,719)	13.76
Restricted Stock Outstanding at December 31, 2023	1,320,964	$ 22.29

During 2023, 2022, and 2021, the Company granted 630,445, 653,492, and 582,081 shares of restricted stock, respectively, with aggregate fair values on the date of grant of approximately $16.1 million, $11.9 million, and $10.2 million, respectively. The total fair value of restricted stock that vested during 2023, 2022, and 2021 was approximately $25.1 million, $8.9 million, and $5.0 million, respectively.

Stock Options

Stock options are awarded with an exercise price equal to the market price of the underlying stock on the date of grant, become fully exercisable three years after the date of grant, and expire ten years after the date of grant. No stock options have been granted by the Company since February 2015.

A summary of all stock option activity during 2023 is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value ($ in millions)
Options Outstanding at December 31, 2022	15,516	$ 13.67	1.8	$ 0.1
Exercised	(11,433)	$ 13.53		$ 0.2
Forfeited	—	$ —		
Expired	—	$ —		
Options Outstanding at December 31, 2023	4,083	$ 14.06	1.0	$ —
Options Exercisable at December 31, 2023	4,083	$ 14.06	1.0	$ —

The total intrinsic value of stock options exercised during 2023, 2022, and 2021 was approximately $0.2 million, $1.5 million, and $1.3 million, respectively.

17. STOCKHOLDERS' EQUITY

Share Repurchase Program

On February 15, 2024, the Company announced that the Board of Directors approved the repurchase of an additional $150 million in shares of common stock over a three-year period. This authorization was an increase to the previous $150 million repurchase program approved in August 2021 and the previous $100 million repurchase programs approved in November 2018, February 2017, and February 2016. The repurchase program is set to expire in February 2027. Stock repurchases under this program may be made in the open market or in private transactions at times and in amounts determined by the Company. As of December 31, 2023, $38.5 million remained available under the program.

Common and Preferred Stock

The Board of Directors has the authority to issue common and unclassed preferred stock of up to 200 million shares and 25 million shares, respectively, with par value of $0.01 per share, as well as to fix dividends, voting and conversion rights, redemption provisions, liquidation preferences, and other rights and restrictions.

Accumulated Other Comprehensive Income (Loss) ("AOCI")

Changes in AOCI by component, net of tax, for the years ended December 31, 2023, 2022, and 2021 are summarized as follows (in thousands):

	Foreign Currency Translation	Derivative Instruments	Total
Balances at December 31, 2020	$ (2,182)	$ 9,815	$ 7,633
Net unrealized gains (losses) arising during the period[a]	193	34,127	34,320
Less: Net realized gains (losses) reclassified to net loss[b]	—	41,094	41,094
Net change during the period	193	(6,967)	(6,774)
Balances at December 31, 2021	(1,989)	2,848	859
Net unrealized gains (losses) arising during the period[c]	198	1,727	1,925
Less: Net realized gains (losses) reclassified to net income[d]	—	3,666	3,666
Net change during the period	198	(1,939)	(1,741)
Balances at December 31, 2022	(1,791)	909	(882)
Net unrealized gains (losses) arising during the period[e]	975	(3,063)	(2,088)
Less: Net realized gains (losses) reclassified to net income[f]	—	(2,542)	(2,542)
Net change during the period	975	(521)	454
Balances at December 31, 2023	$ (816)	$ 388	$ (428)

[a] Derivative instruments net of $11.5 million of tax expense for the year ended December 31, 2021.
[b] Derivative instruments net of $13.8 million of tax expense for the year ended December 31, 2021.
[c] Derivative instruments net of $0.6 million of tax expense for the year ended December 31, 2022.
[d] Derivative instruments net of $1.2 million of tax expense for the year ended December 31, 2022.
[e] Derivative instruments net of $1.0 million of tax benefit for the year ended December 31, 2023.
[f] Derivative instruments net of $0.8 million of tax benefit for the year ended December 31, 2023.

18. EMPLOYEE SAVINGS PLANS

Substantially all of the Company's employees are eligible to participate in a defined contribution plan under Section 401(k) of the Internal Revenue Code. The Company also provides a non-qualified defined contribution plan for senior management and certain key employees. Both plans provide for the Company to match, in cash, a percentage of each employee's contributions up to certain limits. The Company's matching contribution and related expense for these plans was approximately $10.1 million, $9.1 million, and $8.0 million for 2023, 2022, and 2021, respectively.

19. INCOME TAXES

Income Before Income Taxes

The consolidated income before income taxes for 2023, 2022, and 2021 consists of the following (in thousands):

	Years Ended December 31,		
	2023	2022	2021
Domestic	$ 291,816	$ 144,443	$ 5,426
Foreign	2,869	1,992	(4,136)
Total income before income taxes	$ 294,685	$ 146,435	$ 1,290

Income Tax Expense

The consolidated income tax expense for 2023, 2022, and 2021 consists of the following components (in thousands):

	Years Ended December 31,		
	2023	2022	2021
Current			
Federal	$ 65,797	$ 34,490	$ 8,449
State	9,322	6,468	(1,098)
Foreign	1,170	321	922
	76,289	41,279	8,273
Deferred			
Federal	(14,889)	(5,911)	(9,423)
State	1,430	(1,703)	1,310
Foreign	—	—	(34)
	(13,459)	(7,614)	(8,147)
Total consolidated expense	$ 62,830	$ 33,665	$ 126

The following table provides a reconciliation of differences from the U.S. Federal statutory rates as follows (in thousands):

	Years Ended December 31,		
	2023	2022	2021
Pretax book income	$ 294,685	$ 146,435	$ 1,290
Federal tax expense at applicable statutory rate	61,884	30,751	271
State and local income taxes	9,398	3,669	212
Impairment and divestiture	—	—	870
Tax credits	(9,572)	(2,422)	(2,065)
Nondeductible officer (benefit) compensation	(546)	977	390
Compensation (benefit) expense	(1,563)	1,013	964
Other	3,229	(323)	(516)
Total income tax expense	$ 62,830	$ 33,665	$ 126

Deferred Taxes

The Company’s deferred income taxes are primarily due to temporary differences between financial and income tax reporting for incentive compensation, depreciation of property, plant and equipment, amortization of intangibles, and other accrued liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Companies are required to assess whether valuation allowances should be established against their deferred tax assets based on the consideration of all available evidence, both positive and negative, using a “more likely than not” standard. In making such judgments, significant weight is given to evidence that can be objectively verified.

