

Annual Dealer Report | 2023-2024

5925 E. Harmony Rd | Fort Collins, CO 80528

November 2023

Dear Walker Dealer:

We are starting something new with this Annual Dealer Report. In the past we have produced a Dealer Meeting Book which was presented in the fall and winter (preseason), first to our distributors and then to our dealers. Because of the timing of the Distributor Meeting in September, quite a bit of the annual business performance data presented were based on estimates for the months of August and September. By publishing an Annual Dealer Report at a later date, we have completed our fiscal year (in September), and all of the information presented is based on actual numbers for the year.

We can never be certain of how a season will turn out, but in our experience, the distributors and dealers that prepare and invest for the next season are the ones that reap a great harvest in good times and are the ones that survive and sustain in more challenging times. Simply said, a "living and breathing" program needs to keep moving ahead, and that is what we intend to do with the Walker program. As we work with our distributors and dealers to increase Walker's influence in the marketplace, we expect growth to be the outcome. Now is a good time to look ahead and begin planning for a successful year of growth with our dealers in Walker sales and service.

Development needs to continue, from the manufacturer, to the distributor, to the dealer; if we don't keep developing, we will fall behind in the market. As a manufacturing company, we are continuing to develop new products and offer continuous improvement to our existing products. We are also investing in people and manufacturing technology to keep advancing the manufacturing process to be competitive in the market. On the subject of new product development, a quick note on electrification of commercial riding mowers: We are well aware of the market push to bring battery-powered mowers to the market. And yes, Walker has an active engineering development program for a battery-powered mower. Our dealers should know that Walker will introduce battery-powered models if and when they offer good value, utility, and performance in the commercial riding mower application. On the other hand, please understand that we will not be putting our brand name on a poorly constructed, highly compromised unit just to satisfy the market demand for something "electric."

At the distributor and dealer level, development needs to continue in several different ways. First, even after 43 years in the market, there are undeveloped/underdeveloped territories that still exist. There are still potential customers that have not been introduced to the Walker brand. There are new generations coming to the market who need to discover Walker as the best fit for their needs. Brand building is a never-ending job that works to create great experiences for our customers, and distributors and dealers have a vital role in this work. Walker will come alongside our distributors and dealers with the marketing tools, sales tools, sales training, service parts and technical support they need to be successful with Walker.

We are asking our distributors and dealers to make a bigger investment in Walker. This is a time-proven product and program where the reward merits further investment. In order to make additional investment, we understand our distributors and dealers need to be confident in the Walker family and Walker company as a stable, dependable and trustworthy supplier and to continue to be an independent family-owned, family-managed company. Our family is committed to keeping financial control of the company and being independent with no outside investors. We will do our best to honor your investment. Best wishes to our distributors and dealers for a successful and prosperous 2024. Our best days are ahead.



Bob Walker, Chairman



Company: State of the Company Progress Report

Active Distributors and Dealers

- 27 active distributors worldwide, 11 covering the US, three covering Canada (42 distributors total)
- 619 Walker dealers sold and registered new machines in 2023
 - 623 in 2022 and 619 in 2021
- Geographic Shipments
 - 75% US
 - 12% Australia/New Zealand
 - 8% Europe (EMEA)
 - 5% Canada
- Top 50 Dealers continue to lead the Walker program.
 - Top 50 Dealers represent around 8% of active dealers and registered 37% of total new machine registrations.
 - 2023 Top 50 Dealers will be celebrated in Costa Rica from January 30 - February 2, 2024.
 - + 47 dealers registered for Top 50 trip to Costa Rica, up from 35 who came to Marco Island in February of 2022.

The Post-COVID Economy

- Since mid-2020, demand for Walker Mower finished goods and service parts has been consistently strong; production did not keep pace with increased demand, leading to increased lead times and inventory shortages.
- In 2023, supply chains began to stabilize and become more predictable, but occasional disruptions continue to limit total production.
 - 2022 production was (3.8%) less than 2021.
 - + In 2022, more than 50% of all tractors required rework post-assembly line completion due to missing component parts.
 - 2023 production increased 2.9% vs. 2022.
 - 2023 factory hours completed increased 6.8%.
- Dealership and distributorship inventory levels have begun to increase back to normal levels as production/factory shipping has stabilized and retail demand has moderated from pandemic highs.



2023 Top 50 Dealers will be celebrated in Costa Rica, January 30 - February 2, 2024

2.9%

**Increase in Units Produced
Over Fiscal Year 2022**

Road to 10,000 Campaign

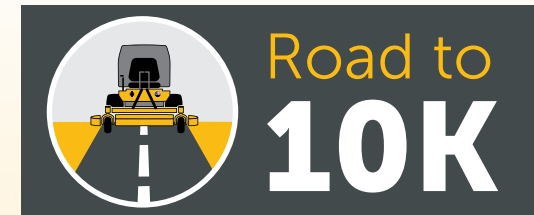
- The Walker program is working to achieve 10,000 unit sales per year.
- We are making changes to support factory output increases in personnel, organizational structure, manufacturing capacity, and supply chain.
 - Record level of factory employment: 166 production personnel
 - Strategic capacity improvement initiatives were completed in 2022 and 2023 in Fabrication, Machining, Laser, Bend, and Weld departments.
 - Walker continuing to develop and strengthen our supply chain and insource where possible.
- 2.0% Marketing co-op initiative - Attracting new Walker customers will be led by dealer and distributor investment in marketing, with Walker supplying marketing assets and collateral and providing co-op financial support.
 - Current year marketing spend worldwide is 0.78% vs. 2% goal.
 - Campaign success is based on brand building and dealer development.
- We are working to fulfill Bob and Dean Walker's long-held dream of building and selling 10,000 Walker Mowers worldwide per year.

Walker Manufacturing Recognized as a Gold Level Manufacturer

- Walker Manufacturing was recognized as a Gold Level Manufacturer for the 9th year in a row by the Equipment Dealer Association based on 2023 survey results from 2,493 dealers in the US and Canada.
 - Walker came in 7th overall and averaged 5.58 (out of 7) in 11 categories.
 - We continue to be honored by dealer feedback through the EDA survey results, and we are always striving to improve the manufacturer-dealer relationship.

Walker Manufacturing Recognized as the Industrial & Equipment Manufacturer of the Year

- In May, Walker Manufacturing was recognized as the Industrial & Equipment Manufacturer of the Year at the eighth annual Colorado Manufacturing Awards.



Working to fulfill Bob and Dean Walker's long-held dream of building and selling 10,000 Walker Mowers worldwide per year.



Company: State of the Company Progress Report

- This award celebrates outstanding companies in four broad industry categories: Industrial and Equipment, Technology, Consumer, and Craft Food and Beverage manufacturing.
- Finalists and winners in 2023 were selected for operational excellence including manufacturing prowess, product and market success, workforce engagement, and community support.

Sales

- Total factory shipments for 2023 increased 12%.
- Increased shipments are largely attributable to field inventory replenishment.
- 2023 retail sales registrations were down 3% from the five-year average prior to the pandemic (2015-2019).
- Worldwide, increasing interest rates and inflation in 2022 and 2023 have throttled demand.
- Export sales are 23.4% of total revenue.
- Service Parts dollar sales continue to grow:
 - In 2022 and early 2023, there were severe shortages of key service parts in the field for dealers.
 - Service Parts sales are up 5.2% vs. fiscal year 2022.
 - Service Parts backorders volume is down 84%, and fill rate continues to improve as the supply chain improves.
 - A small number of supplier constraints are still limiting certain service part numbers.

Marketing

- 206 dealerships have completed a Showroom Enhancement.
 - 34 new Showroom Enhancements completed in FY23.
 - 11 existing Showroom Enhancements were updated in FY23 (67 total updates have been completed since the beginning of the program).
- Local applied marketing (co-op) dollars are up 7% over the prior year.
- Marketing co-op spend ended at .81% for FY23 with a goal of 2.0%.
- Product marketing is a core aspect of brand building, and should be emphasized in dealer relationships.



Bob, Dean, Ryan, and Ted Walker with the Industrial & Equipment Manufacturer of the Year Award, May, 2023.

12%

**Increase in total
factory shipments in 2023**



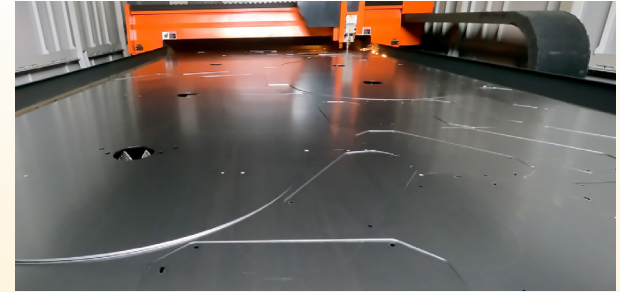
Clatsop County Lawn & Tractor showroom in Astoria, OR.

Factory

- Current factory personnel is at a record level:
 - Total interviewed in past twelve months: 161
 - New employees hired in FY23: 59
 - Current production staffing can support the growth needed for 2024.
 - We continue to be blessed with wonderful employees and a core of long-tenure factory staff (10-year average tenure of employment).
- Significant factory investments in the past three years:
 - Bystronic laser cutting system, installed in September 2021, is producing impressive results.
 - + We are currently utilizing around 50% of available capacity.
 - + The new four ton material handling crane allows loading of 3x raw material in laser system towers.
 - + Robotic 'sorting' is effectively reducing manual picking operations.
 - Added Bystronic automatic bend cell to provide unmanned press brake capacity for high volume, small parts while utilizing night runs.
 - Added horizontal bending machine, allowing more capacity for caster fork and bumper bending processes, replacing legacy press.
 - Added Sunrise ALS CNC ironworker, providing more capacity, improved quality, and consolidated floor space.
 - Designed and installed material handling crane to unload all inbound metal off flatbed trucks.
 - + Crane has four-ton capacity and receives 6,000 lb stacks of laser steel which are then loaded onto laser material handling trays (previously limited to 2,000 lb stacks due to forklift weight and floor strength).
 - + Fabrication and machining layout changed to facilitate better material flow, floor space utilization, and crane utilization.

Engineering

- Model C23i New Product Introduction (NPI)
 - Manufacturing tooling is complete with the majority of welding done robotically.



Bystronic laser cutting system, installed in September 2021.



Bystronic Automatic Bend cell.



Material handling crane.

Company: State of the Company Progress Report

- Production started in March with shipments starting in May.
- The new Model C23i has 25% fewer parts, while offering improved productivity at a lower price point.
- Model S18 redesign completed in 2022 and normal production started in 2023 after Briggs & Stratton resumed engine supply.
- Model Re (electric mower) engineering prototype is mowing and in factory-based test program.
- New products released that will help the Walker program move forward: DS60-3, Model S18, Model C23i, A44 Model R Dozer Blade, A43 Dozer Blade (A32 redesign), and H22 Implement Hitch for Model B and Model C23i.

Technical Services

- Total warranty dollars paid increased 20% vs. previous three years' average, while the number of claims are down 3% over the previous three years' average.
- Held five Technical Services Training sessions at the factory last November and February.
 - Trained 78 Walker dealer service technicians
 - Five training classes at the factory are scheduled for this fall and winter; every Walker dealer service technician should attend this training.

Market Share

- OPEI shipment statistics for 2022 show Walker has 1.4% market share.
 - 1.5% in 2021, 1.9% in 2020, 1.5% in 2019
- In 2022, OPEI reported shipping a total of 327,000 commercial riding mowers in the US market.
 - 350,000 in 2021, 280,000 in 2020, 314,000 in 2019
- 3.0% goal represents around 10,500 units sold in domestic market.



Walker Factory Technician Training February 2023 class.

Final Thoughts

- Our suppliers and the factory will continue to increase output and are producing the Walker Mowers that the market needs.
- Walker has systematically invested in capacity improvements to fulfill the Road to 10,000 production requirements.
- We need more Walker-focused dealers who are successfully representing the Walker brand and serving Walker customers at the highest level.
- Move from around 600 active Walker dealers to 1,000.
- Top 50 Walker Dealers will be celebrated in Costa Rica in January 2024.
- *out front* **Advantage** Sales Training and Walker Factory Technician Training are key factory-based programs to improve dealer effectiveness.
- Distributor and dealer involvement and investment in marketing must increase. Plan to strategically program and invest in local marketing with Walker dealers.
- The multiplication of the Walker program depends on the team we build to do this work with us. Surround yourself with influential people.
- In order to honor and protect dealer investment in the Walker program, Walker continues to be independent, family-owned, family-managed, with no outside investors.

