

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 6, 2024

Rush Enterprises, Inc.

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

0-20797
(Commission File Number)

74-1733016
(IRS Employer Identification No.)

555 IH-35 South, Suite 500
New Braunfels, Texas
(Address of principal executive offices)

78130
(Zip Code)

Registrant's telephone number, including area code: **(830) 302-5200**

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Class A Common Stock, \$0.01 par value | RUSHA | NASDAQ Global Select Market |
| Class B Common Stock, \$0.01 par value | RUSHB | NASDAQ Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

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.

Item 7.01 Regulation FD Disclosure.

From time to time, senior management of Rush Enterprises, Inc. (the “Company”) meets with current and potential investors and business analysts. The Company intends to use the presentation furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference (the “Investor Presentation”), at these meetings over the next couple of months. The Company intends to post the Investor Presentation in the “Investor Relations” section of its website at www.rushenterprises.com. The Company reserves the right to discontinue the availability of the Investor Presentation at any time.

The information furnished in this Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, unless the Company specifically states that the information is to be considered “filed” under the Exchange Act or incorporates it by reference into a filing under the Exchange Act or the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

- 99.1 [Rush Enterprises, Inc. Investor Presentation](#)
 - 104 Cover Page Interactive Data File (formatted in Inline XBRL).
-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 6, 2024

RUSH ENTERPRISES, INC.

By: /s/ Steven L. Keller

Steven L. Keller

Chief Financial Officer and Treasurer



INVESTOR PRESENTATION

March 2024

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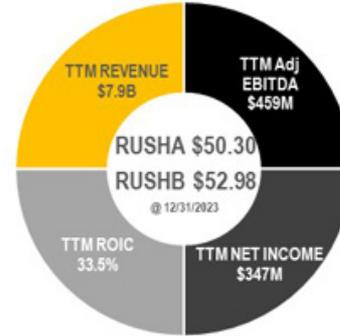
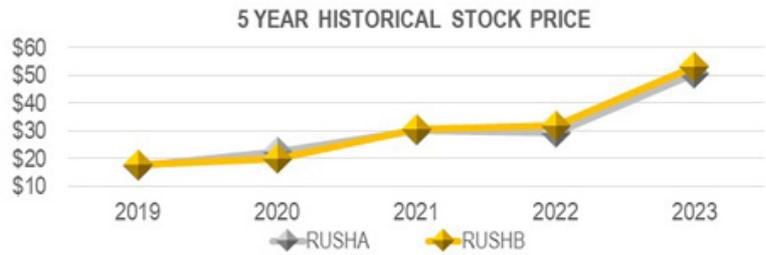


DISCLOSURE/SAFE HARBOR

This presentation may contain forward-looking statements (as defined in the Private Securities Litigation Reform Act 1995). Any forward-looking statements are based on current expectations with respect to important risk factors. It is important to note that our actual results could materially differ from the results anticipated in any forward-looking statements that may be contained in this presentation. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, future growth rates and margins for certain of our products and services, future supply and demand for our products and services, supply chain issues, competitive factors, general economic conditions, cyclicalities, market conditions in the new and used commercial vehicle markets, customer relations, relationships with vendors, the interest rate environment, governmental regulation and supervision, seasonality, distribution networks, product introductions and acceptance, technological change, changes in industry practices and one-time events. In addition, the declaration and payment of cash dividends and authorization of future share repurchase programs remains at the sole discretion of the Company's Board of Directors and the issuance of future dividends and authorization of future share repurchase programs will depend upon the Company's financial results, cash requirements, future prospects, applicable law and other factors that may be deemed relevant by the Company's Board of Directors. Please refer to the documents that we have filed with the U.S. Securities and Exchange Commission for a discussion of these factors. We do not undertake any obligation to update any forward-looking statements contained in or incorporated in this presentation to reflect actual results, changes in assumptions or in other factors which may affect any forward-looking statements.

COMPANY PERFORMANCE

- The largest commercial vehicle dealer group in North America
- Full-service solutions provider to commercial vehicle industry
- 8,509 dedicated employees
- \$7.9B in revenue in 2023
- 39,686 trucks sold in 2023
- 2023 Class 8 market share: 6.2% U.S. and 2.0% Canada
- 2023 Class 4-7 market share: 5.1% U.S. and 2.9% Canada



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THE PREMIER FULL-SERVICE SOLUTIONS PROVIDER



Rush Truck Centers
Rush Refuse Systems
Rush Crane Systems
Rush Towing Systems
Rush Bus Centers

Rush Truck Leasing
Rush Truck Insurance
The House of Trucks
Cummins Clean Fuel Technologies