The Company assesses, on a quarterly basis, the realizability of its deferred tax assets by evaluating all available evidence, both positive and negative, including: (1) the cumulative results of operations in recent years, (2) the nature of recent losses, if applicable, (3) estimates of future taxable income, (4) the length of net operating loss carryforwards (“NOLs”) and (5) the uncertainty associated with a possible change in ownership, which imposes an annual limitation on the use of these carryforwards.

As of December 31, 2023 and 2022, the Company retained a valuation allowance of $0.7 million and $0.8 million, respectively, against deferred tax assets related to various state and local NOLs that are subject to restrictive rules for future utilization.

As of December 31, 2023 and 2022, the Company had no U.S. federal tax NOLs. The Company incurred a net loss in 2020 and fully utilized that loss in carrybacks. The Company has various multi-state income tax NOLs aggregating approximately $47.5 million which will expire between 2024 and 2043, if unused.

The components of deferred tax assets and deferred tax liabilities as of December 31, 2023 and 2022 were as follows (in thousands):

	December 31,	
	2023	2022
Deferred tax assets		
Tax credits and loss carryforwards	$ 2,128	$ 2,929
Accrued liabilities	8,242	5,965
Incentive compensation	8,131	6,960
Operating lease assets	8,102	5,878
Research expenditure amortization	22,160	7,739
Other	2,730	6,560
	51,493	36,031
Deferred tax liabilities		
Property, plant and equipment	(21,731)	(22,991)
Intangibles	(32,773)	(30,188)
Operating lease liabilities	(8,102)	(5,878)
Other	(5,182)	(3,957)
	(67,788)	(63,014)
Net deferred tax liability before valuation allowances and reserves	(16,295)	(26,983)
Valuation allowances	(718)	(775)
Net deferred tax liability	$ (17,013)	$ (27,758)

Tax Reserves

The Company's policy with respect to interest and penalties associated with reserves or allowances for uncertain tax positions is to classify such interest and penalties in *Income tax expense (benefit)* on the Consolidated Statements of Operations. As of December 31, 2023 and 2022, the total amount of unrecognized income tax benefits, which are included in either *Other noncurrent liabilities* or *Deferred income taxes* in the Company's Consolidated Balance Sheets, was approximately $4.8 million and $2.4 million, respectively, including interest and penalties, all of which, if recognized, would impact the effective income tax rate of the Company. As of December 31, 2023 and 2022, the Company had recorded a total of $0.9 million and $0.9 million, respectively, of accrued interest and penalties related to uncertain tax positions. The Company expects no significant changes to the facts and circumstances underlying its reserves and allowances for uncertain income tax positions as reasonably possible during the next 12 months. As of December 31, 2023, the Company is subject to unexpired statutes of limitation for U.S. federal income taxes for the years 2020 through 2022. The Company is also subject to unexpired statutes of limitation for Indiana state income taxes for the years 2020 through 2022.

20. SEGMENTS

Segment Reporting

Based on how the Chief Operating Decision Maker ("CODM") manages the business, allocates resources, makes operating decisions, and evaluates operating performance, the Company manages its business in two operating and reportable segments: Transportation Solutions and Parts & Services.

Additional information related to the composition of each segment is included below.

- Transportation Solutions ("TS"): The TS segment comprises the design and manufacturing operations for the Company's transportation-related equipment and products. This includes dry and refrigerated van trailers, platform trailers, and the Company's wood flooring production facility. The Company's EcoNex™ products, which are under the Company's Acutherm™ portfolio of solutions designed for intelligent thermal management, are also reported in the TS segment. In addition, the TS segment includes tank trailers and truck-mounted tanks. Finally, truck-mounted dry and refrigerated bodies and service and stake bodies are also in the TS segment.

- Parts & Services ("P&S"): The P&S segment is comprised of the Company's parts and services businesses as well as the upfitting component of our truck bodies business. In addition, the Company's Composites business, which focuses on the use of DuraPlate® composite panels beyond the semi-trailer market, is also part of the P&S segment. This segment also includes the Wabash Parts LLC and Linq Venture Holdings LLC entities we created with our partners during the second quarter of 2022 and the fourth quarter of 2023 as further described in Note 6. Our Trailers as a Service (TAAS) initiatives are included in the P&S segment as well. Finally, the P&S segment includes the Company's Engineered Products business, which manufactures stainless-steel storage tanks and silos, mixers, and processors for a variety of end markets. Growing and expanding the parts and services businesses is a key strategic initiative for the Company moving forward.

The accounting policies of the TS and P&S segments are the same as those described in the summary of significant accounting policies except that the Company evaluates segment performance based on income (loss) from operations. The Company has not allocated certain corporate related administrative costs, interest, and income taxes included in the corporate and eliminations segment to the Company's other reportable segments. The Company accounts for intersegment sales and transfers at cost. Segment assets are not presented as it is not a measure reviewed by the CODM in allocating resources and assessing performance.