1.4%

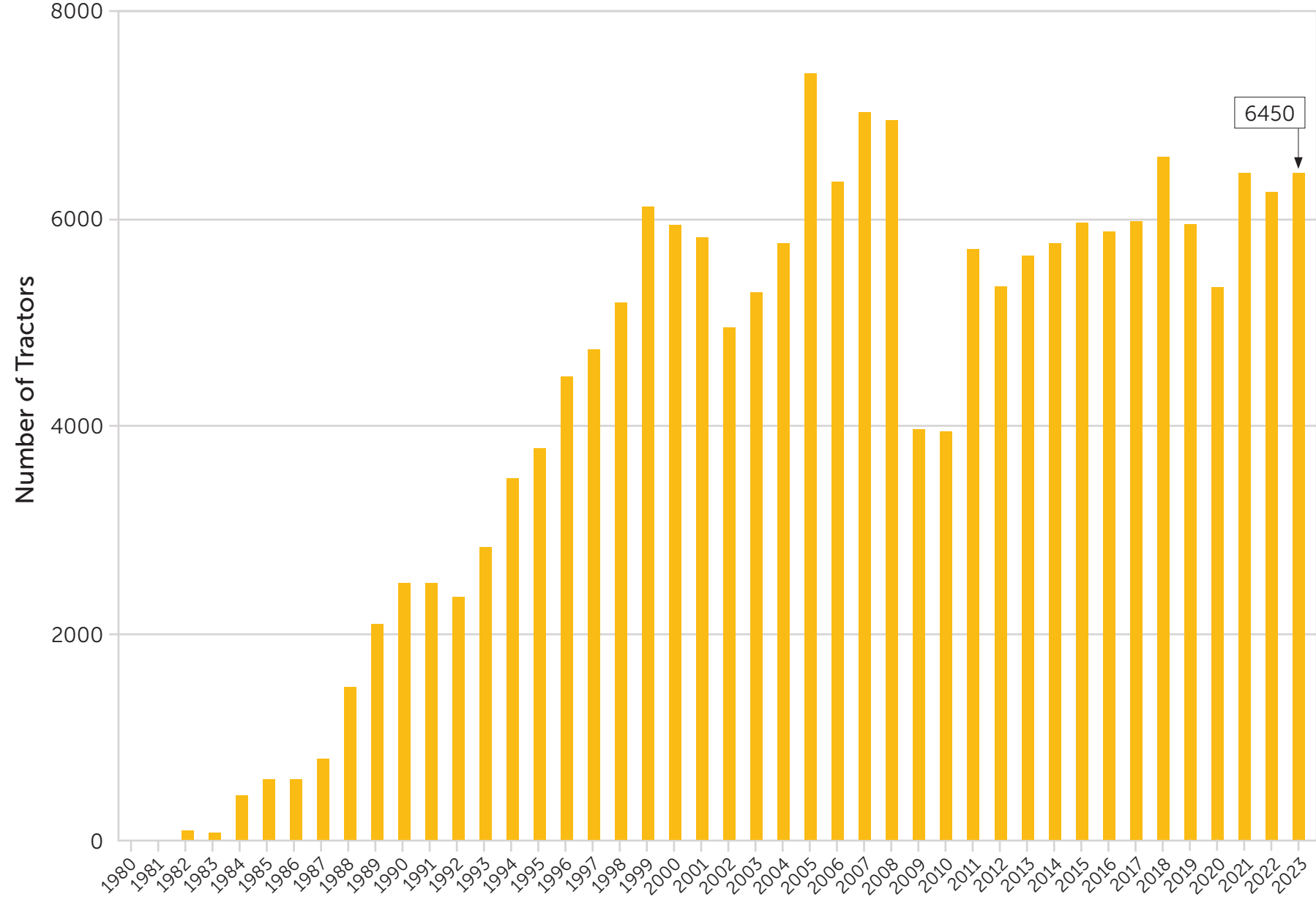
**2022 Walker
Market Share**

3%

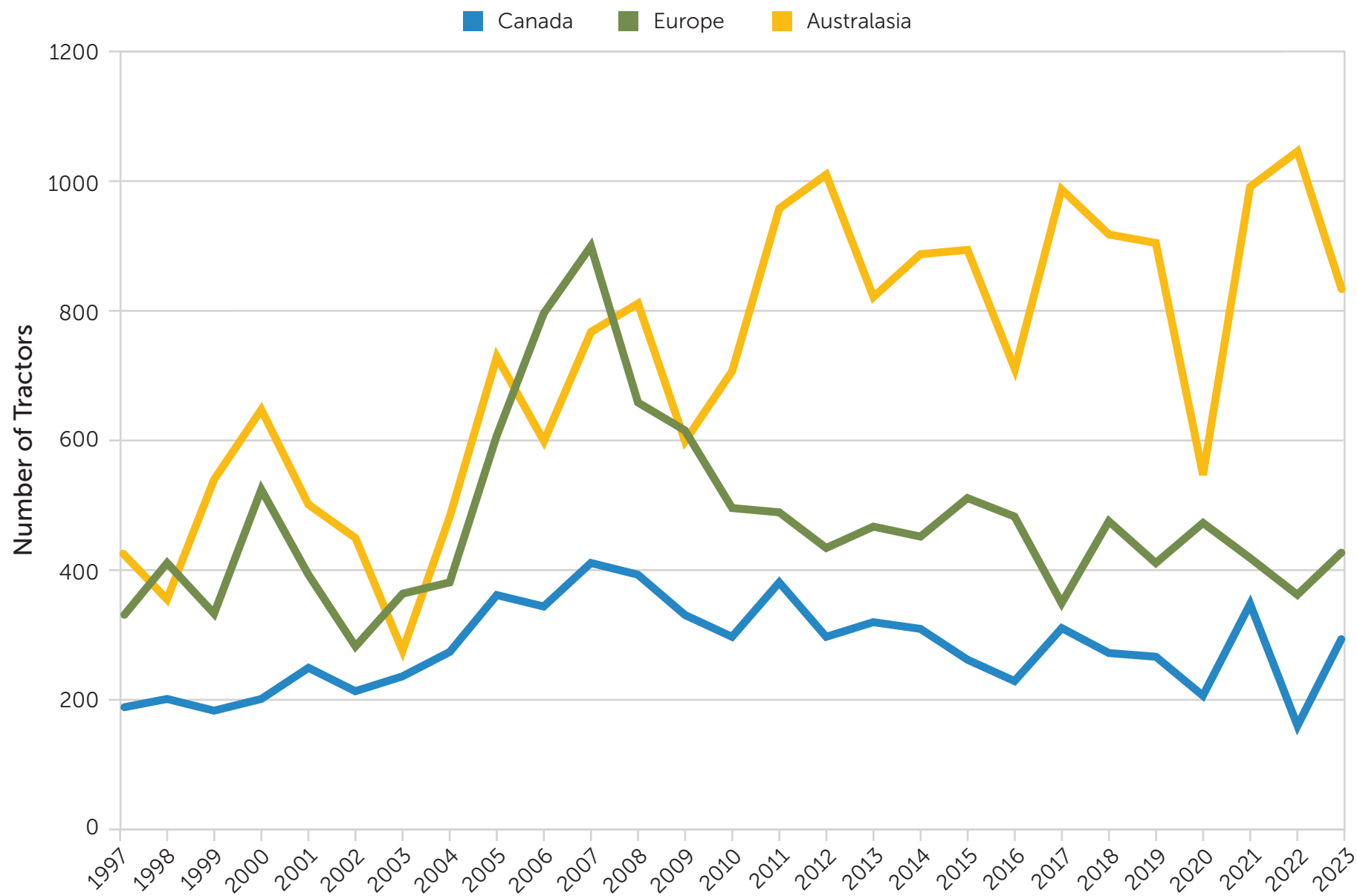
**Walker Market
Share Goal**



Mower Production by Year



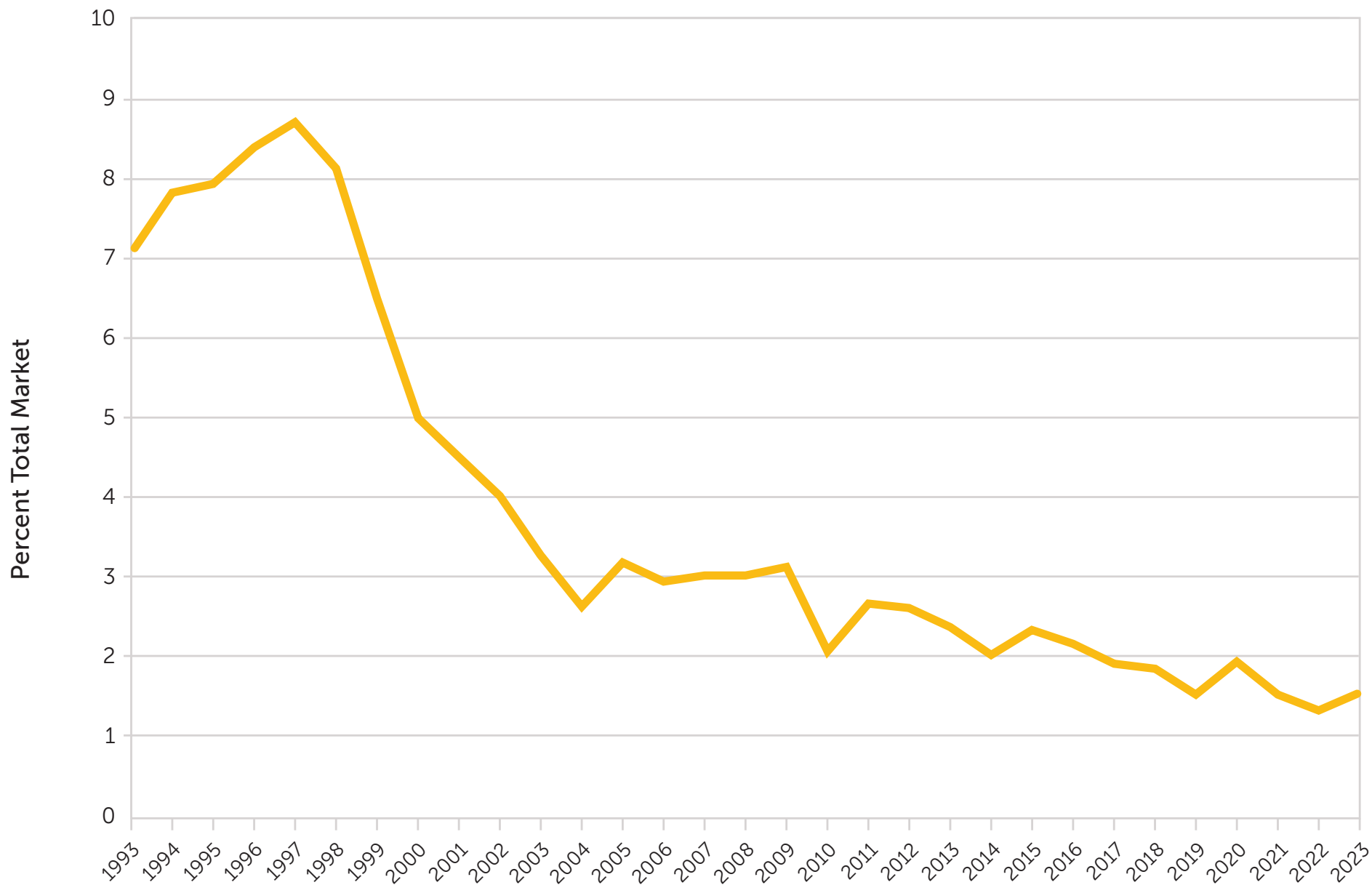
Export Shipments by Year*

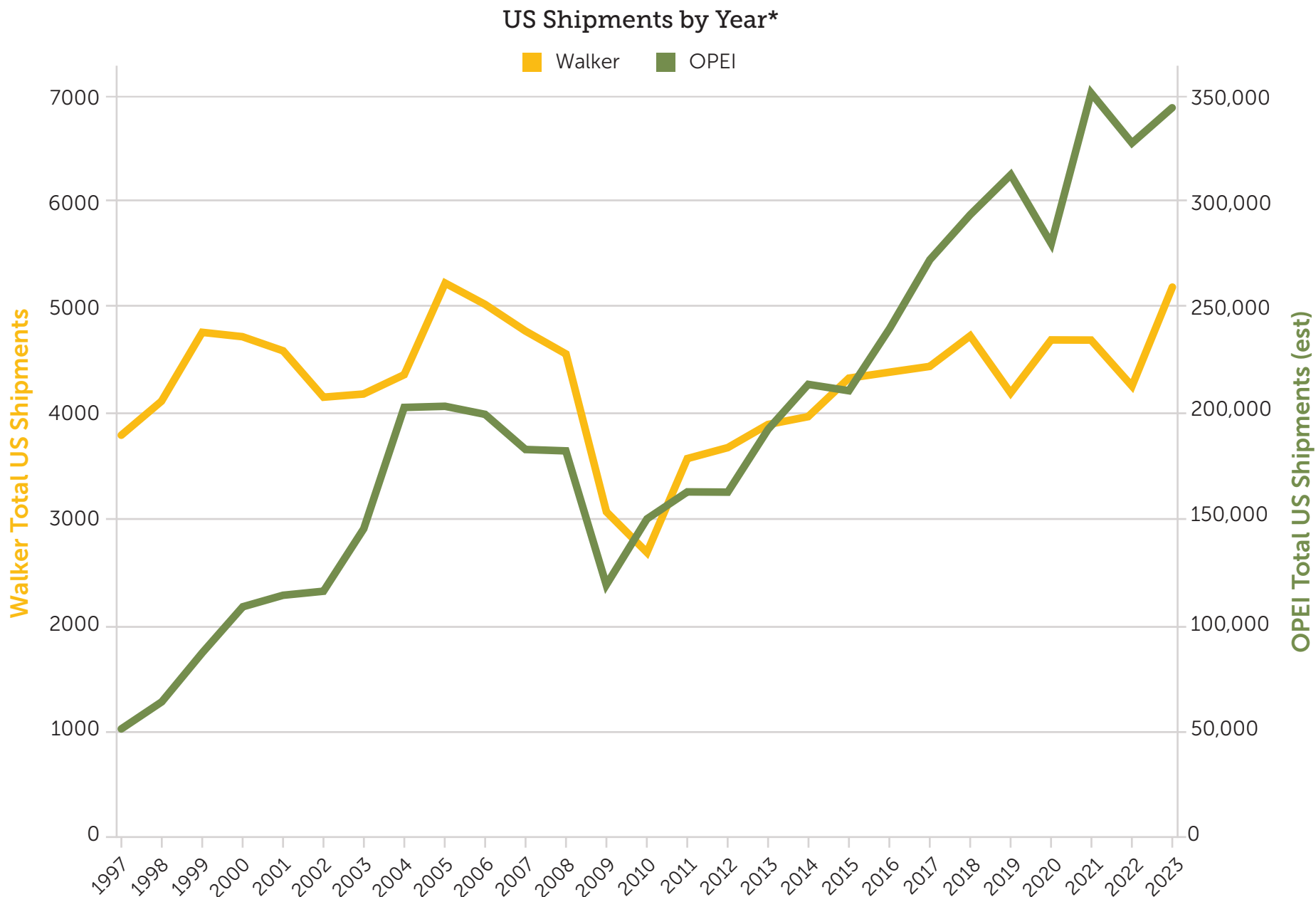


* Annual Shipments reported to OPEI from September to August

Company: Walker Share of US Market (OPEI)

Walker Share of US Market (OPEI)





* Note: Annual US Domesitc shipments reported to OPEI from September to August

Product: New Product

MC23i

- NextGen GHS design incorporating Model R, Model B, and Model S concepts.
- Faster, lighter, quieter, and simplified flagship GHS machine.
- Hydro-Gear ZT transmissions.
- Electric clutch with swing-away jackshaft provides easy blower access.
- Two-piece, welded blower housing assembly with .25" thick scroll is durable and easily replaceable.
- Larger 13.25" blower wheel meets and exceeds legacy 10.5" blower performance.
- 8 MPH ground speed.
- 7.0 and 10.0 bushel grass catcher options.
- Kohler Command Pro 23 HP EFI Engine.
- 42" and larger deck compatibility.
- 4.7 gal fuel tank.
- Production began in April of 2023, with over 300 shipped in 2023.
- Successful test program in 2022 led to a number of design changes:
 - Increased caster on tailwheel.
 - Front chassis and steering system changes to eliminate PTO shaft interference.
 - Parking brake lever refinement.
 - Relocation of transmission reservoir to front of chassis.
- Power Dump available for 7.0 and 10.0 grass catchers Q3 2023.
- Headlight Kit available Q3 2023.
- A43 Dozer Blade and H22 Implement Hitch compatibility.