Custom Vehicle Solutions
Perfection Truck Parts & Equipment
Chrome Country
World Wide Tires

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INDUSTRY OUTLOOK

- High interest rates and low freight rates negatively impacting over-the-road customers
- Commercial vehicle demand expected to decline in 2024
- Vocational segments remain steady
- Used truck values expected to continue decreasing through Q1 2024
- Parts availability improved significantly
- Emissions regulations will significantly impact commercial vehicle sales 2024-2027



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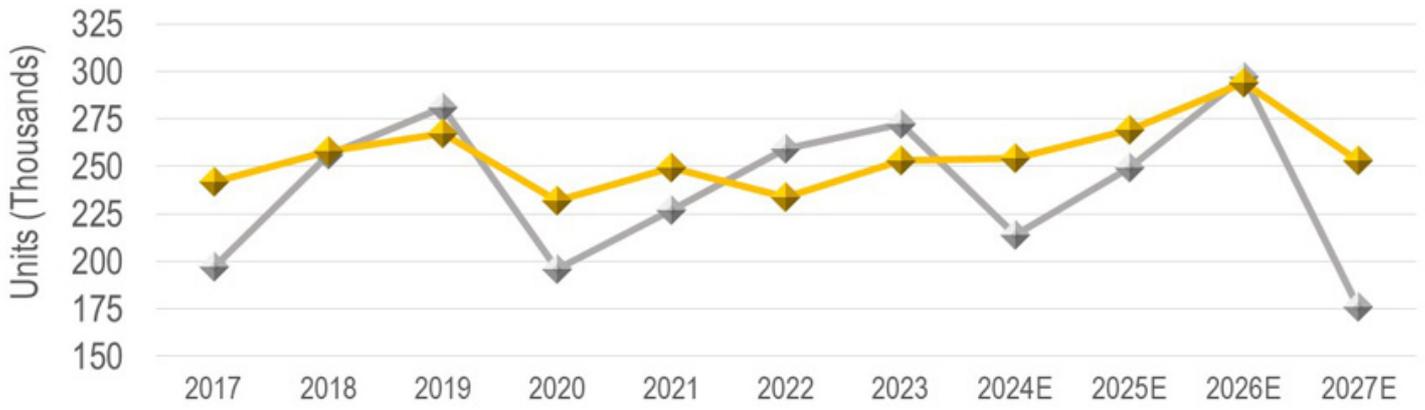
LIQUIDITY AND EXPENSE MANAGEMENT

- Strong free cash flow; \$182M in cash as of December 2023
- Continuing to invest in strategic initiatives
- Authorized \$150M share repurchase program in December 2023
- Quarterly cash dividend in Q4 2023 – \$0.17
- Disciplined expense management approach
- \$1.1B in floorplan facilities
- \$565M lines of credit available to finance lease and rental fleet
- \$151M of borrowing capacity remaining under credit facilities at 12/31/23



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U.S. RETAIL TRUCK SALES PROJECTIONS TO 2027



| | | | | | | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Class 8 | 197 | 256 | 281 | 196 | 227 | 259 | 272 | 214 | 249 | 297 | 176 |
| Class 4-7 | 242 | 258 | 267 | 232 | 249 | 234 | 253 | 254 | 269 | 294 | 253 |