Reportable segment information is as follows (in thousands):

	Transportation Solutions	Parts & Services	Corporate and Eliminations	Consolidated
2023				
Net sales				
External customers	$ 2,320,274	$ 216,226	$ —	$ 2,536,500
Intersegment sales	18,330	4,647	(22,977)	—
Total net sales	$ 2,338,604	$ 220,873	$ (22,977)	$ 2,536,500
Depreciation and amortization	$ 40,443	$ 2,201	$ 2,676	$ 45,320
Income (loss) from operations	$ 366,928	$ 44,649	$ (99,628)	$ 311,949
2022				
Net sales				
External customers	$ 2,312,637	$ 189,492	$ —	$ 2,502,129
Intersegment sales	8,277	3,984	(12,261)	—
Total net sales	$ 2,320,914	$ 193,476	$ (12,261)	$ 2,502,129
Depreciation and amortization	$ 41,187	$ 2,717	$ 3,065	$ 46,969
Income (loss) from operations	$ 209,942	$ 30,558	$ (73,858)	$ 166,642
2021				
Net sales				
External customers	$ 1,628,694	$ 174,574	$ —	$ 1,803,268
Intersegment sales	4,625	2,592	(7,217)	—
Total net sales	$ 1,633,319	$ 177,166	$ (7,217)	$ 1,803,268
Depreciation and amortization	$ 41,819	$ 4,781	$ 2,242	$ 48,842
Income (loss) from operations	$ 61,869	$ 20,201	$ (48,528)	$ 33,542

Customer Concentration

The Company is subject to a concentration of risk as the five largest customers together accounted for approximately 32%, 33%, and 30% of the Company's aggregate net sales in 2023, 2022, and 2021, respectively. Our largest customer accounted for 12% of our aggregate net sales in 2023. No individual customer accounted for more than 10% of our aggregate net sales in either 2022 or 2021. International sales accounted for less than 10% in each of the last three years.

Product Information

The Company offers products primarily in four general categories: (1) new trailers, (2) used trailers, (3) components, parts and services, and (4) equipment and other (which includes new truck body sales). The following table sets forth the major product categories and their percentage of consolidated net sales (dollars in thousands):

Year ended December 31, 2023	Transportation Solutions	Parts & Services	Eliminations	Consolidated	
New trailers	$ 1,924,700	$ —	$ (5,901)	$ 1,918,799	75.7%
Used trailers	—	4,978	—	4,978	0.2%
Components, parts and services	—	148,256	—	148,256	5.8%
Equipment and other	413,904	67,639	(17,076)	464,467	18.3%
Total net external sales	$ 2,338,604	$ 220,873	$ (22,977)	$ 2,536,500	100.0%

Year ended December 31, 2022	Transportation Solutions	Parts & Services	Eliminations	Consolidated	
New trailers	$ 2,012,428	$ 1,722	$ (1,286)	$ 2,012,864	80.4%
Used trailers	—	2,905	—	2,905	0.1%
Components, parts and services	—	139,762	—	139,762	5.6%
Equipment and other	308,486	49,087	(10,975)	346,598	13.9%
Total net external sales	$ 2,320,914	$ 193,476	$ (12,261)	$ 2,502,129	100.0%

Year ended December 31, 2021	Transportation Solutions	Parts & Services	Eliminations	Consolidated	
New trailers	$ 1,354,375	$ 179	$ (181)	$ 1,354,373	75.0%
Used trailers	165	2,349	—	2,514	0.1%
Components, parts and services	—	131,929	—	131,929	7.3%
Equipment and other	278,779	42,709	(7,036)	314,452	17.4%
Total net external sales	$ 1,633,319	$ 177,166	$ (7,217)	$ 1,803,268	100.0%

21. IMPAIRMENT, DIVESTITURES, AND SALES OF PROPERTY, PLANT, AND EQUIPMENT

During the first quarter of 2022, the Company impaired approximately $1.0 million of construction-in-progress projects that were no longer expected to be completed. In addition, the Company sold a building (and the related land) for net proceeds of $1.1 million. A gain on sale of approximately $0.7 million was recognized as part of the sale. The impairment and gain on sale are included in *Impairment and other, net* in the Consolidated Statements of Operations.

During the second quarter of 2021, the Company sold its Extract Technology® ("Extract") business that manufactured stainless steel isolators and downflow booths, as well as custom-fabricated equipment, including workstations and drum booths for the pharmaceutical, fine chemical, biotech, and nuclear end markets. Proceeds of the sale, net of transaction costs and cash divested, totaled approximately $20.8 million. Prior to the sale, Extract was an operating unit within the historical DPG reporting segment. A gain on sale of approximately $1.9 million was recognized in connection with the divestiture, and a portion of the net proceeds from the sale were used to pay down outstanding principal under the New Term Loan Credit Agreement as further described in Note 10. The gain on sale is included in *Impairment and other, net* in the Consolidated Statements of Operations. In accordance with the relevant accounting guidance, as part of the sale the Company allocated $11.1 million of goodwill based upon the relative fair value of the Extract operating unit compared to the historical DPG reporting unit as a whole. This goodwill, along with net intangible assets of approximately $1.3 million, were included in the carrying value of the disposed assets and the resulting gain recognized in connection with the sale.

During the first quarter of 2021, the Company impaired unused and obsolete property, plant, and equipment assets totaling approximately $0.8 million. The impairment charges are included in *Impairment and other, net* in the Consolidated Statements of Operations.