MS18 Updates

- Improved engine-belt routing utilizing a single drive belt.
- Electric PTO clutch with Soft Start.
- Two-piece blower assembly with thicker scroll and structural backplate for improved serviceability.
- Overall simpler, more durable, and easier to service design.



A44 Model R Dozer Blade

- Dozer blade attachment for Model R intended for snow removal.
- Manual actuation similar to A32 redesign.
- Equipped with blade side-to-side articulation joint.



Product: New Product

A43 Dozer Blade Redesign (previously A32)

- New frame design with stationary foot rests.
- Easier manual height actuation since the operator is not lifting the weight of their legs/feet.
- Incorporates the blade side-to-side articulation joint.
- Compatible with all models except Model R and Model H.
- Renamed A43 due to number of new parts used compared to A32.



H11, H16 Dozer Blade Redesign

- Added a joint to the tongue assembly to allow for blade side-to-side articulation.
- Allows the blade to follow ground contours more effectively.
- Accommodates variations in drive tire size.



DS60-3

- New 60" side discharge deck for B and C23i. D and T compatibility in the future.
- Integrated deck height adjuster similar to H decks.
- Simplified design compared to current DS52/DS62 by elimination of the gearbox and telescoping PTO shaft.
- Production started in October 2023.



MR42/48 Mulch Baffle Updates

- Redesigned quick-change baffle for improved cut quality, more even clipping distribution, and easier installation.
- P/N 1692-19 for DS42-R; P/N 1692-20 for DS48-R
- Belt tensioner redesign (additional improvement for this deck)



Product: New Product and Current Design Projects

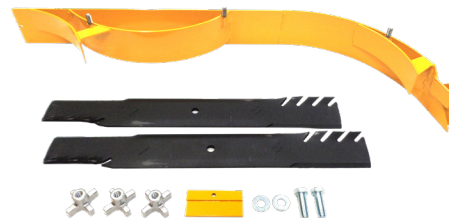
Product/Phase	Design Project Details
D21d Motor Mounts <i>Testing</i>	• Model D with rubber-isolated motor-mounts. • Utilizes a fifth link to counteract belt tension loads. • Muffler redesigned and isolated from engine with flex coupling. • Ongoing project with Kubota to meet their application requirements.
DS52-3 <i>Development</i>	• New 52 in side discharge deck for B, C, D, and T models. • Integrated deck height adjuster similar to H decks. • Similar concept to new DS60-3, eliminates telescoping PTO shaft and gearbox. • Keeps proven housing geometry of current DS52-3.
Model H Redesign <i>Development</i>	• Electric PTO clutch. • High capacity transmissions. • Redesigned chassis.
Model Re <i>Development</i>	• Full electric version of the Model R. • Utilizes Hydro-Gear Smartec® ground drive and blade drive motors. • Estimated 90 to 120 minutes of runtime (condition dependent).
Perfaerator <i>Development</i>	• Prototype testing ongoing. • Exploring options to source and/or manufacture components ourselves.

Product: Engineering Changes



1. Redesigned the removable “quick-change” mulch baffle for the DS42-R deck resulting in improved cut quality and more even clipping distribution. See kit instructions for installation on earlier decks.

Models DS42-R
S/N 211700
P/N 1629-19



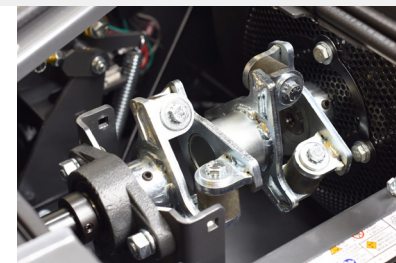
2. Changed to a larger, quieter muffler. The new muffler will fit on earlier units by changing the rear chassis (P/N 1300-45) or by elongating the tailpipe hole in the existing chassis. See Advisory Bulletin #22295 for additional information.

Models MR21
S/N 22-178455
P/N 1013-6, 1300-45, 1013-11



3. Improved coupler design to give extended life and durability. The new design is a direct replacement part for the earlier coupler.

Models MH37i, MH38i
S/N 23-181034
P/N 2351-55



4. Changed deck caster wheel fork to a more rectangular shape to provide more clearance with the tire. Also moved the fork upward 1/8" to increase clearance. Direct replacement part on earlier units. Note: Same wheel fork is also used on MB tail wheel.

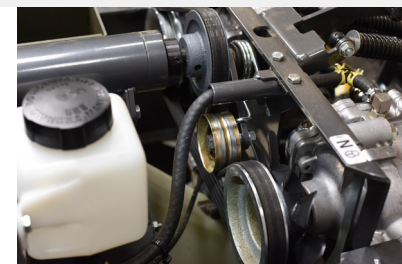
Models DS52, DS62, DS74
S/N 208807
P/N 8765-14



Product: Engineering Changes

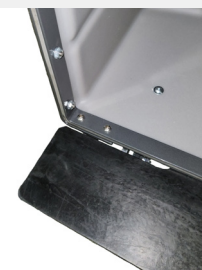
5. Changed to an unflanged flat idler pulley for better fit on the belt. Pulley is a common part on several belt-driven decks.

Models	MS18
S/N	23-178948
P/N	5245-5



6. Extended cutout on dump flap to provide clearance for catcher support arms on new Model MC23i. Fits all other units as direct replacement part.

Models	All GHS 10.0
S/N	22-178940
P/N	8610-8



7. Added a debris shield on the underside of the chassis frame to help prevent material from entering the drive train and engine cooling system. Use Kit P/N 4301-13 to upgrade earlier units. See Advisory Bulletin #22294 for additional information.

Models	MB27i, MB23
S/N	22-178742
P/N	4301-13



8. Added a cap rod on rear "V" baffle (RH Leg) of deck housing to improve mulching performance.

Models	DS42-R, DS48-R
S/N	209846
P/N	1703, 1701-9

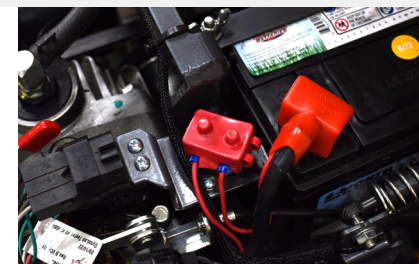


Product: Engineering Changes



9. Added molded circuit breaker cap to 30-amp circuit breaker (P/N 8941) to improve protection from electric short and moisture.

Models	MC, MD, MT
S/N	23-179238
P/N	7941-10



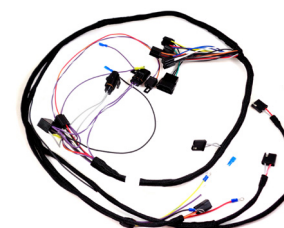
10. Changed to O-ring sealed connector tubes on 36" gear drive decks. New tubes will retrofit on earlier units.

Models	All 36" Gear Drive Decks
S/N	23-210346
P/N	5060-2, 5065-2, 5068-6



11. Stopped using P/N 6104-12 adapter harness because the MS18 main electric harness now has the correct plug for both the Standard Seat (P/N 5103-3) and the optional Comfort Seat (P/N 6104-31).

Models	MS18
S/N	23-178948
P/N	5943-11



12. Made input housing assembly available as a replacement kit to fix oil leak on input shaft instead of replacing the entire pump. See Advisory Bulletin #22292 for additional information.

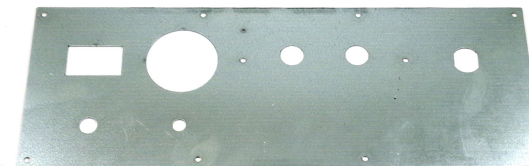
Models	MC, MT, MD
P/N	5025-56, 5025-57



Product: Engineering Changes

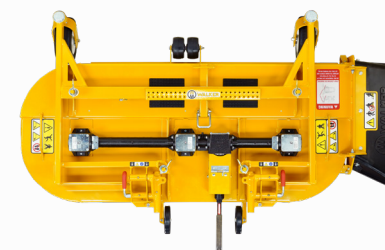
13. Used new laser cutter to manufacture instrument panel faceplate in-house for cost savings.

Models	MD, MT23, MT27i
S/N	22-178011
P/N	7307, 8820-5, 8820-7



14. Replaced bent LH carrier frame arm with straight arm; reverted to original geometry (with straight arm) to minimize scalping. New frame with straight arm is a direct replacement part on earlier units.

Models	DS56-2
S/N	192732 thru 208974
P/N	6720-1



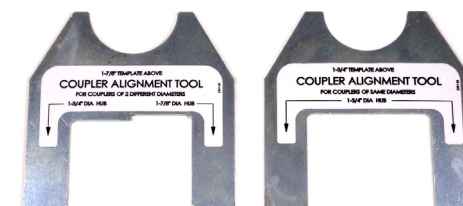
15. Switched to improved Kohler engine with "chopper screen" on cooling fan. Also change muffler heat shield and bearing mount design to fit new engine and muffler (muffler with left side tailpipe). Note: Started using new P/N 2349-17 Bearing Mount on all MH Models at S/N 23-182266.

Models	MH38i
S/N	23-182822
P/N	2013-22, 2013-23, 2349-17



16. Offered an alignment tool kit to check and set the flexible coupler alignment on the MB driveline. Useful when doing repairs on the driveline, particularly when doing repairs that require the removal of the engine. See Service Bulletin #23299 for additional information.

Models	MB
P/N	2351-58



Product: Engineering Changes



17. Hydro-Gear discovered and corrected a machining error that affected the performance of the RH transmission of the affected MH units. Recall Bulletin #23297 was issued to replace transmissions that are not performing properly.

Models	MH
S/N	20-164354 thru 23-183042
P/N	2026-41



18. Redesigned recirculator blade welded connection to hub for increased strength and durability. Direct replacement part for earlier hubs P/N 5706-6 and P/N 5706-7.

Models	DM48-2, DM52-2, DM42-2
S/N	211542 and 213591 (DM42-2)
P/N	5706-8, 7705-45, 7705-46, 5706-9, 5705-37



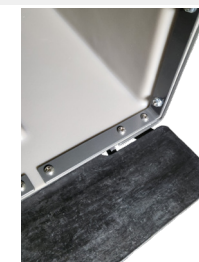
19. Redesign removable "quick-change" mulch baffle used with DS48-R deck for improved cut quality and more even clipping distribution. See Advisory Bulletin #21282A for installation on earlier decks.

Models	DS48-R, DM48-R
S/N	211700
P/N	1692-20



20. Switched to a new molded rubber dump flap. Direct replacement part that fits earlier units.

Models	All GHS 7.0
S/N	23-181567
P/N	7610-9



Product: Engineering Changes

21. Replaced fabricated steering lever handle with laser cut part, giving larger slide adjustment surface and smoother shape. Direct replacement part that fits earlier units. Use Kit P/N 5453-14 to upgrade.

Models	All
S/N	23-181152, 23-183194 (for 5453-20)
P/N	5453-14, 5453-20



22. Updated the DC42R decks with a new gearbox cover to completely enclose the gearbox assembly and mount on the deck housing; reduces noise and vibration, and keeps the gearbox area cleaner.

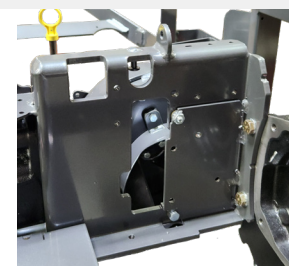
Models	DC42R, DC42RV
S/N	212648
P/N	5785-7, 8618-10



23. Added adjustment feature to TOPS pump mount on bridge assembly to provide easier alignment of pump pulley and the drive belt. Use Kit P/N 6209-8 to replace the bridge on earlier units and includes a spacer plate and required hardware. Also shifted the bridge mounting holes to the gear axles to

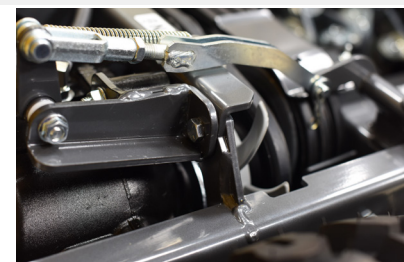
allow better alignment of the bridge in chassis. See Advisory Bulletin #23300 for more information.

Models	MC, MD, MT
S/N	23-182232
P/N	6209-8, 6209-11



24. Added a doubler at the joint of the transmission mount plate cross member to the chassis side plate, upper corner, to reinforce the joint and to stop a pattern of cracking.

Models	MH
S/N	23-182822
P/N	2300-15, 2300-11, 2300-13

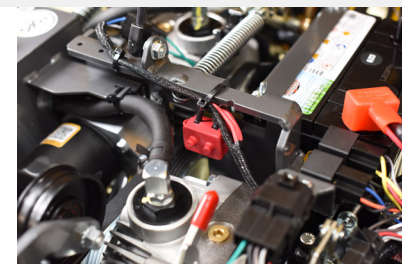


Product: Engineering Changes



25. Modified the wire harness to move the 30-amp circuit breaker from the RH Gear Drive Shock Mount (P/N 6201-4) to the center of the Bridge (P/N 6209-8) for easier access.

Models	MC19, MC19i
S/N	23-182874, 23-183676
P/N	6940-25, 6940-26



26. Modified swingarm jackshaft mounting for adjustment and alignment. Does not retrofit on earlier units.

Models	MC23i
S/N	23-183336
P/N	8394-24, 8394-19, 6325-3, 6325-8



27. Redesigned deck lift foot pedal linkage to add leverage and make the foot pedal easier to operate. Upgrade earlier units using Kit P/N 2722-15.

Models	DS60-3
S/N	214084
P/N	2722-45, 2721-7, 2722-14



28. Released kit with 2" longer forks for DS60-3 for compatibility with 20" drive tires on an MB tractor. Increases maximum cutting height from 4" to 5".

Models	MB with DS60-3
P/N	5076-14



Product: Engineering Changes

29. Added articulation joint to dozer blade hitch providing +/-5 degrees of lateral movement, allowing the blade to better follow the ground contour. Use kit P/N 6626-12 to upgrade earlier units.