Source: ACT Research

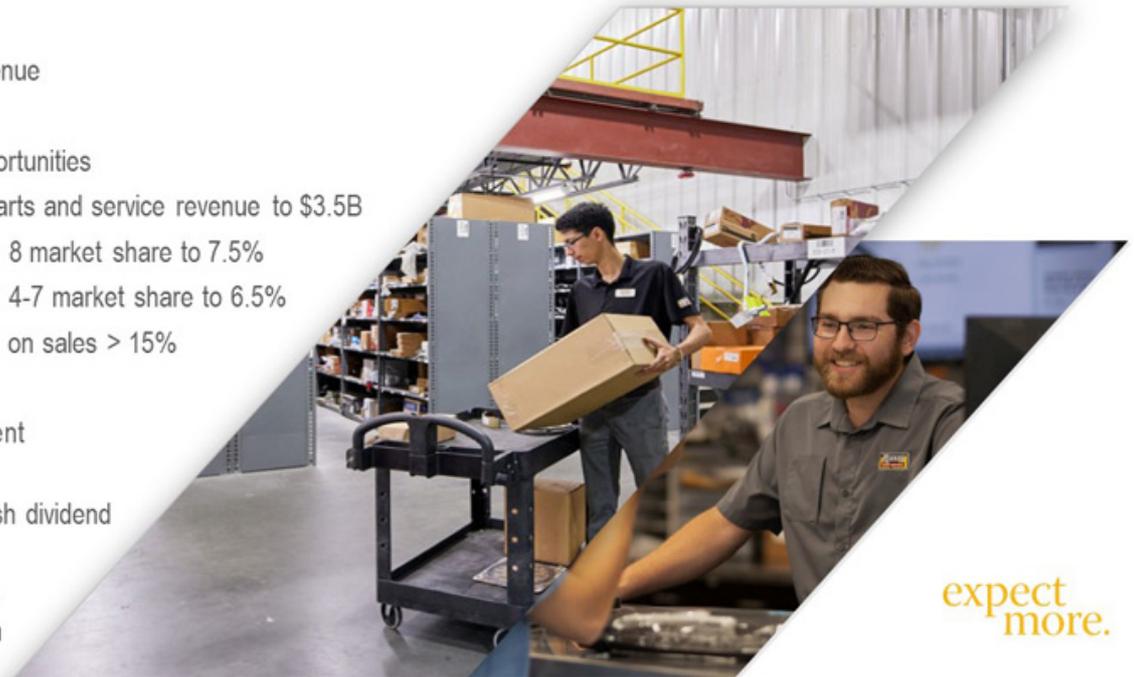
◆ Class 8

◆ Class 4-7

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STRATEGIC GROWTH INITIATIVES

- Financial goals
 - \$10B in annual revenue
 - 6% return on sales
- Growth goals and opportunities
 - Grow aftermarket parts and service revenue to \$3.5B
 - Increase U.S. Class 8 market share to 7.5%
 - Increase U.S. Class 4-7 market share to 6.5%
 - Maintain RTL return on sales > 15%
- Capital deployment
 - Disciplined investment in strategic growth
 - Increase annual cash dividend by 5-10%
 - Opportunistic share repurchase program



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SUSTAINABILITY – ESG

- Oversight by Nominating and Governance Committee of the Board
- Issued first Corporate Responsibility Report – April 2021
- Environmental
 - Supporting transition from fossil fuels (electric vehicles)
 - Working with OEMs on alternative fuel technologies
 - Cummins Clean Fuel Technologies joint venture
 - Reducing non-renewable energy consumption, GHG
- Social
 - Promoting diversity in workforce and leadership
 - Ensuring safety of workplace and communities
 - Annual employee engagement surveys
 - Maintaining robust cybersecurity programs



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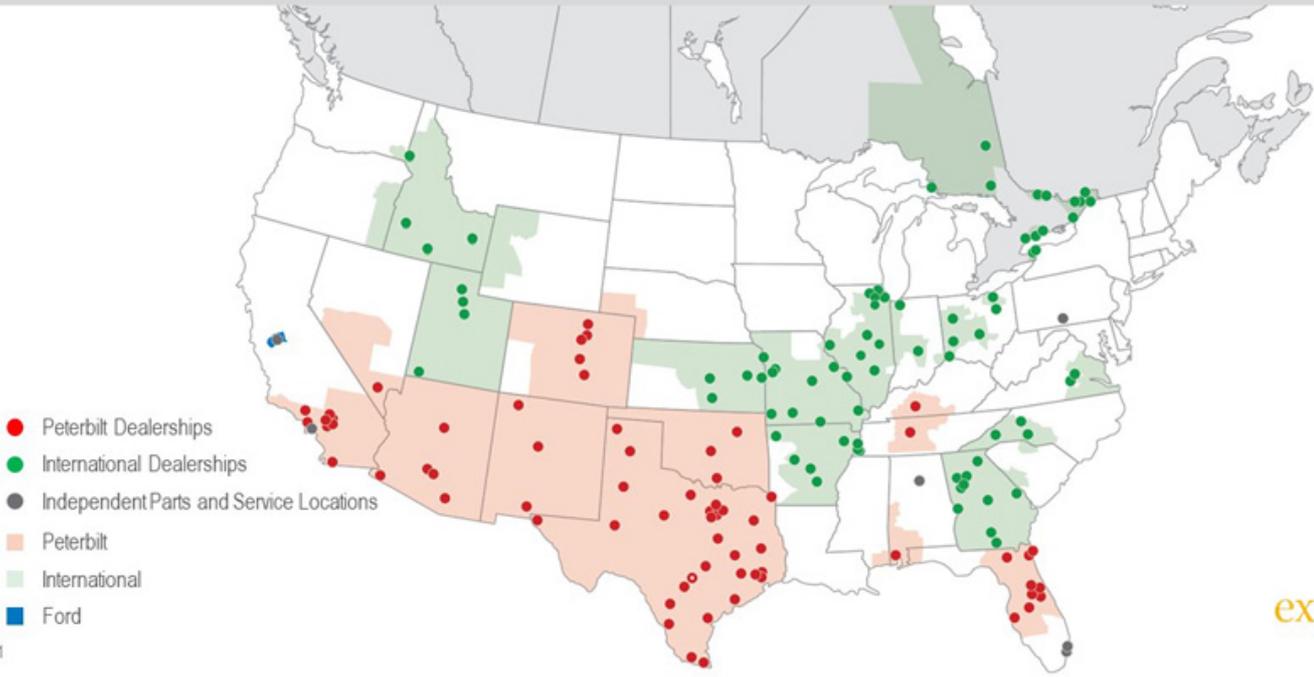
RUSH TRUCK CENTERS