22. CONSOLIDATED QUARTERLY FINANCIAL DATA (UNAUDITED)

The following is a summary of the unaudited quarterly results of operations for fiscal years 2023, 2022, and 2021 (dollars in thousands, except per share amounts):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2023				
Net sales	$ 620,952	$ 686,620	$ 632,828	$ 596,100
Gross profit	$ 116,027	$ 151,027	$ 122,910	$ 108,223
Net income attributable to common stockholders	$ 51,213	$ 74,328	$ 55,329	$ 50,382
Basic net income attributable to common stockholders per share[(1)]	$ 1.07	$ 1.57	$ 1.18	$ 1.10
Diluted net income attributable to common stockholders per share[(1)]	$ 1.04	$ 1.54	$ 1.16	$ 1.07
2022				
Net sales	$ 546,761	$ 642,769	$ 655,150	$ 657,449
Gross profit	$ 58,055	$ 78,034	$ 92,005	$ 94,597
Net income attributable to common stockholders	$ 12,074	$ 22,552	$ 36,170	$ 41,462
Basic net income attributable to common stockholders per share[(1)]	$ 0.25	$ 0.46	$ 0.75	$ 0.86
Diluted net income attributable to common stockholders per share[(1)]	$ 0.24	$ 0.46	$ 0.73	$ 0.84
2021				
Net sales	$ 392,003	$ 449,422	$ 482,566	$ 479,277
Gross profit	$ 47,166	$ 55,608	$ 51,045	$ 42,648
Net income (loss) attributable to common stockholders	$ 3,217	$ 12,252	$ 11,008	$ (25,313)
Basic net income (loss) attributable to common stockholders per share[(1)]	$ 0.06	$ 0.24	$ 0.22	$ (0.51)
Diluted net income (loss) attributable to common stockholders per share[(1)]	$ 0.06	$ 0.24	$ 0.22	$ (0.51)

(1) Basic and diluted net income (loss) attributable to common stockholders per share is computed independently for each of the quarters presented. Therefore, the sum of the quarterly net income (loss) attributable to common stockholders per share may differ from annual net income (loss) attributable to common stockholders per share due to rounding.

ITEM 9—CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A—CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance to our management and board of directors that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Based on an evaluation conducted under the supervision and with the participation of the Company's management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2023, including those procedures described below, we, including our Chief Executive Officer and our Chief Financial Officer, determined that those controls and procedures were effective.

Changes in Internal Controls

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the fourth quarter of fiscal year 2023 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Report of Management on Internal Control over Financial Reporting

The management of Wabash National Corporation ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with U.S. generally accepted accounting principles; (3) provide reasonable assurance that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (4) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2023, based on criteria for effective internal control over financial reporting described in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO). Based on this assessment, management has concluded that internal control over financial reporting is effective as of December 31, 2023.

Ernst & Young LLP, an Independent Registered Public Accounting Firm, has audited the Company's consolidated financial statements as of and for the year ended December 31, 2023, and its report on internal controls over financial reporting as of December 31, 2023, appears on the following page.

Brent L. Yeagy	President and Chief Executive Officer
Michael N. Pettit	Senior Vice President and Chief Financial Officer

February 22, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Wabash National Corporation

Opinion on Internal Control Over Financial Reporting

We have audited Wabash National Corporation's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Wabash National Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31,2023, and the related notes and our report dated February 22, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Indianapolis, Indiana
February 22, 2024

ITEM 9B—OTHER INFORMATION

(c)

During the three months ended December 31, 2023, none of our directors or executive officers adopted or terminated any “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 9C—DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10—DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The Company hereby incorporates by reference the information contained under the heading “Information About Our Executive Officers” from Item 1 Part I of this Annual Report.

The Company hereby incorporates by reference the information contained under the headings “Delinquent Section 16(a) Reports,” “Proposal 1 - Election of Directors” and “Corporate Governance” from its definitive Proxy Statement to be delivered to stockholders of the Company and filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report in connection with the 2024 Annual Meeting of Stockholders to be held May 22, 2024.

Code of Ethics

As part of our system of corporate governance, our Board of Directors has adopted a Code of Business Conduct and Ethics (“Code of Ethics”) that is specifically applicable to our Chief Executive Officer and Senior Financial Officers. This Code of Ethics is available within the Corporate Governance section of the Investor Relations page of our website at ir.onewabash.com. The content on any website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report on Form 10-K unless expressly noted. We will disclose any waivers for our Chief Executive Officer or Senior Financial Officers under, or any amendments to, our Code of Ethics by posting such information on our website at the address above.

ITEM 11—EXECUTIVE COMPENSATION

The Company hereby incorporates by reference the information contained under the headings “Compensation Discussion and Analysis,” “Compensation Committee Report,” “Executive Compensation Tables,” and “Corporate Governance—Director Compensation” from its definitive Proxy Statement to be delivered to the stockholders of the Company and filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report in connection with the 2024 Annual Meeting of Stockholders to be held May 22, 2024.

ITEM 12—SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The Company hereby incorporates by reference the information contained under the headings “Beneficial Ownership Information—Beneficial Ownership of Common Stock” and “Equity Compensation Plan Information” from its definitive Proxy Statement to be delivered to the stockholders of the Company and filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report in connection with the 2024 Annual Meeting of Stockholders to be held on May 22, 2024.

ITEM 13—CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The Company hereby incorporates by reference the information contained under the headings “Corporate Governance—Board Structure and its Role in Risk Oversight—Director Independence” and “Corporate Governance—Related Persons Transactions Policy” from its definitive Proxy Statement to be delivered to the stockholders of the Company and filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report in connection with the 2024 Annual Meeting of Stockholders to be held on May 22, 2024.

ITEM 14—PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by Item 14 of this form and the Audit Committee’s pre-approval policies and procedures regarding the engagement of the principal accountant are incorporated herein by reference to the information contained under the heading “Proposal 3—Ratification of Appointment of Independent Registered Public Accounting Firm” from the Company’s definitive Proxy Statement to be delivered to the stockholders of the Company and filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report in connection with the 2024 Annual Meeting of Stockholders to be held on May 22, 2024.

PART IV

ITEM 15—EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) *Financial Statements:* The Company has included all required financial statements in Item 8 of this Annual Report. The financial statement schedules have been omitted as they are not applicable, or the required information is included in the Notes to the consolidated financial statements.

(b) *Exhibits:* Reference is made to the Exhibit Index of this Annual Report for a list of exhibits filed with this Annual Report or incorporated herein by reference to the document.

ITEM 16 – FORM 10-K SUMMARY

None.