Models	H11, H16
S/N	22-1726
P/N	6626-12



Customer Support Contact Data

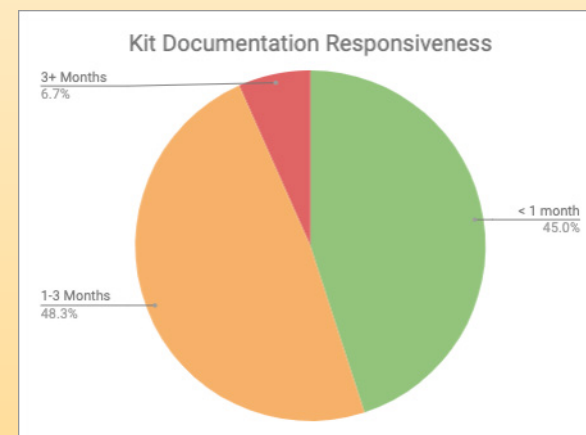
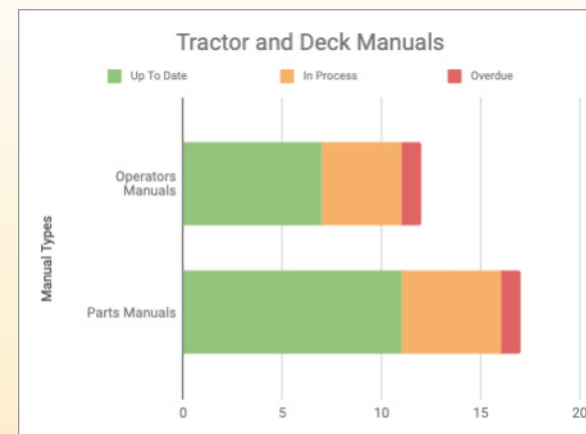
- Contact Type:
 - Total phone calls:.....7,848
 - Total e-contact:.....8,152
 - Total incoming and outgoing support requests:.....16,000

Documentation

- Tractor Operator Manuals Released/Updated: 13
- Tractor Parts Manuals Released/Updated: 18
 - We target a 16-month update cycle for all tractor and deck manuals. Larger changes cause us to roll manuals prior to the regular update. Parts manuals for several decks, Model B27i, and Model S18 were all updated early to incorporate large changes.
 - We developed and released three (3) MBK23 and MB23i parts manuals to fill a gap in the documentation for improved supportability.
- Released new DS A and B Deck Parts Manual for Australia and New Zealand markets.
- Kit Docs Released or Updated:
 - New Kit Documents: 17
 - Updated Kit Documents: 32
- Technical Bulletins:
 - Advisory: 9, Recall: 4, Service: 2

Training

- We conducted training sessions in France, Switzerland, Australia and New Zealand for over 100 technicians. We held a training at Groundworks and our team assisted with several smaller trainings with Coates, Penco and Precision.
- We were able to host five sessions of technical training here at the factory in 2023: November 1-2, 8-9, 15-16; January 31-February 1; and February 7-8. Our goal was to host 100 distributor/dealer technicians. We nearly reached that goal, with only a couple sessions that didn't completely fill up.



Technical: Department Update

- We are hosting distributor/dealer technicians again this fall/winter for Walker Factory Technician Training (WFTT). This year we changed the way registration took place for our two winter sessions. Instead of opening registration to all dealerships, we asked that distributors register technicians who they feel are ready for this experience. We will continue this registration process in the future. We have also decided to open registration for all five sessions at one time, rather than splitting it up.
- Registration opened September 1 and ran through September 23.
- Walker Factory Technician Training - 2024
 - Two two-day training sessions: Feb 6-7, Feb 13-14
 - Distributor and dealer technicians
 - Cost: \$500 plus travel to factory
 - Led by supplier, factory, and distributor experts
- Special thanks to distributors for helping encourage dealers and sponsor technicians to attend.
- We are planning to continue this as an annual event. We are continuing to look at ways to expand this training in the future.

Territory Dealer Technician Training

- In recent years there has been a decline in the number of Dealer Technician Training events hosted by distributors. We regularly talk with dealers who need basic training and updates. We realized some of these technicians might be new on the job, but regular contact and training is essential to help these technicians succeed.
- Territory events are an important part of training and maintaining education for technicians. Walker Factory Technician Training does not replace Dealer Technician Training events. Walker would like to see all territories provide training to technicians at least every other year. Historically Walker has asked for this, and we'd like to return to this schedule.
- Walker Tech Services will be providing 2024 training materials for download from walkerdealer.com in the December/January timeframe. There will be a printable book and presentation slides that cover key subjects we would like to see presented at these events. As you plan your event, please communicate your plans to Walker Tech Services. Walker will provide co-op to help with the cost of qualified training events.



Gearbox Tool Kit

- We designed and released a new Gearbox Tool Kit (P/N 5026-30). Daniel Jones led this project. This kit provides tools to repair and service gear-driven decks including:
 - Gearbox Assembly Plate
 - Gearbox Timing Tools (Short and Long)
 - Arbor Tools (Arbor/Seal Driver and Bearing Drivers: Small, Medium, and Large)
 - Seal Protector
 - Seal Puller
 - Gearbox Service Stand / Tee Box Adapter

Walker Technical Training Committee (WTTC)

- This group was assembled in 2021. It is a committee of leaders in the area of technical support and training from distributors, territory managers, and distributor technical managers to help develop and implement technical resources and strategies that will create and foster better customer service experiences and relationships. We are looking at creating a set of training resources that include online learning, distributor led/factory supported training in the field, as well as our Walker Factory Technician Training (WFTT). This year we have focused on the development of online resources to guide technicians in the field.
- These resources and strategies will become an opportunity for determining the competency and ability of dealerships and their technical staff. It will be an opportunity to build up and develop relationships between your distributor technician managers and the dealer technicians.
- This will provide opportunities for technicians who are eager to learn more and excel at their trade to be acknowledged for their skill and customer service abilities.
- It will be an avenue for highly competent existing technicians to market their skills and mentor new or less experienced technicians on their journey to excellence as a Walker technician.



WTTC - Promoting the Walker brand through excellence in Service

Highly skilled and trained technicians offering quality and timely repairs and providing a professional and superior customer service experience.

Technical: Warranty

Warranty

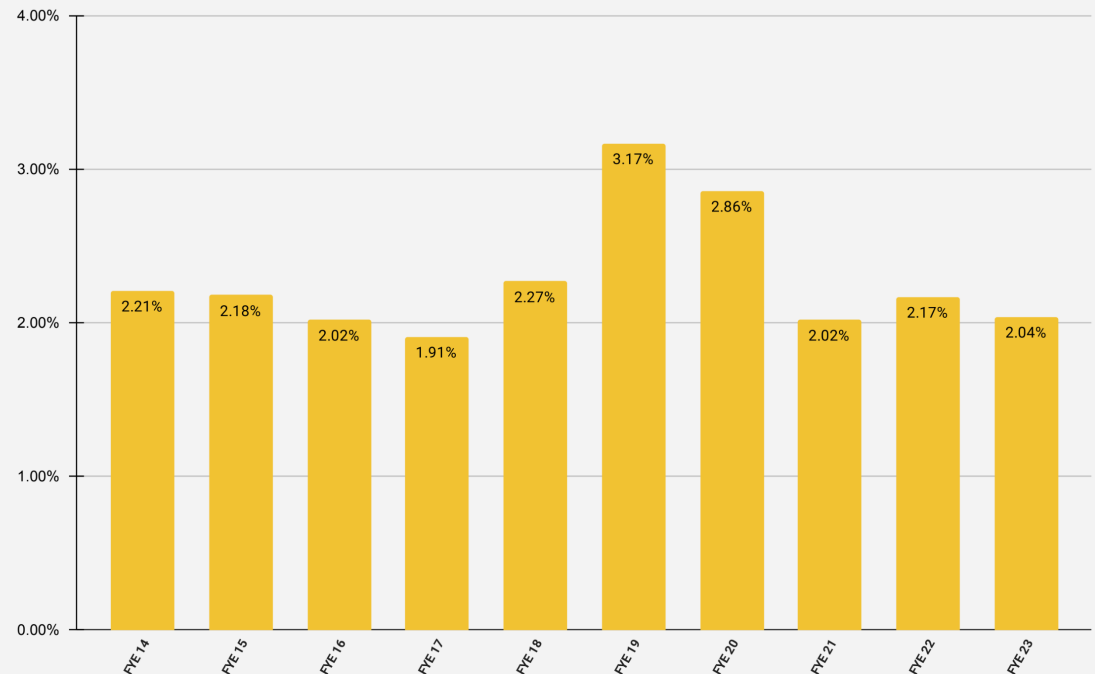
- Total claims processed year to date is 4,088; this represents a 7% decrease in claims processed compared to 2022.
- Total warranty dollars increased 15% year over year. This can be attributed to substantial price increases over the past year.
- Eaton M7 Transmission warranty represents approximately 50% of total Walker warranty year over year as compared to a four year average of 58%.
- Total warranty as a percentage of sales this year is 2.04% as compared to 2.17% last year during the same period.
- Warranty Policy
 - Effective June 30, 2022, Walker's warranty policy was updated to include a section on freight damage. This affects parts shipped by Walker to the distributor and parts shipped by the distributor to the dealer. Freight damage is always the responsibility of the carrier and is not considered warranty.
 - Also covered in the final section of this communication under "Warranty Parts" is a clarification on replacement part warranty. **All replacement parts** installed by the dealer carry a one-year parts and labor warranty from date of installation or the remaining original warranty, whichever is the longer. Parts installed by a non-authorized Walker dealer will carry a one-year warranty for the part only with no labor paid from the date the replacement part was purchased from the Walker dealer.

Total Warranty Paid

Up 15%

Year Over Year

Warranty as Percentage of Sales



Bulletins

- **Recall Bulletin #23304**
 - Subject: MC23i Receiver Cone Tab Extension
 - Models Affected: MC23i S/N 2023-181528 through 2023-184206
- **Recall Bulletin #23303**
 - Subject: MC23i Blower Pulley
 - Models Affected: MC23i S/N 2023-184670 through 2023-184765
- **Service Bulletin #23302**
 - Subject: Danfoss Model 7 Transmission Warranty Replacement
 - Models Affected: MC19i S/N 21-168631 and on
MC19 S/N 21-168757 and on
MD21d S/N 21-168381 and on
MT23 S/N 21-168447 and on
MT27i S/N 21-168491 and on
- **Advisory Bulletin #23301**
 - Subject: DS60-3 Deck Height Adjuster Upgrade Kit
 - Models Affected: DS60-3 Decks from S/N 22-204136 through S/N 23-214083
- **Advisory Bulletin #23300**
 - Subject: Bridge Design Changes for TOPS Equipped Tractors
 - Models Affected: MC19i S/N 21-168631 through 23-182231
MC19 S/N 21-168757 through 23-182231
MD21d S/N 21-168381 through 23-182231
MT23 S/N 21-168447 through 23-182231
MT27i S/N 21-168491 through 23-182231
- **Service Bulletin #23299**
 - Subject: Coupler Alignment Tool Kit
 - Models Affected: All MB Tractors
- **Recall Bulletin #23298**
 - Subject: DS60-3 Deck Recall
 - Models Affected: DS60-3 Deck S/N 2022-204136 and on Installed on Models C19, C19i, D21d, T23, and T27i Tractors
- **Recall Bulletin #23297**
 - Subject: Hydro-Gear ZT-3400™ Transmission Performance on MH Tractors
 - Models Affected: MH Tractors S/N 20-164354 thru 23-183042
- **Advisory Bulletin #23296**
 - Subject: DS60-3 Deck Interference with MC, MD, and MT
 - Models Affected: DS60-3 Deck S/N 2022-204136 and on Installed on Models C19, C19i, D21d, T23, and T27i Tractors
- **Advisory Bulletin #22295**
 - Subject: New MR Muffler Design
 - Models Affected: MR21 S/N 22-178455 and on
- **Advisory Bulletin #22294**
 - Subject: MB Debris Shield
 - Models Affected: MB23 and MB27i Tractors S/N 22-178741 and on
- **Advisory Bulletin #22293**
 - Subject: Hourmeter Change
 - Models Affected: All Tractors S/N 22-176715 and on
- **Advisory Bulletin #22292**
 - Subject: TOPS Input Housing Assemblies
 - Models Affected: MC19i S/N 21-168631 and on
MC19 S/N 21-168757 and on
MD21d S/N 21-168381 and on
MT23 S/N 21-168447 and on
MT27i S/N 21-168491 and on
- **Advisory Bulletin #22291**
 - Subject: Steering Lever Dampener Changes
 - Models Affected: MC, MD, and MT tractors prior to S/N 22-177368
MS tractors prior to S/N 22-177224
- **Advisory Bulletin #22290**
 - Subject: MR21 Deck Hinge Lock Safety Switch
 - Models Affected: MR Tractors S/N 2022-176314 and on
MR Decks S/N 2022-207809 and on

New Kits

- **Alignment Tab Extension Kit, P/N 5526-11**
 - Extends the alignment tabs on the MC23i receiver cone. See Recall Bulletin #23304 for details.
- **Danfoss M7 Cap and Plug Kit, P/N 5023-10**
 - Caps lines to reduce unnecessary oil loss when replacing a transmission in a TOPS-equipped MC, MD, or MT tractor.
- **A33 Blade Angle Adjustment Kit, P/N 6623-30**
 - Allows adjustment of the H11 or H16 dozer blade angle when using the A33 cab.
- **Clutch Rod Upgrade Kit, P/N 7395-1**
 - Replaces the clutch rod on an MD Tractor.
- **MC23i Support Strap for H21, P/N 6621-63**
 - Provides the MC23i mounting strap and hardware required to mount the H21 S/N 2023-8009 and on.
- **DS60-3 Foot Pedal Upgrade Kit, P/N 2722-15**
 - Updates the foot pedal for the deck height adjuster on S/N range 204136 through 214083.
- **Bridge Assembly Kit, P/N 6209-8**
 - Provides a replacement bridge assembly for TOPS-equipped tractors.
- **Coupler Alignment Tool Kit, P/N 2351-58**
 - Provides a set of coupler alignment tools to verify the flex coupler.
- **Adjustable Steering Lever Handle +1", P/N 5453-20**
 - Replaces a single steering lever handle.
- **MB 20" Drive Tire 2" Longer Fork Kit, P/N 5076-14**
 - Allows for a larger drive tire size to increase maximum cutting height on an MB with a DS60-3 deck.
- **Adjustable Steering Lever Handle, P/N 5453-14**
 - Replaces a single steering lever handle.
- **Removable Mulch Baffle with Blades (48"), P/N 1692-20**
 - Installs a removable mulch baffle with mulch blades.
- **Bridge Assembly Kit (MC/MD/MT), P/N 6209-8**
 - Provides a replacement bridge assembly for TOPS-equipped tractors.
- **Removable Mulch Baffle with Blades (42"), P/N 1692-19**
 - Installs a removable mulch baffle with mulch blades.
- **MR Tail Weight Kit, P/N 1647-10**
 - Adds 80 lbs of tail weight to the MR. Required for the A44 Dozer Blade.
- **MR Muffler Cut Out Template, P/N 1013-11**
 - Elongates the muffler tailpipe hole in the rear chassis of MR21 tractors S/N 22-178454 and earlier for compatibility with the P/N 1013-6 MR muffler.
- **Hitch Adapter (Pivot) Upgrade Kit, P/N 6626-12**
 - Upgrades the H11 or H16 Dozer Blades to the pivoting hitch adapter, S/N 22-1725 and earlier.
- **Dozer Blade Steel Cutting Edge Kit 60", P/N 6625-21**
 - Replaces the steel wear edge (cutting edge).
- **Polyurethane Wear Edge Kit 60", P/N 6625-11**
 - Replaces the steel wear edge (cutting edge) with a polyurethane edge.
- **Dozer Blade Steel Cutting Edge Kit 48", P/N 6624-21**
 - Replaces the steel wear edge (cutting edge).
- **Polyurethane Wear Edge Kit 48", P/N 6625-10**
 - Replaces the steel wear edge (cutting edge) with a polyurethane edge.
- **MB Debris Shield Kit, P/N 4301-13**
 - Adds a debris shield to MB27i/MB23 tractors prior to S/N 2022-178742.
- **MR Muffler Kit, P/N 1013-10**
 - Replaces the muffler; includes required heat shield and brace.