- Largest commercial vehicle dealer network in North America
- 141 locations in 23 states, 15 locations in Canada
- Class 3-8 commercial vehicle sales, full range of aftermarket solutions
- Largest dealer group for Peterbilt, Navistar, Hino, Isuzu, growing with Ford
- Broad market segment coverage
- Leasing and rental
- Finance and insurance services
- Over 6.5M square feet of premium facilities



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RUSH TRUCK CENTERS NETWORK



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SOLUTIONS NETWORK

- Capabilities for all makes and models
- Aftermarket parts
 - More than \$334M parts inventory
 - Genuine OEM and all-makes parts, including proprietary Rig Tough and Premium Power powertrain parts
- Service and body shop
 - 2,636 service bays
 - 2,805 technicians in the U.S.
 - 195 technicians in Canada
 - 32 collision centers
 - 648 mobile and embedded technicians
 - CNG/LNG service capabilities



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AN UNRIVALED PORTFOLIO OF AFTERMARKET SOLUTIONS

SINGLE SOURCE SOLUTIONS



ALL-MAKES PARTS AND SERVICE EXPERTISE



MOBILE SERVICE AND ON-SITE TECHNICIANS



SAME-DAY XPRESS SERVICES



COLLISION AND BODY REPAIR SERVICES



VEHICLE MODIFICATION AND UPFITTING

RUSHCARE CUSTOMER EXPERIENCE



DEDICATED SERVICE CONCIERGE TEAM



RAPID PARTS DEDICATED PARTS AGENTS



RUSHCARE COMPLETE ALL-INCLUSIVE SERVICE SUPPORT



MAINTENANCE PLANS FOR ALL MAKES



STATE-OF-THE-ART FACILITIES AND TOOLING

DATA AND TECHNOLOGY



PARTS CONNECT ONLINE PARTS ORDERING



SERVICE CONNECT COMMUNICATION PORTAL



VEHICLE RECALL AND CAMPAIGN MANAGEMENT



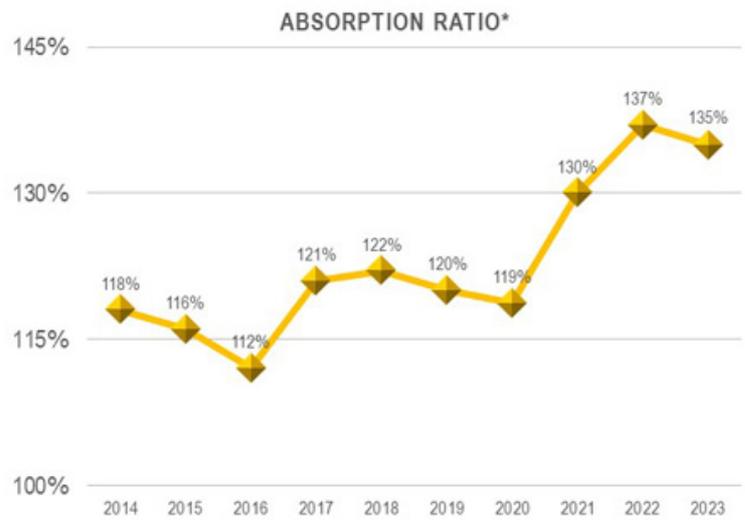
ADVANCED TELEMATICS CONNECTED FLEET SOLUTIONS