EXHIBIT INDEX

No.	Description
3.01	Amended and Restated Certificate of Incorporation of the Company, as amended (5)
3.02	Amended and Restated Bylaws of the Company, as amended (15)
4.01	Specimen Stock Certificate (1)
4.02	Indenture, dated as of October 6, 2021, by and among Wabash National Corporation, the several guarantors named therein and Wells Fargo Bank, National Association, as trustee (14)
4.03	Form of 4.50% Senior Notes due 2028 (14)
4.04	Description of Securities (9)
10.01#	2011 Omnibus Incentive Plan (3)
10.02#	2017 Omnibus Incentive Plan (6)
10.03#	Change in Control Severance Pay Plan (4)
10.04#	Wabash National Corporation Executive Severance Plan (2)
10.05#	Form of Wabash National Corporation Time-Vesting Restricted Stock Unit Agreement for awards granted to employees under the 2017 Omnibus Incentive Plan (12)
10.06#	Wabash National Corporation Supplemental Plan, effective May 12, 2020 (10)
10.07#	Form of Wabash National Corporation Restricted Stock Unit Agreement for awards granted to non-employee directors under the 2017 Omnibus Incentive Plan prior to 2024 (10)
10.08#	Form of Wabash National Corporation Performance-Based Restricted Stock Unit Agreement for awards granted to employees under the 2017 Omnibus Incentive Plan (12)
10.09	Second Amended and Restated Credit Agreement dated December 21, 2018, among Wabash National Corporation, certain subsidiaries of Wabash National Corporation, the lenders from time to time party thereto and Wells Fargo Capital Finance, LLC, as administrative agent (8)
10.10	First Amendment to Second Amended and Restated Credit Agreement, dated September 28, 2020, among Wabash National Corporation, certain of its subsidiaries party thereto, Wells Fargo Capital Finance, LLC, as the arranger and administrative agent for the Lenders, and the Lenders party thereto (11)
10.11	Increase Agreement Regarding Incremental Revolver Commitments and Second Amendment to Second Amended and Restated Credit Agreement, dated as of September 28, 2021, among Wabash National Corporation, certain of its subsidiaries party thereto, the lenders party thereto, and Wells Fargo Capital Finance, LLC, as the administrative agent (13)
10.12	Third Amendment to Second Amended and Restated Credit Agreement dated as of September 23, 2022, among Wabash National Corporation, certain subsidiaries of Wabash National Corporation, the lenders from time-to-time party thereto and Wells Fargo Capital Finance, LLC as arranger and administrative agent (16)
10.13#	Form of Indemnification Agreement with Directors and Executive Officers (7)
10.14#	Form of Wabash National Corporation Restricted Stock Unit Agreement for awards to be granted to non-employee directors under the 2017 Omnibus Incentive Plan after 2023 (17)
21.1	List of Significant Subsidiaries (17)
23.1	Consent of Ernst & Young LLP (17)
31.1	Certification of Principal Executive Officer (17)
31.2	Certification of Principal Financial Officer (17)
32.1	Written Statement of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) (17)
97.1	Wabash National Corporation Compensation Recovery Policy (17)

101	The following materials from Wabash National Corporation's Annual Report on Form 10-K for the year ended December 31, 2023 are filed herewith, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Consolidated Balance Sheets at December 31, 2023 and 2022, (ii) the Consolidated Statements of Operations for the twelve months ended December 31, 2023, 2022, and 2021, (iii) the Consolidated Statements of Comprehensive Income (Loss) for the twelve months ended December 31, 2023, 2022, and 2021, (iv) the Consolidated Statements of Stockholders' Equity for the twelve months ended December 31, 2023, 2022, and 2021, (v) the Consolidated Statements of Cash Flows for the twelve months ended December 31, 2023, 2022, and 2021, (vi) Notes to the Consolidated Financial Statements, (vii) the information in Part I, Item 1C Cybersecurity, and (viii) the information in Part II, Item 9B Other Information. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document. (17)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) (17)

#	Management contract or compensatory plan
(1)	Incorporated by reference to the Registrant's registration statement on Form S-3 (Registration No. 333-27317) filed on May 16, 1997
(2)	Incorporated by reference to the Registrant's Form 8-K filed on December 16, 2015 (File No. 001-10883)
(3)	Incorporated by reference to the Registrant's Form 8-K filed on May 25, 2011 (File No. 001-10883)
(4)	Incorporated by reference to the Registrant's Form 8-K filed on September 14, 2011 (File No. 001-10883)
(5)	Incorporated by reference to the Registrant's Form 10-Q filed on November 1, 2011 (File No. 001-10883)
(6)	Incorporated by reference to the Registrant's Form S-8 filed on May 18, 2017 (File No. 333-218085)
(7)	Incorporated by reference to the Registrant's Form 8-K filed on December 15, 2017 (File No. 001-10883)
(8)	Incorporated by reference to the Registrant's Form 8-K filed on December 27, 2018 (File No. 001-10883)
(9)	Incorporated by reference to the Registrant's Form 10-K filed on February 25, 2020 (File No. 001-10883)
(10)	Incorporated by reference to the Registrant's Form 10-Q filed on July 29, 2020 (File No. 001-10883)
(11)	Incorporated by reference to the Registrant's Form 8-K filed on September 30, 2020 (File No. 001-10883)
(12)	Incorporated by reference to the Registrant's Form 10-K filed on February 25, 2021 (File No. 001-10883)
(13)	Incorporated by reference to the Registrant's Form 8-K filed on September 29, 2021 (File No 001-10883)
(14)	Incorporated by reference to the Registrant's Form 8-K filed on October 6, 2021 (File No 001-10883)
(15)	Incorporated by reference to the Registrant's Form 8-K filed on February 22, 2022 (File No 001-10883)
(16)	Incorporated by reference to the Registrant's Form 8-K filed on September 26, 2022 (File No 001-10883)
(17)	Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