- **MD TOPST™ Input Housing Assembly, P/N 5025-57**
 - Replaces the TOPST™ Input Housing Assembly.
- **MC/MT TOPST™ Input Housing Assembly, P/N 5025-56**
 - Replaces the TOPST™ Input Housing Assembly.
- **Gearbox Tool Kit, P/N 5026-30**
 - Provides tools to repair and service gear-driven decks.
- **MB Steering Lever Dampener Upgrade Kit, P/N 4199-11**
 - Replaces steering lever dampeners on all MB models within the S/N range 2010-104436 through 2015-131749.
- **MS Steering Lever Dampener Kit, P/N 4199-12**
 - Replaces the shock mount/body lift arm bracket and the steering lever dampeners for MS tractors earlier than S/N 2022-177224.
- **MC/MT Steering Lever Dampener Kit, P/N 5199-12**
 - Replaces the shock mounts and the steering lever dampeners for MC/MT tractors earlier than S/N 2022-177368.
- **MD Steering Lever Dampener Kit, P/N 6199-12**
 - Replaces the shock mounts and the steering lever dampeners for MD tractors earlier than S/N 2022-177368.
- **MR Deck Support Arm Upgrade Kit, P/N 1431-10**
 - Upgrades the RH Deck Support Arm for MR21 tractors prior to S/N 22-176314.
- **MB27i Harness Upgrade Kit, P/N 4940-22**
 - Upgrades MB27i to the time delay harness for tractors prior to S/N 20-165099.

2023 Review

- Walker remains on the Road to 10,000 initiative with the goal to manufacture and sell 10,000 mowers in one year. We believe that our brand building strategy based on the four fundamentals listed below will lead to achieving this goal:

1) Establish and Renew Relationships

- Engage both new and existing customers as part of the Walker family.

2) Understand Identity

- The Walker family, story and product are different than our competitors.

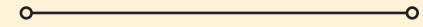
3) Differentiate from Competition

- Lean into what separates Walker from competition and excel at that.

4) Be a Lighthouse

- Live and act as a beacon to everyone we come in contact with.
- Why will this work?
 - Walker is an improved value proposition.
 - + Profitability for a dealer and productivity/profitability for customers.
 - We know how to renew relationships and pursue customers.
 - + Continue to be present among our existing and potential customers.
 - Independent company in design and programs.
 - + Product and programs continue to be top of the industry.
 - Still a lighthouse brand.
 - + Our job is to help many more customers (and others) notice us and get to know who we are.
- These objectives are being met through a variety of contact efforts. The information on the following pages is a synopsis of these efforts.

BRAND BUILDING



**Establish and
Renew Relationships**

Understand Identity

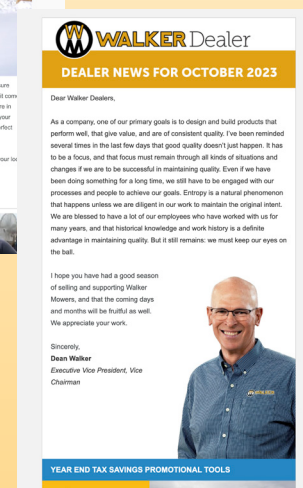
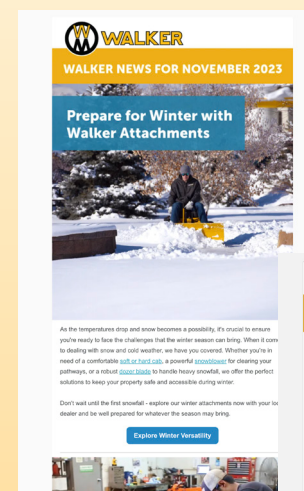
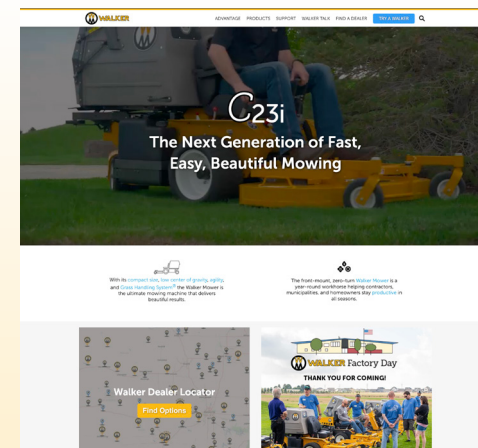
**Differentiate from
the Competition**

Be a Lighthouse

Digital Performance

- Walker.com
 - Our most prolific marketing tool for global reach and customer interaction
 - Over 1.9 million page views in FY23
 - Includes 31,644 page views at walkertalk.com
 - Walker Marketing, Sales, and Technical departments responded to 810 direct contacts through walker.com contact page
- Dealer Microsites
 - Active (indexing) part of walker.com ecosystem since February 2021
 - 734 dealer sites (72% of dealers)
 - Used as primary "safe" landing site for dealer electronic advertising
 - Over 233,000 page views for FY23
- Walkerdealer.com/marketing
 - Strong traffic in this section, especially in Marketing Assets Catalog
 - 3,303 downloads of marketing support content
 - Highest number of downloads includes: logos, catalogs and studio images
- Social Media

- Facebook (Meta)	- Instagram	- YouTube
+ Followers 80,241	+ Followers 19,323	+ Subscribers 4,226
+ Reach 1,569,558	+ Reach 62,495	+ Views 264,700
		+ Watch time 10,800 hrs
- Newsletters
 - Public eNewsletter (monthly)
 - + Averaged 58.12% open rate (industry average is 21.5%)
 - + Monthly engagement with over 25,500 opt-in contacts
 - Dealer eNewsletter (monthly)
 - + Sent to dealer and distributor contacts
 - + Open rate of 46.07%



Marketing: Printed/Physical Collateral

Printed/Physical Collateral

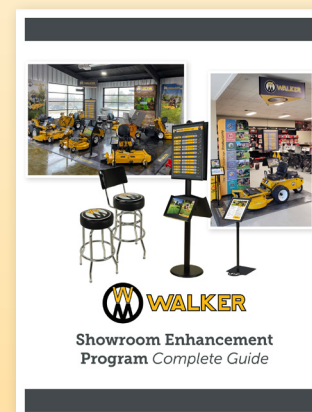
- Annual 2023 Product Catalog including 4 bonus *Walker Talk Magazine* Vol. 58 stories
 - Mailed to *Walker Talk Magazine* subscription list (27,106) in November 2022 so that *Walker Talk Magazine* subscribers could receive the 4 bonus stories
 - + Sent in Walker branded envelope and included a letter from Bob Walker
 - Mailed to North American registered customers (22,731) in January 2023
 - + Registered customer list for 2015 through 2019
 - + Delivered in a Walker branded envelope and included a letter from Ryan Walker
- *Walker Talk Magazine* Vol 59 (standalone volume)
 - Mailed to *Walker Talk Magazine* subscription list (23,442) in March 2023
 - Printed additional 13,375 for distribution at dealerships and shows
- Annual 2024 Product Catalog including 4 bonus *Walker Talk Magazine* Vol. 59 stories
 - Mailed to *Walker Talk Magazine* subscription list (24,306) in October 2023 so that Walker Talk subscribers could receive the 4 bonus stories
 - + Sent in Walker branded envelope and included a letter from Bob Walker
 - To be mailed to North American registered customers in January 2024
 - + Registered customer list for 2016 through 2022
 - + Delivered in a Walker branded envelope and including a letter from Ryan Walker
- Annual publishing cadence:
 - *Walker Talk Magazine* (magazine only)
 - + Prints in February, to mail out in March
 - + Mailed to *Walker Talk Magazine* subscribers
 - + Mailed to Distributors for distribution to dealers and events
 - Product Catalog with *Walker Talk Magazine* Bonus Stories Mailing
 - + Prints in October, to mail out in November
 - + Mailed to *Walker Talk Magazine* subscribers
 - + Includes a Product Catalog and a letter from Bob Walker in a Walker branded envelope



Marketing: Printed/Physical Collateral



- Product Catalog Mailing Kits
 - + Prints in December, to mail out in January (2023 and on)
 - + Mailed to North American registered customers (six year span)
 - + Includes a Product Catalog and a letter from Ryan Walker in a Walker branded envelope
- Model R Postcard Program
 - 27 dealers participated in 37 total mailings
 - 2024 program update will include trackability and improved customer journey experience
- Showroom Enhancement Program
 - Completed 34 new showrooms in FY23.
 - Thirteen existing showrooms completed an update in FY23.
 - Around 40 showrooms currently in progress.
 - Total of 206 showrooms now completed since 2016.
- Annual Collateral Distribution
 - Distributors manage marketing collateral for their territory
 - Every dealer showroom should signal to customers that they are in the right place to buy a Walker Mower
 - Gives opportunity to customize by dealer needs
- Walker Ware
 - Overall increase of 57% in business in 2023 v. 2022
 - Walker Ware Business-to-Business
 - + New program started in 2023 to improve the B-to-B opportunity for sales channel to access Walker Ware
 - + Updated co-op participation to offer a more affordable program
 - + Pre-made and custom programs available
 - + Products sold at cost and available for 50% co-op (Walker and distributor sharing 50% for dealers)
 - + Represented 25% of 2023 revenue for Walker Ware



Scan QR Code
to Download
This Booklet



See the Showroom Enhancement program details
in the Complete Guide booklet available on
walkerdealer.com/marketing/programs.

Marketing: Events and Personnel

Events

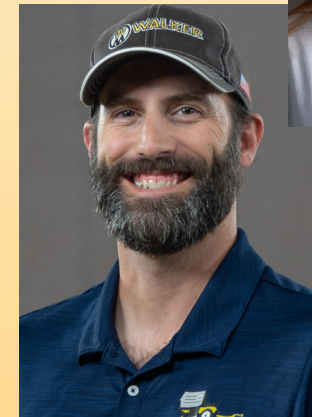
- Walker Factory Day
 - Hosted annual factory day on September 22, 2023
 - Estimated crowd of 1,100 attendees
 - Many attendees from outside of Colorado
- Marketing & Sales Summit
 - Annual event in Fort Collins included 40 marketing and sales staff attendees from various distributorships
 - Event focus was on customer journey steps and how Walker resources contribute to improving this experience
 - Two-day event concentrated on the strength of Sales and Marketing teams executing the Walker program together

Personnel

- Maggie Dillavou
 - Maggie joined the Walker Marketing team in October 2022 as an electronic media specialist. She has strong experience in understanding and directing successful electronic media campaigns. Her work in the '23 fiscal year has also included SEO/SEM management, newsletter content development, social media management, event planning, and web development. Maggie is a great addition to the Walker team adding current experience and renewed vision. Contact her at maggied@walker.com
- Joshua Collier
 - In April 2023, Joshua Collier came on the Walker Marketing team in the capacity of content creation and web development. His background includes over a decade and a half of video production along with teaching STEM and robotics to youth. His technical experience is a great fit for our team, and his ability to connect with people makes him a great fit at Walker. Joshua is a "can do" guy who knows how to get things done. He can be reached at joshuac@walker.com



Joshua Collier



Maggie Dillavou

- Federica Spano
 - In July, Walker began a contracted position of European Marketing Coordinator with Federica Spano of Neftenbach, Switzerland. Federica has a ten-year background in the Walker program and is a great fit to help European distributor marketing teams create, develop, and deploy marketing content within local markets. She is a talented communicator and has a strong understanding of our European distributors that makes her an effective developer of the Walker brand in Europe.

2024 Outlook

- From a marketing and customer engagement perspective, 2024 is looking like a great year, as customers continue to report that they are seeking value in their selection of tools that make both business and personal work more productive. The Walker value proposition still makes sense to many new and existing customers.
- Walker Marketing will continue to tell the Walker story and help new customers become a part of the Walker family by executing resilient, proven programs that set us apart.
- Our pursuit of customers (new and existing) will remain unmatched, and our ongoing refinement of our go-to-market strategy of brand building in local markets through our two-step program will remain a primary objective in our everyday workflow.
- A focus for 2024 will also include increased spending in the area of local and regional brand building (directed by area distributors).