ALTERNATIVE POWER TECHNOLOGIES

ABSORPTION PERFORMANCE

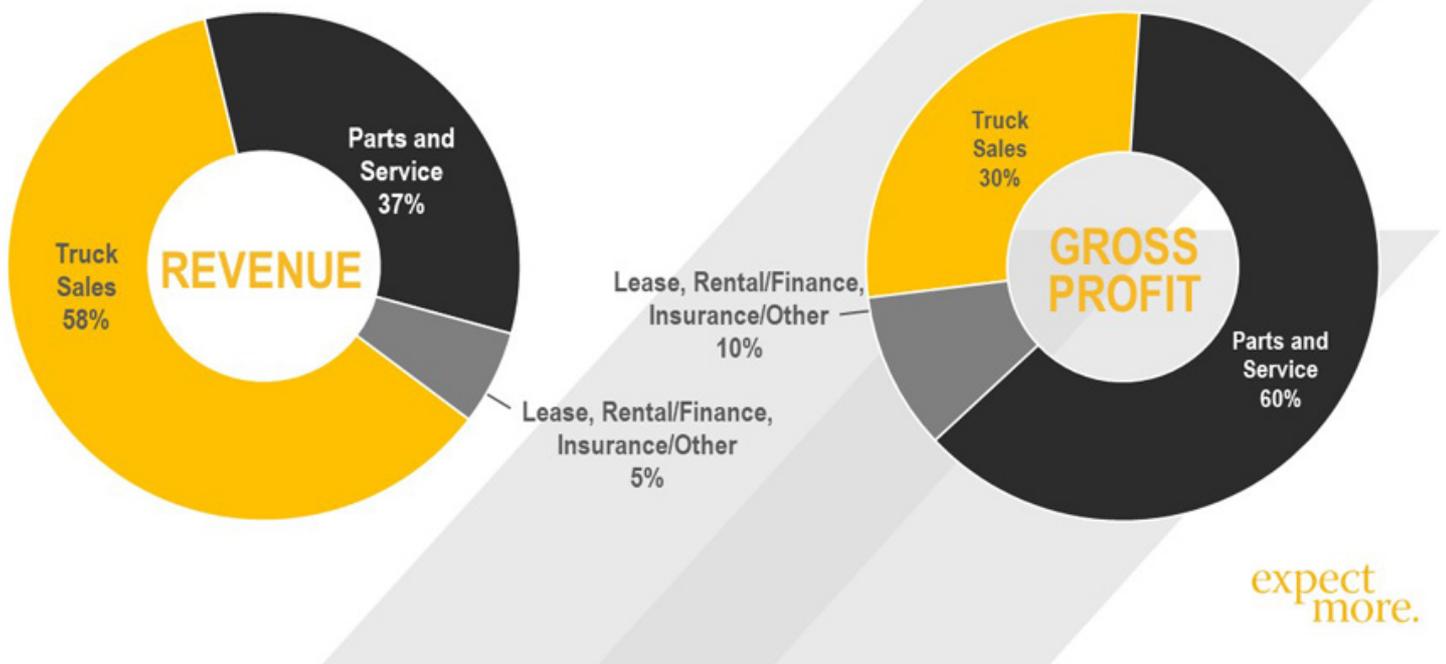
- Critical metric for dealership efficiency
- Measures less cyclical gross profit compared to controllable expenses
- 137% overall in 2022
- 135% in 2023