WABASH NATIONAL CORPORATION

February 22, 2024	By:	/s/ Michael N. Pettit
		Michael N. Pettit Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature and Name	Title	Date
/s/ Brent L. Yeagy Brent L. Yeagy	President and Chief Executive Officer, Director (Principal Executive Officer)	February 22, 2024
/s/ Michael N. Pettit Michael N. Pettit	Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 22, 2024
/s/ Larry J. Magee Larry J. Magee	Chairman of the Board of Directors	February 22, 2024
/s/ Therese M. Bassett Therese M. Bassett	Director	February 22, 2024
/s/ John G. Boss John G. Boss	Director	February 22, 2024
/s/ Trent J. Broberg Trent J. Broberg	Director	February 22, 2024
/s/ Ann D. Murtlow Ann D. Murtlow	Director	February 22, 2024
/s/ Sudhanshu Priyadarshi Sudhanshu Priyadarshi	Director	February 22, 2024
/s/ Scott K. Sorensen Scott K. Sorensen	Director	February 22, 2024
/s/ Stuart A. Taylor II Stuart A. Taylor II	Director	February 22, 2024

WABASH NATIONAL CORPORATION
2017 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT
FOR AWARDS GRANTED TO
NON-EMPLOYEE DIRECTORS

Wabash National Corporation (the "Company") hereby grants Restricted Stock Units relating to shares of its common stock, $.01 par value, ("Shares"), to the individual named below as the Grantee, subject to the vesting conditions set forth in the attachment. Additional terms and conditions of the grant are set forth in this cover sheet and in the attachment (collectively the "Agreement"), and in the Company's 2017 Omnibus Incentive Plan (the "Plan").

Date of Grant:	_________________________
Name of Grantee:	[NAME], residing at [ADDRESS]
Number of Restricted Stock Units Covered by Grant:	_________________________

You agree to all of the terms and conditions described in this Agreement and in the Plan (a copy of which will be provided on request) unless you deliver a notice in writing within 30 days of receipt of this award agreement to the Company's Compensation Manager stating that you do not accept the terms and conditions described in this Agreement and in the Plan. You acknowledge that you have carefully reviewed the Plan and agree that the Plan will control in the event any provision of this Agreement should appear to be inconsistent with the terms of the Plan.

This is not a stock certificate or a negotiable instrument.

WABASH NATIONAL CORPORATION
2017 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT
NON-EMPLOYEE DIRECTOR

Restricted Stock Unit Transferability
This grant is an award of Restricted Stock Units in the number of units set forth on the cover sheet, subject to the vesting and other conditions described below ("RSUs"). Your RSUs may not be transferred, assigned, pledged or hypothecated, whether by operation of law or otherwise, nor may the RSUs be made subject to execution, attachment or similar process.

Definitions

Capitalized terms not defined in this Agreement are defined in the Plan, and have the meaning set forth in the Plan.

Vesting
Except as otherwise provided below, your right to the RSUs under this Agreement vests as to the total number of Shares covered by this grant, as shown on the cover sheet, on (i) to the extent any deferral election (any "Deferral Election") under the Company's Supplemental Plan has been made with respect to the RSUs, the first anniversary of the Date of Grant shown on the cover sheet or (ii) to the extent no Deferral Election applies, the earlier of (a) the date of the Company's annual meeting of stockholders in the year following the year in which the Date of Grant shown on the cover sheet occurs and (b) the first anniversary of the Date of Grant shown on the cover sheet (the "Vesting Date"), provided you have continued in service ("Service") with the Company or a Subsidiary as a Director, Employee or Consultant until such Vesting Date. No additional RSUs will vest after your Service has terminated for any reason except as provided below.

Termination of Service
If your Service terminates before the Vesting Date due to your death or Disability, then your RSUs will immediately vest in full upon your termination of Service date. For purposes of this Agreement, "Disability" means the inability to engage in any substantially gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

If your Service terminates before the Vesting Date due to Retirement (defined as your termination of Service at or after age 65 for any reason other than death or Disability), then a pro-rata portion of your RSUs will vest upon your termination of Service date and the unvested portion of your RSUs will be forfeited. The number of RSUs that vest is equal to the product of (a) the total number of RSUs granted hereunder, multiplied by (b) a fraction, the numerator of which is the number of months of Service completed after the Grant Date and prior to your Retirement, and the denominator of which is twelve (12) months.

In the event that your Service terminates for any reason other than death, Disability or Retirement prior to the Vesting Date, then, except as otherwise provided herein, you will forfeit to the Company all of the RSUs that have not yet vested or with respect to which all applicable restrictions and conditions have not lapsed immediately upon your termination of Service date. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide for full or partial vesting of your RSUs in connection with the termination of your Service.

Change in Control

In the event of a Change in Control while your RSUs remain outstanding, the applicable provisions of Section 21 of the Plan shall govern the treatment of your RSUs as provided therein.

Delivery

Following the vesting of the RSUs hereunder and at the time provided in this Agreement, but subject to any applicable Deferral Election, the Company will issue to you the Shares to which such vested RSUs relate and pay any related Dividend Equivalents (as defined below). You will have no further rights with regard to an RSU once the Share related to such RSU has been issued and any related Dividend Equivalents have been paid. Subject to any applicable Deferral Election, within seventy (70) days following the Vesting Date (or such earlier date as your RSUs become vested and payable hereunder), the Shares deliverable to you shall be issued, together with any related Dividend Equivalents. Upon settlement, a number of RSUs equal to the number of Shares represented thereby shall be extinguished and such number of RSUs will no longer be considered to be outstanding for any purpose.