Federica Spano

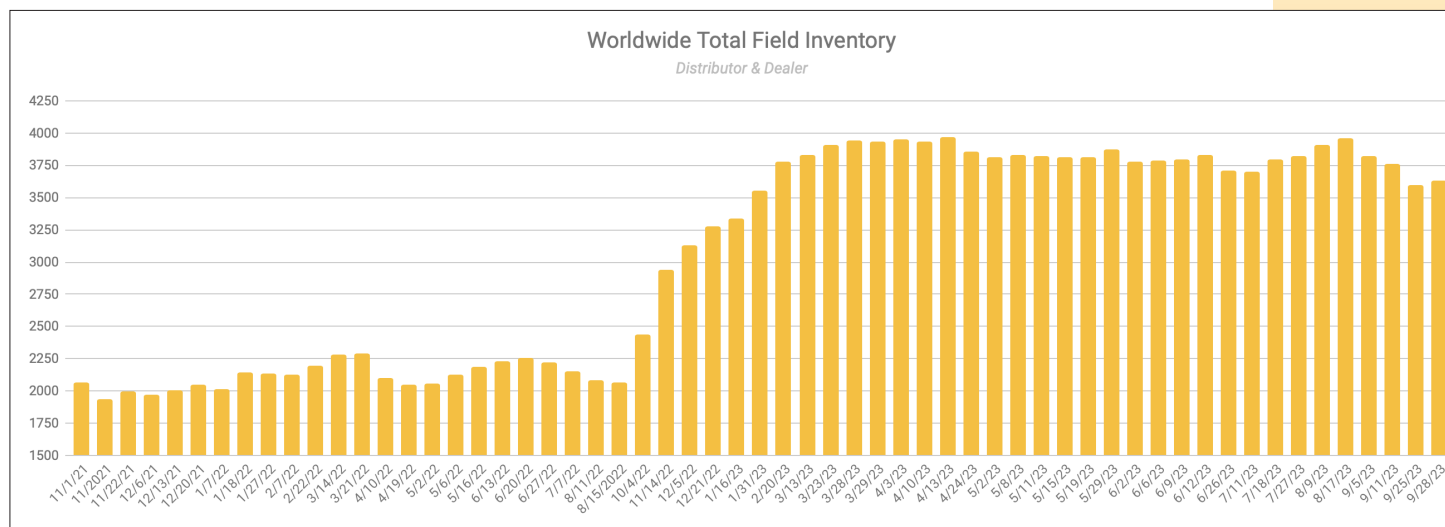
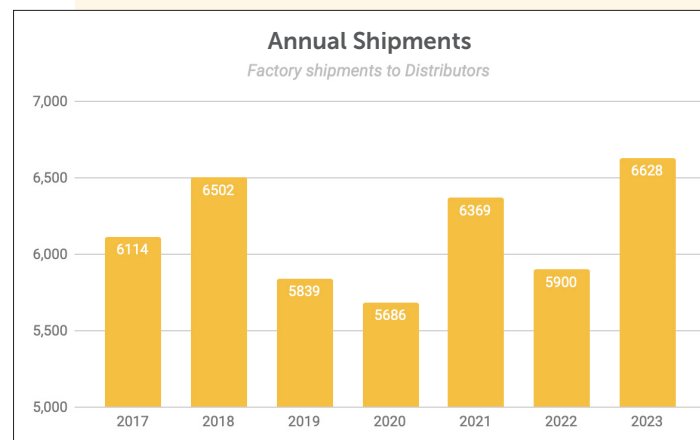
Sales: Road to 10,000

Road to 10,000

- 2023 production increased 2.9% vs. 2022 (6,450 vs. 6,269)
- Field inventory returning to historically normal levels
- Pre-pandemic (2015-2020) average Walker sales per active dealer = 5.9/year
- 2023 average Walker sales per active dealer = 7.7/year
- Most worldwide markets have experienced the fastest increase in interest rates in more than 25 years, putting pressure on retail demand.
- Walker's niche market share provides tremendous opportunity for worldwide sales growth.
- Less than 25% of current Walker owners have an implement or attachment - selling versatility is one of the greatest opportunities.
- 12% increase in factory shipments was largely attributable to field inventory replenishment
- Inflation and cost increase have moderated resulting in Walker price stability for 2024
- Pursuing more customers with a machine to multiply their opportunities is our highest call



WALKER
Road to **10,000**



Invest in Your Market

Walker's investment in production capacity must be matched with distributor and dealer investment in marketing and in having inventory available for customers to see and try.

Personnel Update

- Ben Johns
 - In June 2023, after nearly a year of searching, interviewing, and evaluating dozens of applicants, we were excited Ben joined the Walker Sales Team as a Channel Development Lead.
 - Ben graduated from the University of Colorado with a degree in Biochemistry and Molecular Biology, and after a short stint in the pharmaceutical industry pivoted to full-time ministry with Young Life, a non-profit Christian ministry focused on reaching high school youth. Over the past 10 years, he started and grew the Longmont, CO area for Young Life from zero to where it is today, impacting and serving over 1,200 at-risk high schoolers. He built and has led a team of nearly 100 paid and volunteer staff to carry out the mission of the Young Life organization. His humble demeanor, curious mind, and serving posture have already proven to make him an excellent support to distributorships and their teams.
 - Ben's focus in the organization will be primarily with distributor support and sales channel strategy. He has spent his first 5 months of work getting acquainted with distributor teams, administering sales programs and analyzing the vast amount of data the business creates. In the coming months Ben will visit local US domestic markets to further understand how Walker can serve each distributor in pursuing and serving customers.
 - Ben and Kelley have three boys, Gunner (6), Zion (4), and Rory (1). For fun, you can find Ben skiing, fishing, hunting, or hanging in the great outdoors with his family



Ben Johns

2023 Metric Review - Top 50 Dealers

Minimum Number of Registrations Needed to be in the Top 50 Dealers

23

Average Walker Unit Inventory Per Top 50 Dealer

8

Percent of Top 50 Dealers with 3 or More Models in their Inventory

83%

Percent of Top 50 Dealers that Participated in the Demo Loaner Program

50%

Percent of Top 50 Dealers that Participated in Marketing

91%

Percent of Top 50 Dealers with a Showroom Enhancement

63%

Percent of Top 50 Dealers with a Sales Pro

85%

Percent of Top 50 Dealers with a Walker Factory Technical Training Tech

46%

Program began in 2020.

out front Advantage Sales Training

- 2023 Stats:
 - Total attendees: 95
 - 33% of attendees were not from the US
 - Attendees from Australia and New Zealand: 16; European: 6
 - Number of Distributors represented: 15
 - Number of Dealerships represented: 70
- Other Stats:
 - 1,022 Total Sales Pros trained since 2013.
 - 619 Current and Active Sales Pros.
 - The goal of 1,000 Sales Pros trained before 2025 was achieved.
- New to Sales Training
 - Any Walker Dealer sales person is eligible to come back to the Factory for Sales Training.
 - 2024 Sales Training Dates:
 - + May 29-30
 - + June 12-13
 - + June 26-27
 - + July 10-11



***100% of Top 10 dealers have
been to Sales Training***

***82% of Top 50 have been
to Sales Training***



Sales: Retail Finance

2023 US Retail Finance - Current Programing

- Sheffield Financial



Mow NOW Pay LATER Programs*	Customer Payment/ \$1,000 Financed	Loan Origination Fee	Minimum Amount Financed
0% for 24 Months	\$41.67 per \$1,000 financed	\$150	\$1,500
1.49% for 12 Months	\$84.01 per \$1,000 financed	\$50	\$500
3.49% for 24 Months	\$43.20 per \$1,000 financed	\$125	\$1,500
4.49% for 36 Months	\$29.75 per \$1,000 financed	\$125	\$1,500
5.49% for 48 Months	\$23.25 per \$1,000 financed	\$125	\$1,500
6.49% for 60 Months	\$19.57 per \$1,000 financed	\$125	\$2,500

*Zero Interest for 120 Days. No Payments for 150 Days. Consumer and Commercial Customers.

Standard Programs	Customer Payment/ \$1,000 Financed	Loan Origination Fee	Minimum Amount Financed
8.99% for 12 Months	\$87.47 per \$1,000 financed	\$50	\$500
10.99% for 24 Months	\$46.62 per \$1,000 financed	\$125	\$1,500
12.99% for 36 Months	\$33.71 per \$1,000 financed	\$125	\$1,500
14.99% for 48 Months	\$27.84 per \$1,000 financed	\$125	\$1,500
Sub-Prime Program 10.99% for 36 Months <i>Approved Applicants with credit scores below 660</i>	\$32.75 per \$1,000 financed	\$125	\$1,500

0% and Low APR Programs	Customer Payment/\$1,000 Financed	Loan Origination Fee	Minimum Amount Financed
1.99% for 48 Months	\$21.70 per \$1,000 financed	\$125	\$1,500
3.99% for 24 Months	\$43.43 per \$1,000 financed	\$150	\$1,500
4.99% for 36 Months	\$29.97 per \$1,000 financed	\$150	\$3,000
5.99% for 48 Months	\$23.49 per \$1,000 financed	\$150	\$4,500
6.99% for 60 Months	\$19.80 per \$1,000 financed	\$150	\$6,000

No dealer recourse or reserve. UCC filing fee may be charged. Approval, and any rates and terms provided, are based on credit worthiness. Other qualifications and restrictions may apply. Financing promotions void where prohibited. Offer subject to change without notice. This flyer is informational material distributed only to dealers and for dealer use only, and is not for distribution to or viewing by consumers. Sheffield Financial is a division of Truist Bank, Member FDIC. © 2023 Truist Financial Corporation. Sheffield Financial, Truist and the Sheffield Financial logo are service marks of Truist Financial Corporation.

General Requirements:

- Maximum Loan Amount: \$75,000, unless noted otherwise
- Interest begins immediately unless noted otherwise. First payment due 35 days from date of closing unless noted otherwise.
- No pre-payment penalty
- *700 Fico Requirement

- Yard Card and Western Equipment Finance



Promotional Offer	Minimum APR	Promotional Fee*	Original Amount of Credit Transaction
0% APR for 36 Months	0%	\$150	\$1500
2.99% APR with 24	2.99%	\$150	\$1500
3.99% APR with 36	3.99%	\$150	\$1500
4.99% APR with 48	4.99%	\$150	\$1500
5.99% APR with 60	5.99%	\$150	\$1500

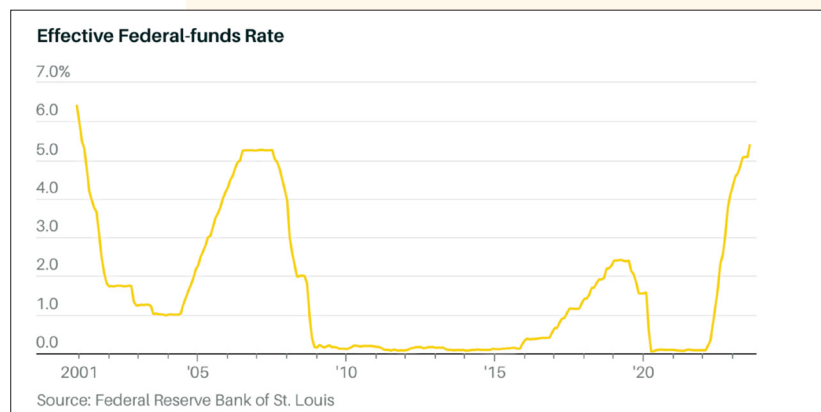
*Promo fee is charged to the credit card account and will appear on customer's first billing statement.



Finance Amount	Term	Rate	Payment Factor
\$5,000	24	2.75%	0.042872
	36	4.65%	0.029815
	48	5.80%	0.023393
	60	6.25%	0.019449
	72	6.55%	0.016834

All programs offered on approved credit (O.A.C.) for commercial customers only

- Programs underwritten and administered by Western Equipment Finance
- \$199 documentation fee; \$299 in PA due to UCC filing cost (paid by customer)
- Application-only to \$250,000 (Additional financial information required for applications greater than \$250,000)
- \$5,000 minimum finance amount



The federal funds rate is a proxy by which all retail lending rates are based.

Sales: Retail Finance and Distributor Events

- Interest rates have risen at the fastest rate in the last 20 years.
- It is largely expected we are at or near the top of the interest rate cycle.
- Key Take Away: Interest rates will be higher than we would like for longer than you think. Demonstrate the productivity of the Walker Mower not only in the physical work it can perform but also in the financial work.
- Even at higher interest rates, a machine properly financed still expands a users opportunity! Show your dealers an example they can use with thier customers!
- Key Financing Stats:
 - Retail financing approval rates were 81% in 2023 vs. 85% in 2022
 - + The Walker brand attracts the better customers to dealerships
 - The residual equity built in a financed Walker mower exceeds the industry, resulting in more trade in options for customers, and used machine sales opportunities for dealers.
 - 2023 Sheffield retail loan volume was down (2.6%) vs. 2022, but flat when compared to the 3 year average prior to COVID-19.
 - Industry-wide, Sheffield retail loan volume is down (5.2%) January though Spetember 2023.

Key Focus: 2024 Selling Season

- In August 2023, Walker Manufacturing held an offsite Distributor Meeting (DM24) at Big Cedar Lodge. This time was for domestic US and Canadian distributor principals to plan for 2024. The following were some areas of focus and their implications for the next year.
- **Road to 10,000**
 - *2024 Takeaway: We have the right people, products, and program to achieve new influence in the market! Continued (1) Dealer Development (2) Brand Building and (3) Pursuit of customer are the most important aspects to focus on.*
- **New Product and Engineering Changes**
 - *2024 Takeaway: New products like the C23i and increasingly popular configurations like Model B's with mulch decks need to attract new customers to Walker. Customer pursuit delights those who are here and welcomes those who aren't.*



Interest rates will be higher than we would like for longer than you think.

Demonstrate the productivity of the Walker Mower not only in the physical work it can perform but also in the financial work.

- **Factory Update and 2024 Preliminary Production Plan**

- 2024 Takeaway: Walker's investment in new factory capacity can meet the demands of a growing market.

- **Pricing**

- 2024 Takeaway: The Walker lineup has price stability, including repositioned pricing on the Model R and Model S.

- **Marketing Programs and Brand Building Efforts**

- 2024 Takeaways: Effective sales people queue up marketing projects that effective marketing teams execute.

- **Financing Discussion (Floorplan and Retail)**

- 2024 Takeaways: Turns beat margin

- **Walker Factory Technical Training and out front Advantage Sales Training**

- 2024 Takeaways: Utilize Walker hosted trainings for increased influence/Midshare

Top 50 Dealer Recognition

- In 2020 the Walker Top 50 was introduced on Walkerdealer.com
- Ranking on the Top 50 leaderboard is determined by new machine registrations (machines purchased and registered in the same year)
- Leaderboard determined from 9/1-8/31 of each year
- Every other year Walker recognizes the Top 50 dealers with an all expenses paid trip to unique destination. These trips are made possible by the support of both the factory and the regional Walker distributor of each qualifying dealer.
- This years Top 50 recognition trip is being held at the JW Marriot Guanacaste Resort and Spa in Guanacaste, Costa Rica, 47 of the 50 Top 50 dealers for 2023 are registered to attend.
- This will be the second worldwide recognition trip and we look forward to celebrating these influential dealers' success from 2023.