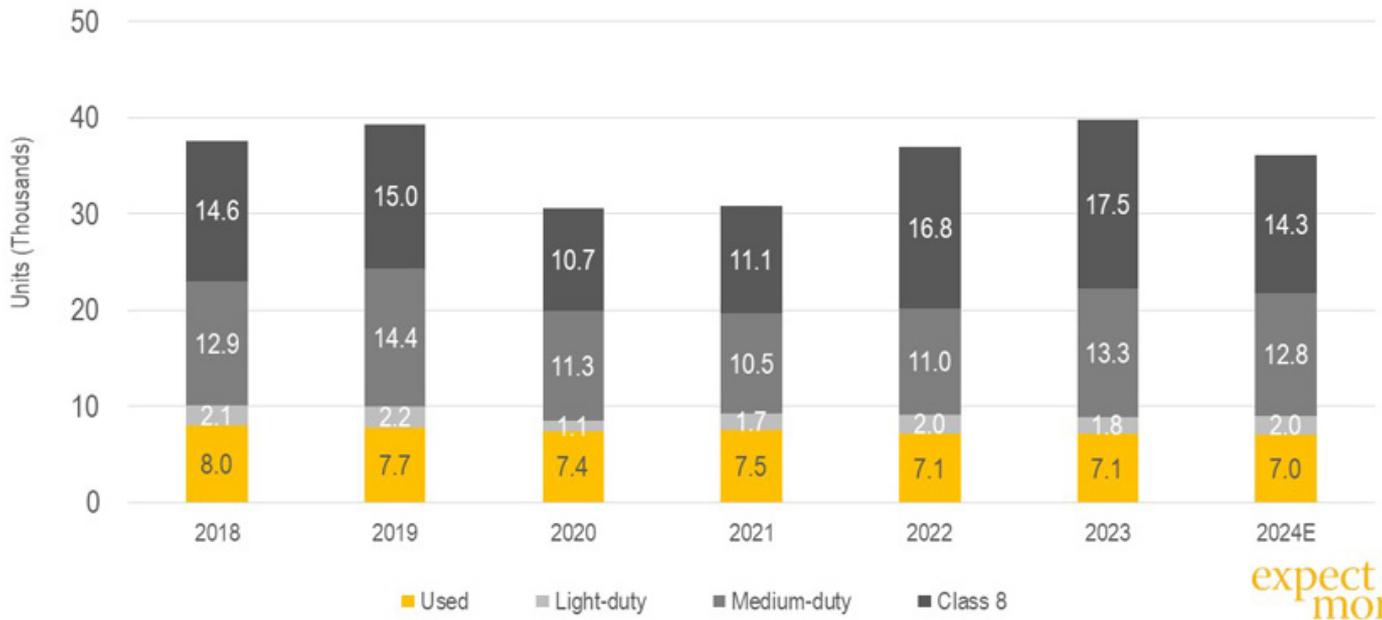
*Absorption ratio is calculated by dividing the gross profit from the parts, service and collision center departments of a dealership by the overhead expenses of all of a dealership's departments, except for the selling expenses of new and used commercial vehicles and the carrying costs of the new and used commercial vehicle inventory.

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QUALITY OF EARNINGS 2023



RUSH ENTERPRISES ANNUAL TRUCK SALES



VEHICLE FRANCHISES

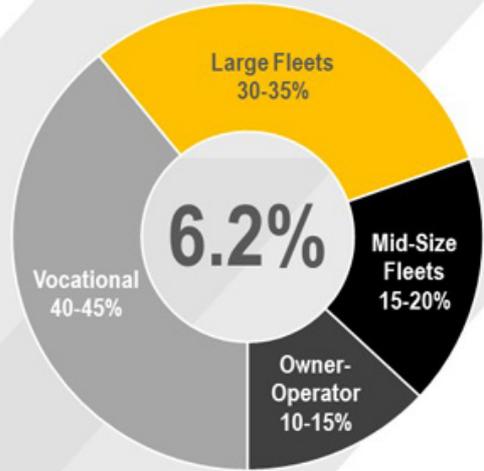
- Peterbilt, Class 6-8 – 65 locations, 11 states
- International, Class 5-8 – 56 locations, 12 states, 80% ownership of 15 locations in Canada
- Ford, Class 3-7 – 9 locations, 7 states
- Hino, Class 5-7 – 34 locations, 9 states
- Isuzu, Class 4-5 – 29 locations, 14 states
- Dennis Eagle, Class 7 – 17 locations, 4 states
- Blue Bird – 25 locations, 1 state
- Collins – 34 locations, 2 states
- IC Bus – 43 locations, 10 states
- Jerr-Dan – 5 locations, 3 states
- PacLease – 24 locations, 9 states
- Idealease – 27 locations, 12 states



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CLASS 8 CUSTOMERS

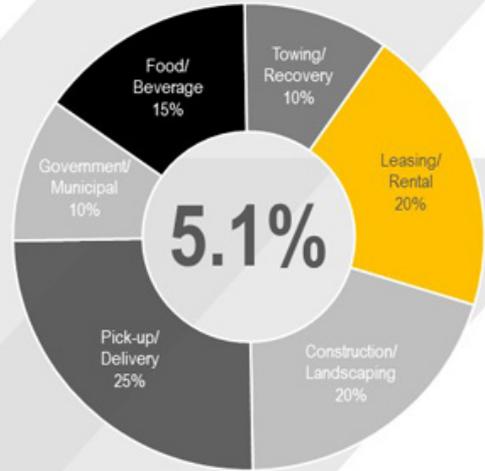
- Rush Enterprises 2023 U.S. Class 8 market share – 6.2%
- Strong vocational component
- Large fleets consolidating
- Private mid-size fleets remain viable
- Independent owner-operator now variable component of truckload carrier