Shareholder Rights; Dividend Equivalents

You do not have any of the rights of a shareholder with respect to the RSUs. However, from and after the Grant Date and until the earlier of (i) to the extent no Deferral Election applies, the time when the Shares underlying the vested RSUs (if any) are delivered to you in accordance with this Agreement, (ii) to the extent a Deferral Election applies, the vesting date of the deferred RSUs, or (iii) the time that the RSUs are forfeited in accordance with this Agreement, on each date that the Company pays a cash dividend to holders of its Shares generally, the Company will credit to your account hereunder the right to receive a cash amount equal to the product of (x) the dollar amount of the cash dividend paid per Share on such date multiplied by (y) the total number of unpaid RSUs credited to your account under this Agreement as of such date (a "Dividend Equivalent"). Subject to and conditioned upon the vesting of the underlying RSUs, the aggregate amount of all Dividend Equivalents credited to your account hereunder shall be paid to you in cash (without interest), at the same time that the Shares underlying your vested RSUs are delivered to you (or, to the extent a Deferral Election applies, when the deferred RSUs vest), and your right to receive any such Dividend Equivalents shall be automatically and correspondingly forfeited to the extent that the underlying RSUs are forfeited pursuant to the terms of the Plan and this Agreement. To the extent a Deferral Election applies, any dividend equivalents credited subsequent to the vesting of the deferred RSUs will be governed by the terms of the Company's Supplemental Plan.

Adjustments

In the event of a stock split, a stock dividend or a similar change in the Shares, the number of RSUs covered by this grant shall be adjusted (and rounded down to the nearest whole number) in accordance with the terms of the Plan. Your RSUs shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of Delaware, other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

Data Privacy

In order to administer the Plan, the Company may process personal data about you. Such data includes, but is not limited to the information provided in this Agreement and any changes thereto, other appropriate personal and financial data about you such as home address and business addresses and other contact information and any other information that might be deemed appropriate by the Company to facilitate the administration of the Plan.

By accepting these RSUs, you give explicit consent to the Company to process any such personal data. You also give explicit consent to the Company to transfer any such personal data outside the country in which you work or are employed, including, if you are not a U.S. resident, to the United States, to transferees who shall include the Company and other persons who are designated by the Company to administer the Plan.

Consent to Electronic Delivery

The Company may choose to deliver certain statutory materials relating to the Plan in electronic form. By accepting this grant you agree that the Company may deliver the Plan prospectus and the Company's annual report to you in an electronic format. If at any time you would prefer to receive paper copies of these documents, as you are entitled to receive, the Company would be pleased to provide copies. Please contact **the Human Resources Department or the Company's Compensation Manager** at **765-771-5623** to request paper copies of these documents.

The Plan

The text of the Plan is incorporated in this Agreement by reference. Certain capitalized terms used in this Agreement are defined in the Plan, and have the meaning set forth in the Plan. This Agreement and the Plan (and, to the extent a Deferral Election applies, the Company's Supplemental Plan) constitute the entire understanding between you and the Company regarding this grant of RSUs. Any other agreements, commitments or negotiations concerning this grant are superseded except to the extent incorporated by this Agreement.

Code Section 409A

In accordance with Section 13 of the Plan, it is intended that this award of RSUs be exempt from (or comply with) Section 409A of the Code and regulations promulgated thereunder. By way of illustration, solely to the extent that it may be necessary in order to comply with Section 409A of the Code: (i) the termination of your Service shall mean your "separation from service" within the meaning of Section 409A of the Code, and (ii) a "Change in Control" shall mean a transaction that constitutes both a Change in Control as defined in the Plan and a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5).

Exhibit 21.1

SUBSIDIARIES OF THE COMPANY AND
OWNERSHIP OF SUBSIDIARY STOCK

NAME OF SUBSIDIARY	STATE OF INCORPORATION	% OF SHARES OWNED BY THE CORPORATION*
Wabash National Trailer Centers, Inc.	Delaware	100%
Wabash National, L.P.	Delaware	100%
Wabash National Services, L.P.	Delaware	100%
Continental Transit Corporation	Indiana	100%
Walker Stainless Equipment Co., LLC	Delaware	100%
Bulk Solutions, LLC	Texas	100%
Brenner Tank LLC	Wisconsin	100%
Wabash International Holdings, Inc.	Delaware	100%
Supreme Insurance Company, Inc.	Nevada	100%
Supreme Corporation	Texas	100%
SC Tower Structural Laminating, Inc.	Texas	100%

*Includes both direct and indirect ownership by Wabash National Corporation

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-270455) of Wabash National Corporation,

(2) Registration Statement (Form S-8 No. 333-178778) pertaining to the 2007 Omnibus Incentive Plan and the 2011 Omnibus Incentive Plan of Wabash National Corporation, and

(3) Registration Statement (Form S-8 No. 333-218085) pertaining to the 2017 Omnibus Incentive Plan of Wabash National Corporation;

of our reports dated February 22, 2024, with respect to the consolidated financial statements of Wabash National Corporation and the effectiveness of internal control over financial reporting of Wabash National Corporation, included in this Annual Report (Form 10-K) of Wabash National Corporation for the year ended December 31, 2023.

/s/ Ernst & Young LLP
Indianapolis, Indiana
February 22, 2024

Exhibit 31.1

CERTIFICATIONS

I, Brent L. Yeagy, certify that:

1. I have reviewed this Annual Report on Form 10-K of Wabash National Corporation;

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 the 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: February 22, 2024

/s/ Brent L. Yeagy
Brent L. Yeagy
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Michael N. Pettit, certify that:

1. I have reviewed this Annual Report on Form 10-K of Wabash National Corporation;

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 the 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: February 22, 2024

/s/ Michael N. Pettit
Michael N. Pettit
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Written Statement of Chief Executive Officer and Chief Financial Officer
Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the President and Chief Executive Officer and the Senior Vice President and Chief Financial Officer of Wabash National Corporation (the "Company"), each hereby certifies that, to his knowledge, on February 22, 2024:

- the Annual Report on Form 10-K of the Company for the year ended December 31, 2023 filed on February 22, 2024, with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

- information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Brent L. Yeagy
Brent L. Yeagy
President and Chief Executive Officer
February 22, 2024