2023 Top 50 Dealers will be celebrated in Costa Rica, January 30 - February 2, 2024



Sales: Dealer Recognition

2023 Top 50 Dealers by Rank

Rank	Dealer	Number of Registrations
#1	Aubin Equipment - Precision Work, Inc., East Dennis, MA	122
#2	Power Equipment Plus II - Southampton - Precision Work, Inc., Southampton, NY	102
#3	Chad Little - Brunswick - Precision Work, Inc., Brunswick, ME	87
#4	Smith's Lawnmower Sales & Service, Inc. - Coates Landscape Supply, Inc., Caldwell, ID	81
#5	Stephen Roy Power Equipment - Precision Work, Inc., North Smithfield, RI	65
#6	MAC Equipment - Loveland - Kurtzer's LLC, Loveland, CO	58
#7	Price Small Engines, Inc. - Ground Works Distribution, LLC, Opelika, AL	54
#8	Master Mower - LEE Outdoor Power, LLC, Marietta, GA	53
#9	Wilkinson Supply - Coates Landscape Supply, Inc., Ogden, UT	52
#10	FM Abbott Power Equipment Inc - Precision Work, Inc., East Waterboro, ME	50
#11	Granz Power Equipment - Precision Work, Inc., Salem, NH USA	49
#12	Proffitt's Lawn & Leisure - Walker Distributing Company, Amarillo, TX	48
#13	MB Tractor & Equipment - Plaistow - Precision Work, Inc., Plaistow, NH	47
#14	KanEquip, Inc. - Wamego - Walker Mid America, Wamego, KS	46
#15	Meadow Green Sales - Penco Power Products, Billings, MT	45

Rank	Dealer	Number of Registrations
#16	Cutting Edge Sales & Service - Walker Mid America, Milford, IA	44
#17	J.M. Hayden Equipment Company LLC - Precision Work, Inc., Newfields, NH	42
#18	Union Farm Equipment - Precision Work, Inc., Union, ME	41
#19	Lawn Equipment Company - Coates Landscape Supply, Inc., Boise, ID	39
#20	High Desert Bobcat of Twin Falls - Coates Landscape Supply, Inc., Twin Falls, ID	36
#21	G & G Equipment - Kurtzer's LLC, Frederick, CO	35
#22	Pioneer Equipment Inc. - Walker Mid America, Oklahoma City, OK	33
#23	Cloutier Pro Mini Moteur Inc - Pro-Power Canada Inc., Saint-Therese, QC Canada	32
#24	Pro Rentals and Sales - Coates Landscape Supply, Inc., Idaho Falls, ID	31
#24	Out Front Power Equipment - Walker Distributing Company, Fargo, ND	31
#26	A & A Hydraulic & Equipment - Precision Work, Inc., Brook Park, OH	30
#26	Stihl Shop East Tamaki - Stevens Products Ltd, Auckland, New Zealand	30
#26	US Tractor and Harvest Grand Junction - Kurtzer's LLC, Fruita, CO	30
#29	Morgan Power Equipment Inc. - Precision Work, Inc., Halifax, MA	29
#29	Motor Mecca Toowoomba - Specialised Mowing Equipment, Toowoomba, QLD Australia	29

2023 Top 50 Dealers by Rank

Rank	Dealer	Number of Registrations
#29	Maximum Outdoor Equip. - Andover - Walker Mid America, Andover, KS	29
#32	Lewis Lawn Equipment, Inc. - Ground Works Distribution, LLC, Montgomery, AL	28
#32	Bissett Equipment Corporation - Precision Work, Inc., Holtsville, NY	28
#32	Turnpike Power Equipment LLC - Precision Work, Inc., Rowley, MA	28
#35	Boiling Springs Small Engine - LEE Outdoor Power, LLC, Boiling Springs, SC	27
#35	Emerich Sales & Service (Charlton) - Precision Work, Inc., Charlton, NY	27
#35	Emmett Equipment Company - Precision Work, Inc., Richfield, OH	27
#38	Stihl Shop Te Awamutu - Stevens Products Ltd., Te Awamutu, New Zealand	26
#39	Hyde Park Equipment - Pro-Power Canada Inc., London, ON Canada	25
#39	Fletcher's Outdoor Power Equipment, Inc. - Precision Work, Inc., Delmont, PA	25
#39	Lummus Inc. - Precision Work, Inc., Lynnfield, MA	25
#39	Maximum Outdoor Equipment - Walker Distributing Company, Wichita, KS	25
#43	OMC Power Equipment - Stevens Products Ltd, Christchurch, New Zealand	24
#43	Cutler's Inc. - Coates Landscape Supply, Inc., Orem, UT	24
#43	Weno Power Equipment - Outdoor Equipment Distributors, High Point, NC	24

Rank	Dealer	Number of Registrations
#43	Blueline Equipment - Pasco - Coates Landscape Supply, Inc., Pasco, WA	24
#43	Walker Mowers Of Helena - Penco Power Products, Helena, MT	24
#48	LandWorks Equipment - Kurtzer's LLC, Montrose, CO	23
#48	Huff's Outdoor Power Equipment Inc. - LEE Outdoor Power, LLC, Pelzer, SC	23
#48	Ace Outdoor Power Equipment-Cream ridge - Precision Work, Inc., Cream Ridge, NJ	23
#48	Stewart's Power Equipment Inc. - Precision Work, Inc., Holbrook, MA	23
#48	Al's The Chainsaw King - Coates Landscape Supply, Inc., Murray, UT	23
#48	Jerry's Small Engine Supply Company - Walker Distributing Company, Stevens Point, WI	23
#48	Westurf Nursery - Walker Distributing Company, Modesto, CA	23



The Top 50 Dealers
are only 8% of active
dealers, but account for

37%

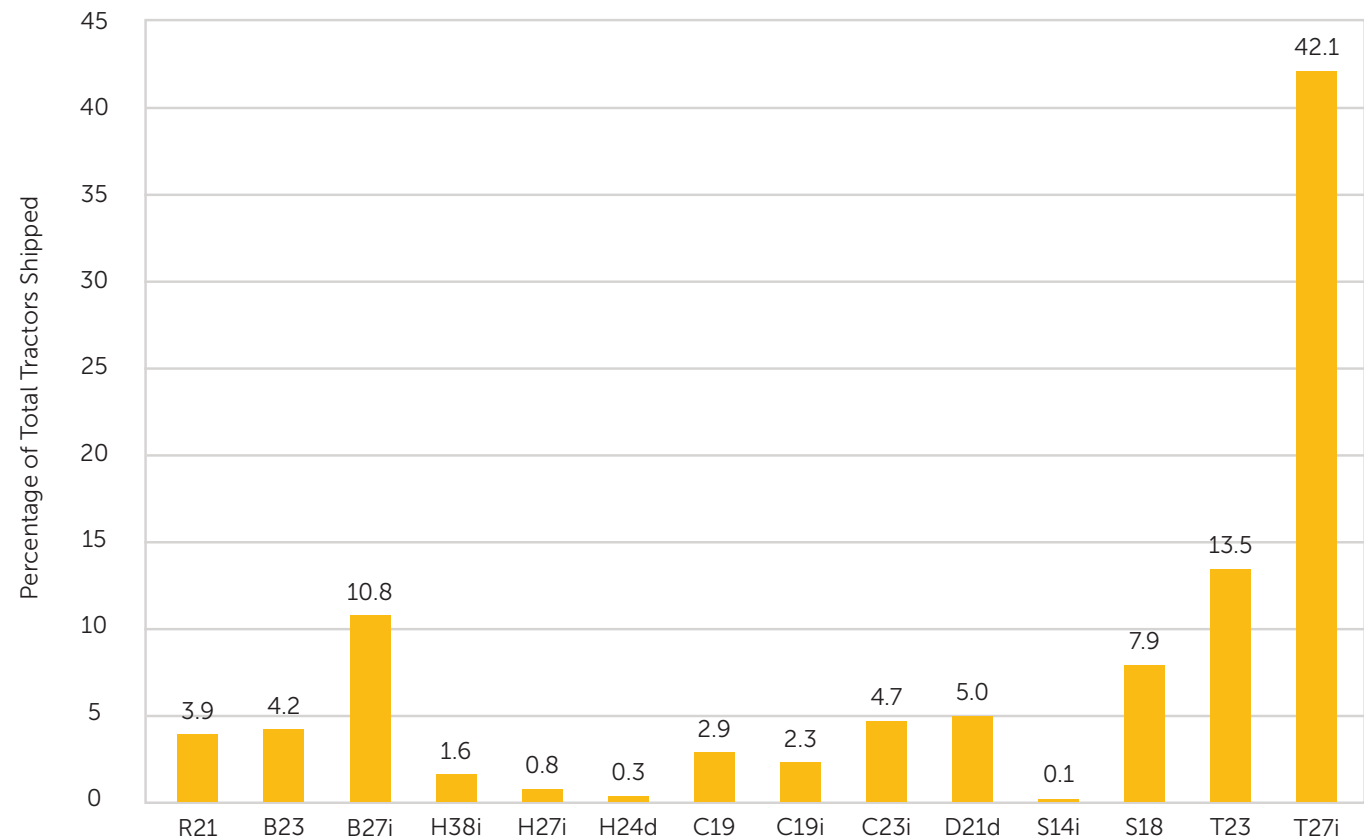
of all registrations
for FY2023.

Sales: 2023 Sales Data Review

Production

- Fiscal year 2023 actual production was 6,450 tractors and 7,256 decks (12.5% more decks than tractors)
- Production Planning for 2024 calls for 7,210 tractors and 7,930 decks (10% more decks than tractors), production will adjust to meet distributor's demand.
- Improvements made in factory equipment and automation in 2020-2023 has dramatically increased production capacity and prepared the factory to meet distributor demand
- Allotment system will continue to be utilized to order equipment
- In 2024, the allotment system will tie more directly with the forecasting page on walkerdealer.com. Details are forthcoming.

Model Mix by Percent of Total Tractors Shipped in 2023

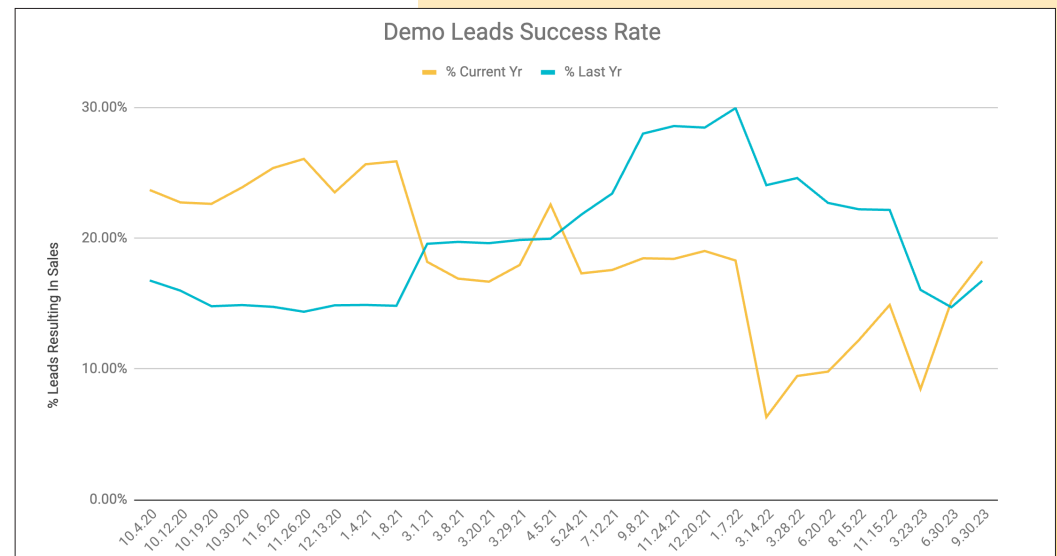


Demo Leads System Statistics and Analysis from August 1, 2019 to July 31, 2022

Leads Status	# 2021	# 2022	# 2023	% 2021	%2022	% 2023	Description
Total	973	728	695	--	-25.2	-4.5	Number of leads in the system
New	22	6	25	2.3%	0.8%	3.6%	Leads Designated New
Scheduled	3	5	12	0.3%	0.7%	1.7%	Leads with Demos Scheduled
Open*	92	83	81	9.5%	11.4%	11.7%	Leads that are new, scheduled, or paused
Paused	0	0	21	0.0%	0.0%	3.0%	Leads that are paused for later attention
Closed	630	529	452	64.7%	72.7%	65.0%	Leads that have resulted in a sale or never will
Overdue	4	5	10	0.4%	0.7%	1.4%	Leads that were not contacted within 2 business days
Demos	353	258	258	36.3%	35.4%	37.1%	Total demos completed
Sales/Sold†	231	110	106	65.4%	42.6%	41.1%	Total sales from demos completed
Demo Closure Rate	-	-	-	23.7%	15.1%	15.3%	Leads that resulted in a sale

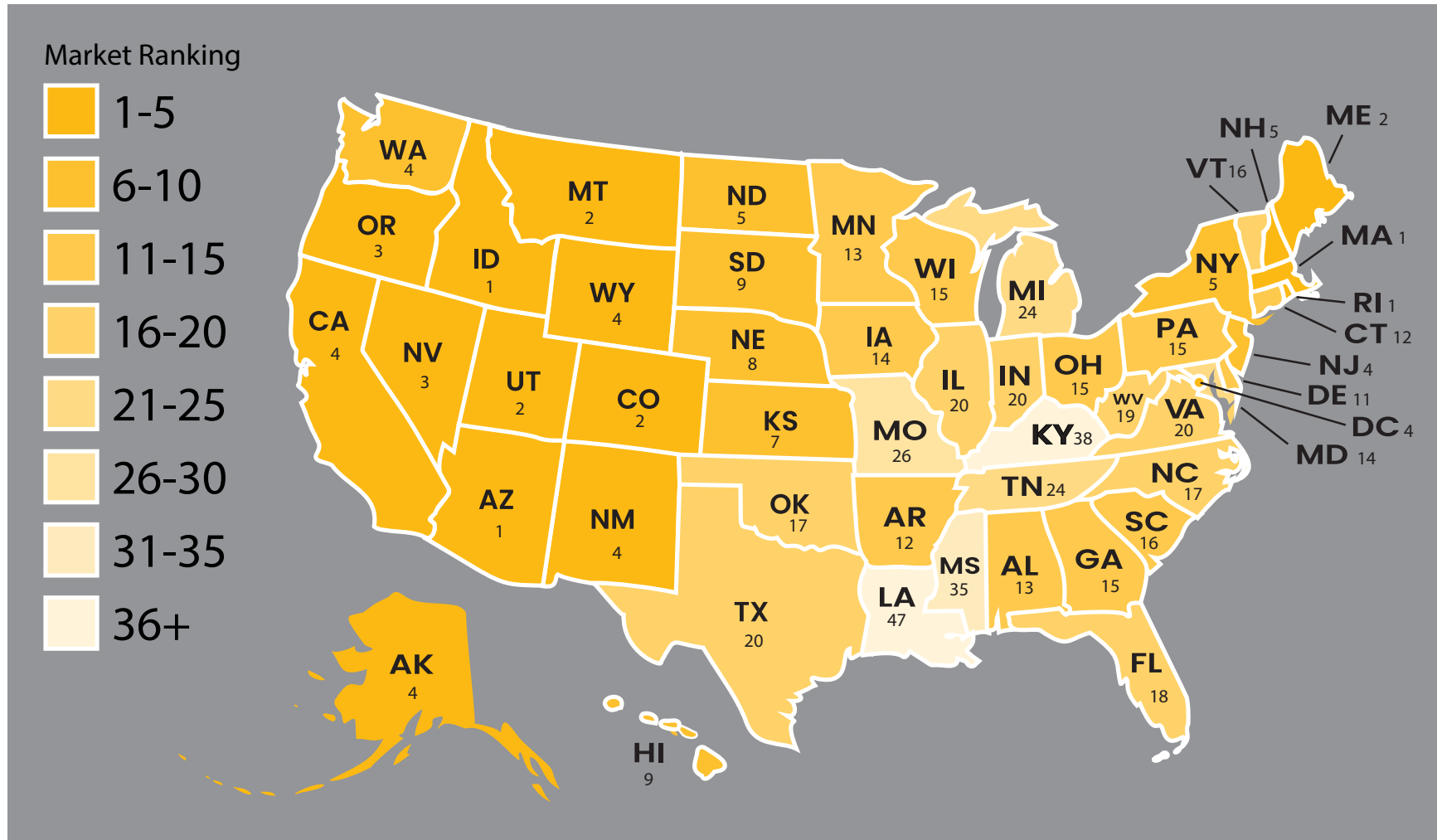
* 14 open leads have had no action or contact for 48 hours.