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CLASS 4-7 CUSTOMERS

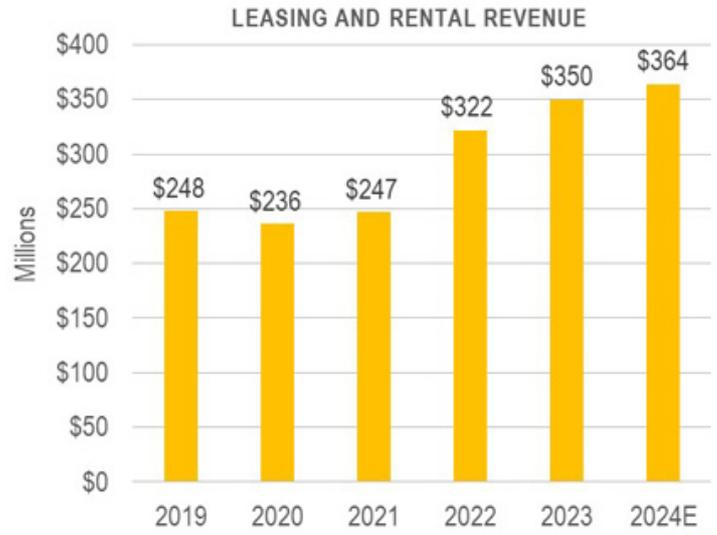
- Rush Enterprises 2023 U.S. Class 4-7 market share – 5.1%
- Vocational and specialty markets
- Ready-to-Roll® inventory
- National fleet accounts
- Market tied closely to general economy



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RUSH TRUCK LEASING

- Full-service leasing and rental
- Lease trucks captive source for parts and service revenue
- PacLease and Idealease franchises
- 51 locations including 6 captive shops
- 10,463 units in truck fleet, including cranes
- 2,176 units under contract fleet maintenance
- Growing need by customers for outsourced maintenance



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HISTORICAL RESULTS

| \$ in Millions, except per share amounts | 2020 | 2021 | 2022 | 2023 |
|---|------------|------------|------------|------------|
| Revenue | \$4,735.90 | \$5,126.10 | \$7,101.70 | \$7,925.02 |
| Gross profit | \$875.50 | \$1,092.30 | \$1,487.20 | \$1,593.09 |
| Gross profit margin | 18.50% | 21.30% | 20.90% | 20.10% |
| Adjusted EBIT (1)* | \$149.90 | \$314.80 | \$505.90 | \$459.10 |
| Adjusted EBIT margin* | 3.20% | 6.10% | 7.10% | 5.80% |
| Net income | \$114.90 | \$241.40 | \$391.40 | \$347.10 |
| Adjusted net income (1)* | \$114.90 | \$241.40 | \$381.60 | \$347.10 |
| EPS (2) | \$1.36 | \$2.78 | \$4.57 | \$4.15 |
| Adjusted EPS (1)* | \$1.36 | \$2.78 | \$4.45 | \$4.15 |

*Non-GAAP financial measure. See Appendix.

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ADJUSTED RETURN ON INVESTED CAPITAL

| \$ in Thousands | 2020 | 2021 | 2022 | 2023 |
|--|-------------|-------------|-------------|---------------|
| Total debt (GAAP) | \$1,158,553 | \$1,082,187 | \$1,331,328 | \$1,687,482 |
| Adjustments: | | | | |
| Debt related to lease and rental fleet | (\$601,272) | (\$447,098) | (\$393,879) | (\$543,626) |
| Floor plan notes payable | (\$511,786) | (\$630,731) | (\$933,203) | (\$1,139,744) |
| Adjusted total debt (non-GAAP) | \$45,495 | \$4,358 | \$4,246 | \$4,112 |
| Cash and cash equivalents | (\$312,048) | (\$148,146) | (\$201,044) | (\$183,725) |
| Adjusted net (cash) debt* | (\$266,553) | (\$143,788) | (\$196,798) | (\$179,613) |
| Shareholders' equity | \$1,268,037 | \$1,466,749 | \$1,744,491 | \$1,870,879 |
| Adjusted invested capital* | \$1,001,484 | \$1,322,961 | \$1,547,693 | \$1,691,266 |
| Adjusted return on invested capital (1)* | 14.70% | 27.10% | 35.20% | 33.50% |

(1) Calculated by dividing adjusted EBIT by adjusted average invested capital. For interim periods, the calculation is made using the previous twelve months' results.
*Non-GAAP financial measure – see Appendix