/s/ Michael N. Pettit
Michael N. Pettit
Senior Vice President and Chief Financial Officer
February 22, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Wabash National Corporation and will be retained by Wabash National Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Wabash National Corporation
Compensation Recovery Policy

1. Purpose. The purpose of this Compensation Recovery Policy (this "Policy") is to describe the circumstances under which Wabash National Corporation (the "Company") is required to recover certain compensation paid to certain employees. Any references in compensation plans, agreements, equity awards or other policies to the Company's "recoupment," "clawback" or similarly-named policy shall be deemed to refer to this Policy with respect to Incentive-Based Compensation Received on or after the Effective Date. With respect to Incentive-Based Compensation Received prior to the Effective Date, such references to the Company's "recoupment," "clawback" or similarly-named policy in compensation plans, agreements, equity awards or other policies shall be deemed to refer to the Company's "recoupment," "clawback" or similarly-named policy, if any, in effect prior to the Effective Date.

2. Mandatory Recovery of Compensation. In the event that the Company is required to prepare an Accounting Restatement, the Company shall recover reasonably promptly the amount of Erroneously Awarded Compensation.

3. Definitions. For purposes of this Policy, the following terms, when capitalized, shall have the meanings set forth below:

(a) "*Accounting Restatement*" shall mean any accounting restatement required due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

(b) "*Covered Officer*" shall mean the Company's president; principal financial officer; principal accounting officer (or if there is no such accounting officer, the controller); any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance); any other officer who performs a significant policy-making function; or any other person who performs similar significant policy-making functions for the Company.

(c) "*Effective Date*" shall mean October 2, 2023.

(d) "*Erroneously Awarded Compensation*" shall mean the excess of (i) the amount of Incentive-Based Compensation Received by a person (A) after beginning service as a Covered Officer, (B) who served as a Covered Officer at any time during the performance period for that Incentive-Based Compensation, (C) while the Company has a class of securities listed on a national securities exchange or a national securities association and (D) during the Recovery Period; over (ii) the Recalculated Compensation. For the avoidance of doubt, a person who served as a Covered Officer during the periods set forth in clauses (A) and (B) of the preceding sentence shall continue to be subject to this Policy even after such person's service as a Covered Officer has ended.

(e) "*Incentive-Based Compensation*" shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure. A financial reporting measure is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, regardless of whether such measure is presented within the financial statements or included in a filing with the Securities and Exchange Commission. Each of stock price and total shareholder return is a financial reporting measure. For the avoidance of doubt, incentive-based compensation subject to this Policy does not include stock options, restricted stock, restricted stock units or similar equity-based awards for which the grant is not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon completion of a specified employment period and/or attaining one or more non-financial reporting measures.

(f) "*Recalculated Compensation*" shall mean the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of the Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of the Recalculated Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as the case may be, on the compensation Received. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the national securities exchange or association on which its securities are listed.

(g) Incentive-Based Compensation is deemed "*Received*" in the Company's fiscal period during which the financial reporting measure specified in the award of such Incentive-Based Compensation is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

(h) "*Recovery Period*" shall mean the three completed fiscal years of the Company immediately preceding the date the Company is required to prepare an Accounting Restatement; provided that the Recovery Period shall not begin before the Effective Date. For purposes of determining the Recovery Period, the Company is considered to be "required to prepare an Accounting Restatement" on the earlier to occur of: (i) the date the Company's Board of Directors, a committee thereof, or the Company's authorized officers conclude, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement. If the Company changes its fiscal year, then the transition period within or immediately following such three completed fiscal years also shall be included in the Recovery Period, provided that if the transition period between the last day of the Company's prior fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, then such transition period shall instead be deemed one of the three completed fiscal years and shall not extend the length of the Recovery Period.

4. Exceptions. Notwithstanding anything to the contrary in this Policy, recovery of Erroneously Awarded Compensation will not be required to the extent the Company's committee of independent directors responsible for executive compensation decisions (or a majority of the independent directors on the Company's board of directors in the absence of such a committee) has made a determination that such recovery would be impracticable and one of the following conditions have been satisfied:

(a) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on the expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the national securities exchange or association on which its securities are listed.

(b) Recovery would violate home country law where, with respect to Incentive-Based Compensation, that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the national securities exchange or association on which its securities are listed, that recovery would result in such a violation, and must provide such opinion to the exchange or association.

(c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

5. Manner of Recovery. In addition to any other actions permitted by law or contract, the Company may take any or all of the following actions to recover any Erroneously Awarded Compensation: (a) require the Covered Officer to repay such amount; (b) offset such amount from any other compensation owed by the Company or any of its affiliates to the Covered Officer, regardless of whether the contract or other documentation governing such other compensation specifically permits or specifically prohibits such offsets; and (c) subject to Section 4(c), to the extent the Erroneously Awarded Compensation was deferred into a plan of deferred compensation, whether or not qualified, forfeit such amount (as well as the earnings on such amounts) from the Covered Officer's balance in such plan, regardless of whether the plan specifically permits or specifically prohibits such forfeiture. If the Erroneously Awarded Compensation consists of shares of the Company's common stock, and the Covered Officer still owns such shares, then the Company may satisfy its recovery obligations by requiring the Covered Officer to transfer such shares back to the Company.

6. <u>Other</u>.

(a) This Policy shall be administered and interpreted, and may be amended from time to time, by the Company's board of directors, compensation committee, or any other committee to which the board may delegate its authority in its sole discretion in compliance with the applicable listing standards of the national securities exchange or association on which the Company's securities are listed, and the determinations of the board or such committee shall be binding on all Covered Officers.

(b) The Company shall not indemnify any Covered Officer against the loss of Erroneously Awarded Compensation.

(c) The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the Federal securities laws, including disclosure required by the Securities and Exchange Commission filings.

(d) Any right to recovery under this Policy shall be in addition to, and not in lieu of, any other rights of recovery that may be available to the Company.