† 16% of the total 790 demo requests resulted in a Sale.



Sales: 2023 Sales Data Review

Walker Market Ranking in the USA by State



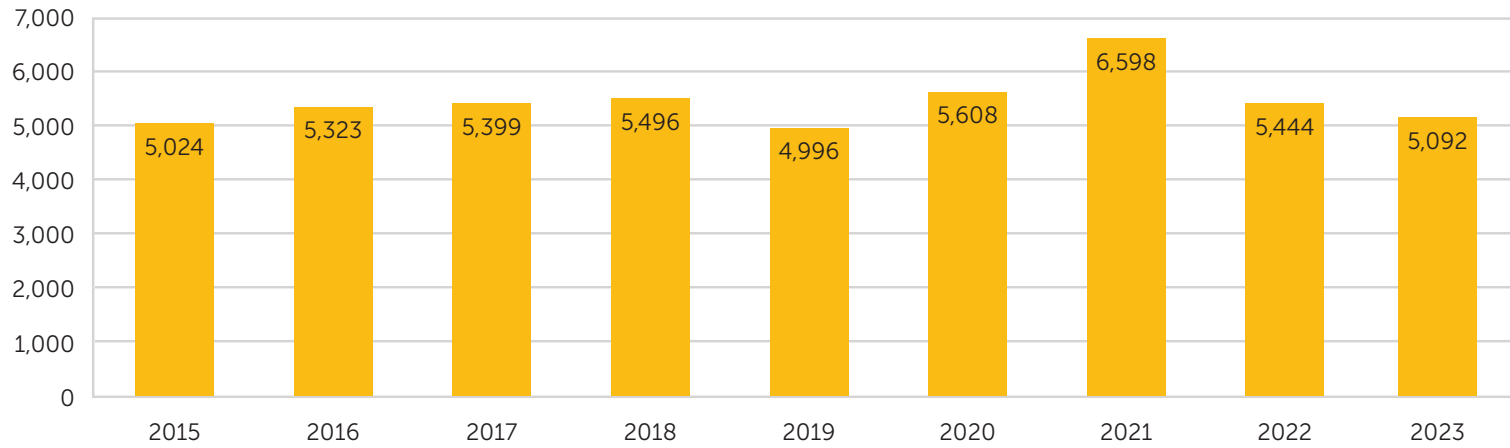
Notes:

1) OPEI sales reporting period September 2022 through August 2023

2) OPEI data from 20 manufacturing companies reporting shipments of commercial riding mowers into each state, total units sales = 307,258

Registration Data from 2023

New Machine Registrations Per Year

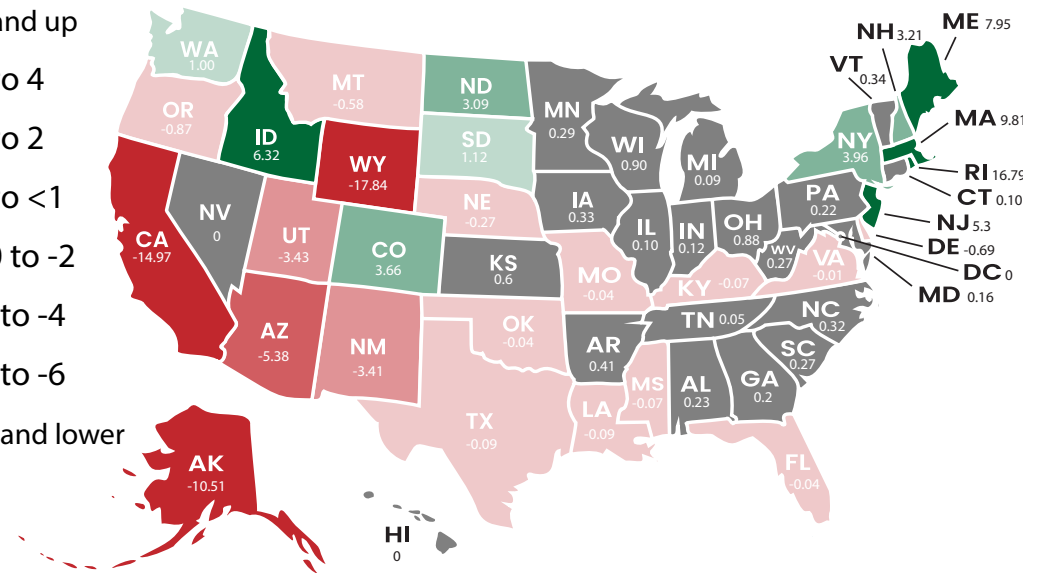
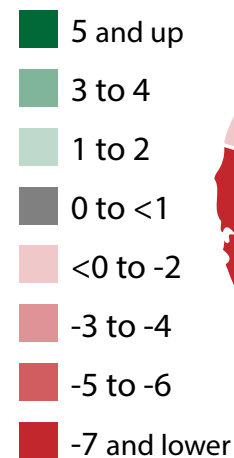


Registrations data runs from 10/1 - 9/30 for each year.
Machine must be purchased and registered in the same year.

Walker Market Share Percent Change in the USA by State

Note: EDA data reporting 10/1/2022 through 9/30/2023

Market Share % Change



Sales: 2023 Distributor Market Data

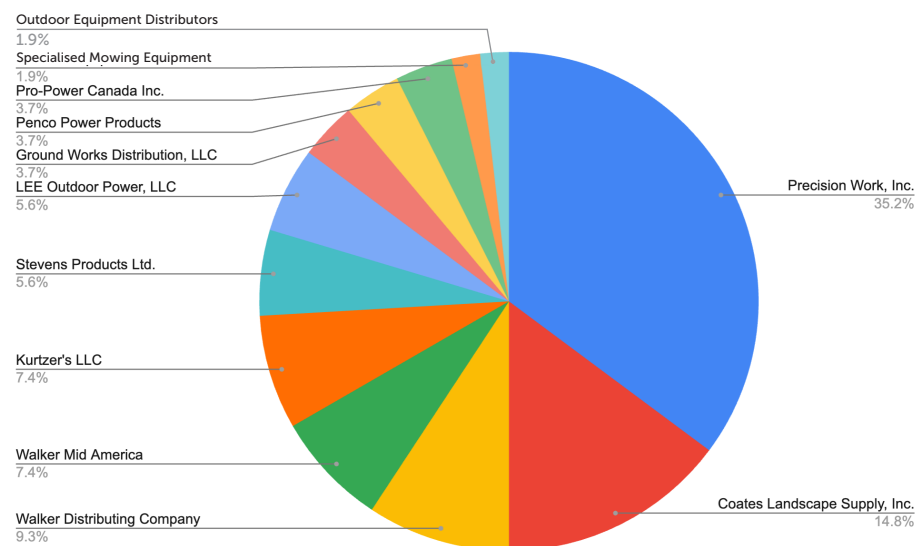
Analysis of Registration Data (Warranty)

2020	2021	2022	2023	Reply Information
5,077	6,104	5,262	3,369	Number of Responses (through 09/30/2023)
95.1%	94.7%	83.9%	52.2%	Return % Total
Model Mix/Owner Profile				
5%	7%	3%	7%	Purchase Model S
4%	6%	6%	7%	Purchase Model C
3%	4%	3%	3%	Purchase Model D
50%	55%	59%	67%	Purchase Model T
14%	16%	18%	12%	Purchase Model B
3%	3%	2%	2%	Purchase Model H
21%	10%	10%	1%	Purchase Model R
Customer Type				
41%	37%	35%	27%	Homeowner
48%	53%	55%	62%	Commercial
11%	10%	11%	11%	Government/Institutional/Other
Homeowner/Model				
8%	13%	7%	17%	Purchase Model S
4%	7%	8%	12%	Purchase Model C
2%	2%	2%	2%	Purchase Model D
27%	36%	38%	51%	Purchase Model T
14%	17%	19%	13%	Purchase Model B
3%	3%	3%	3%	Purchase Model H
43%	23%	24%	3%	Purchase Model R
Non-Homeowner/Model				
3%	3%	1%	3%	Purchase Model S
4%	6%	5%	6%	Purchase Model C
3%	5%	4%	4%	Purchase Model D
65%	65%	70%	73%	Purchase Model T
14%	16%	17%	12%	Purchase Model B
3%	2%	2%	2%	Purchase Model H
7%	2%	2%	0%	Purchase Model R

Number of Dealers in Top 50 by Distributor Ranked (class of 2023)

Distributor	Total Number of Dealers in Top 50
Precision Work, Inc.	19
Coates Landscape Supply, Inc.	8
Walker Distributing Company	5
Walker Mid America	4
Kurtzer's LLC	4
Stevens Products Ltd.	3
LEE Outdoor Power, LLC	3
Ground Works Distribution, LLC	2
Penco Power Products	2
Pro-Power Canada Inc.	2
Specialised Mowing Equipment	1
Outdoor Equipment Distributors	1

Percentage of Dealers in Top 50 by Distributor



Service Parts: Year in Review

Service Parts Sales Increasing

- Service Parts sales increased 5.2% vs 2022
 - Since 2020, sales have increased by 29%

Back Orders

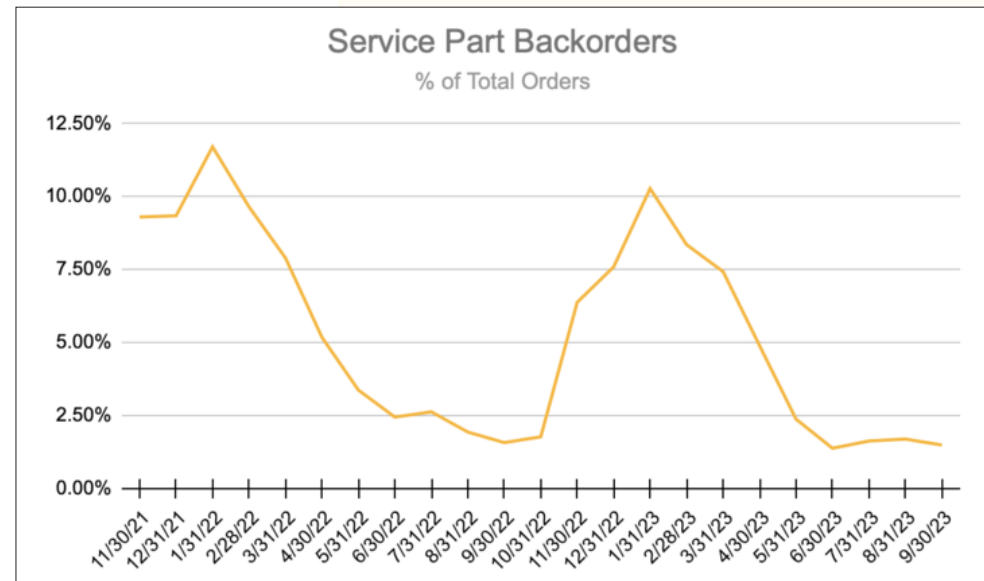
- Significant decrease in the volume of back ordered items since February 2023:
 - \$1.48 million in backorders in February 2023, now we are less than \$200,000.00

2023 Highlights

- Increased accuracy:
 - 0.24% decrease in error rate vs 2022
 - Total error rate of 0.77% for 2023 vs 1.01% error rate for 2022
- Back orders down 86% from peak in February 2023:
 - More parts are becoming available and the supply chain is getting better.

Year in Review

- Current Department Focus
 - Accuracy
 - + Packers are working to achieve better accuracy.
 - + Continue to improve inventory locations.
 - Efficiency
 - + Packers are working to ensure the highest packing efficiency.
 - + Manage inventory levels and locations to achieve better productivity.



Back Orders

Down
86%

from peak in February 2022

Service Parts: Year in Review

- Fulfillment
 - + Work to fulfill orders as quickly as possible.
 - + Improve communication between Walker and parts managers at distributorships.
- Team Work
 - + Working together as a team to reach goals unified together.

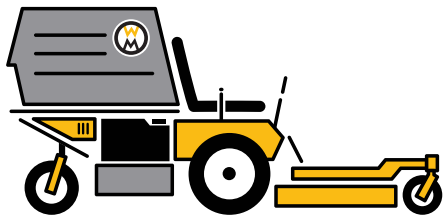
As We Look Forward to 2024

- Order minimum quantities for certain “boxed” part numbers:
 - This helps maximize efficiency by decreasing count time outbound from Walker and inbound receiving at distributors.
- Walker is working with distributors to increase average order size with increased lead times in order to improve efficiency and fill rates.
- We will continue pursuing deeper relationships between Walker Service Parts department and Distributors.

Order Turn Rates

	Goal	12 Month Average
Next Day	0.5 Hours	3.68
2nd Day	0.5 Hours	2.75
Ground	3 Days	2.46
LTL	10 Days	11.86

Note: All order turn rate statistics include back order parts. Back-orders have had a significant impact on 2022 and 2023 YTD numbers due to vendor issues, deliveries, and shortages.



*Best wishes to our distributors and dealers for a successful
and prosperous 2024. Our best days are ahead.*

5925 E. Harmony Rd | Fort Collins, CO 80528