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FREE CASH FLOW

| \$ in Thousands | 2020 | 2021 | 2022 | 2023 |
|---|-------------|-------------|-------------|-------------|
| Net cash provided by operations | \$762,982 | \$422,346 | \$294,729 | \$295,713 |
| Acquisition of property/equipment | (\$136,200) | (\$167,177) | (\$243,060) | (\$368,881) |
| Free cash flow* | \$626,782 | \$255,169 | \$51,669 | (\$73,168) |
| Adjustments: | | | | |
| Draws (payments) on floor plan financing, net | (\$369,592) | \$118,945 | \$273,906 | \$205,487 |
| Draws (payments) on lease/rental debt | – | – | (\$140,917) | \$119,768 |
| Proceeds from lease/rental debt | \$88,434 | \$66,430 | – | – |
| Principal payments on lease/rental debt | (\$180,212) | (\$137,479) | – | – |
| Cash used for lease/rental fleet purchases | – | \$43,603 | \$165,673 | \$257,049 |
| Non-maintenance capital expenditures | \$13,547 | \$13,906 | \$23,421 | \$26,609 |
| Adjusted free cash flow* | \$178,959 | \$360,574 | \$373,752 | \$535,745 |

*Non-GAAP financial measure. See Appendix.

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Excellence
Productivity Fairness
Integrity Positive Attitude

March 2024

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APPENDIX

This presentation contains certain Non-GAAP financial measures as defined under SEC rules, such as Adjusted EBITDA, Adjusted EBIT, Adjusted EBIT Margin, Adjusted Net Income, Adjusted EPS, Adjusted Total Debt, Adjusted Net Debt, Adjusted Invested Capital, Adjusted Return on Invested Capital, Free Cash Flow, and Adjusted Free Cash Flow. The Company presents Adjusted EBITDA, Adjusted EBIT, Adjusted Net Income, and Adjusted EPS as additional information about its operating results.

Management believes the presentation of these Non-GAAP financial measures provides useful information about the results of operations of the Company for the current and past periods. Management believes that investors should have the same information available to them that management uses to assess the Company's operating performance and capital structure. These Non-GAAP financial measures should not be considered in isolation or as a substitute for the most comparable GAAP financial measures. Investors are cautioned that Non-GAAP financial measures utilized by the Company may not be comparable to similarly titled Non-GAAP financial measures used by other companies.

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APPENDIX RECONCILIATION

Adjusted Net Income and EPS

| \$ in Millions, except per share amounts | 2020 | 2021 | 2022 | 2023 |
|--|-----------|-----------|-----------|-----------|
| Net income | \$114,887 | \$241,415 | \$391,382 | \$347,055 |
| Adjustment: | | | | |
| Gain on equity investment | – | – | (\$9,788) | – |
| Adjusted Net Income* (1) | \$114,887 | \$241,415 | \$381,594 | \$347,055 |
| Diluted shares outstanding EPS | 84,363 | 86,817 | 85,727 | 83,720 |
| EPS (2) | \$1.36 | \$2.78 | \$4.57 | \$4.15 |
| Adjusted EPS* (2) | \$1.36 | \$2.78 | \$4.57 | \$4.15 |

*Non-GAAP financial measure – see Appendix.

(1) Includes pretax gain on sale of \$12.5 million related to the sale of 50% interest in Momentum Fuel Technologies in 2022.

Excludes gain of \$9.8M related to acquisition of additional 30% equity in Rush Truck Centres of Canada in May 2022.

(2) EPS for all periods presented has been adjusted and restated to reflect the stock split which occurred on October 12, 2020 and August 26, 2023.

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APPENDIX RECONCILIATION

Adjusted EBITDA and EBIT

| \$ in Thousands | 2020 | 2021 | 2022 | 2023 |
|--|------------|------------|------------|------------|
| Net Income | \$114,887 | \$241,415 | \$391,382 | \$347,055 |
| Adjusted Net Income* | \$114,887 | \$241,415 | \$381,594 | \$347,055 |
| Provision for Income Taxes | \$36,936 | \$72,768 | \$119,471 | \$114,000 |
| Interest expense | \$9,014 | \$1,770 | \$19,124 | \$52,917 |
| Depreciation and amortization | \$57,456 | \$53,354 | \$55,665 | \$59,830 |
| (Gain) Loss on sales of assets | (\$1,852) | (\$1,432) | (\$2,455) | (\$843) |
| EBITDA* | \$216,341 | \$367,375 | \$573,399 | \$572,959 |
| Adjustments: | | | | |
| Interest expense associated with floorplan notes payable | (\$8,078) | (\$795) | (\$11,785) | (\$54,022) |
| Adjusted EBITDA* | \$208,263 | \$368,170 | \$561,614 | \$518,937 |
| Depreciation and amortization | (\$57,456) | (\$53,354) | (\$55,665) | (\$59,830) |
| Adjusted EBIT* | \$150,807 | \$314,816 | \$505,949 | \$459,107 |

*Non-GAAP financial measure

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