

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 001-34627

GENERAC HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-5654756
(IRS Employer
Identification No.)

S45 W29290 Hwy 59, Waukesha, WI
(Address of principal executive offices)

53189
(Zip Code)

(262) 544-4811

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	GNRC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer
Emerging growth company

Accelerated filer
Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of May 1, 2026, there were 58,868,681 shares of registrant's common stock outstanding.

**GENERAC HOLDINGS INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Generac Holdings Inc.
Condensed Consolidated Balance Sheets
(U.S. Dollars in Thousands, Except Share and Per Share Data)
(Unaudited)

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 265,530	\$ 341,413
Accounts receivable, less allowance for credit losses of \$33,283 and \$34,504 at March 31, 2026 and December 31, 2025, respectively	626,584	602,739
Inventories	1,251,793	1,248,867
Prepaid expenses and other current assets	305,061	269,459
Total current assets	2,448,968	2,462,478
Property and equipment, net	819,624	813,605
Customer lists, net	137,082	127,517
Patents and technology, net	330,136	338,308
Other intangible assets, net	7,796	10,011
Tradenames, net	213,664	199,430
Goodwill	1,486,807	1,467,094
Deferred income taxes	38,210	41,949
Operating lease and other assets	110,976	113,287
Total assets	\$ 5,593,263	\$ 5,573,679
Liabilities and stockholders' equity		
Current liabilities:		
Short-term borrowings	\$ 43,950	\$ 50,618
Accounts payable	462,822	436,583
Accrued wages and employee benefits	55,571	69,850
Accrued product warranty	41,622	44,716
Other accrued liabilities	577,427	591,387
Current portion of long-term borrowings and finance lease obligations	26,390	22,192
Total current liabilities	1,207,782	1,215,346
Long-term borrowings and finance lease obligations	1,253,537	1,260,256
Deferred income taxes	56,786	60,913
Deferred revenue	236,504	232,921
Operating lease and other long-term liabilities	163,354	165,197
Total liabilities	2,917,963	2,934,633
Redeemable non-controlling interest	602	742
Stockholders' equity:		
Common stock, par value \$0.01, 500,000,000 shares authorized, 74,218,726 and 74,050,753 shares issued at March 31, 2026 and December 31, 2025, respectively	742	741
Additional paid-in capital	1,195,494	1,187,419
Treasury stock, at cost, 15,464,527 and 15,373,990 shares at March 31, 2026 and December 31, 2025, respectively	(1,378,708)	(1,358,053)
Excess purchase price over predecessor basis	(202,116)	(202,116)
Retained earnings	3,076,810	3,003,557
Accumulated other comprehensive (loss) income	(17,530)	874
Stockholders' equity attributable to Generac Holdings Inc.	2,674,692	2,632,422
Noncontrolling interests	6	5,882
Total stockholders' equity	2,674,698	2,638,304
Total liabilities and stockholders' equity	\$ 5,593,263	\$ 5,573,679

See notes to condensed consolidated financial statements.

Generac Holdings Inc.
Condensed Consolidated Statements of Comprehensive Income
(U.S. Dollars in Thousands, Except Share and Per Share Data)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Net sales	\$ 1,059,365	\$ 942,121
Costs of goods sold	649,129	570,135
Gross profit	410,236	371,986
Operating expenses:		
Selling and service	123,624	126,065
Research and development	62,656	62,048
General and administrative	76,285	74,746
Amortization of intangibles	30,380	25,489
Total operating expenses	292,945	288,348
Income from operations	117,291	83,638
Other (expense) income:		
Interest expense	(15,376)	(17,110)
Investment income	1,683	2,225
Change in fair value of investments	(1,374)	(9,947)
Other, net	(5,465)	(292)
Total other expense, net	(20,532)	(25,124)
Income before provision for income taxes	96,759	58,514
Provision for income taxes	23,647	14,236
Net income	73,112	44,278
Net (loss) income attributable to noncontrolling interests	(141)	438
Net income attributable to Generac Holdings Inc.	\$ 73,253	\$ 43,840
Net income attributable to Generac Holdings Inc. per common share - basic:	\$ 1.25	\$ 0.74
Weighted average common shares outstanding - basic:	58,412,205	59,062,534
Net income attributable to Generac Holdings Inc. per common share - diluted:	\$ 1.24	\$ 0.73
Weighted average common shares outstanding - diluted:	59,233,144	59,747,589
Comprehensive income attributable to Generac Holdings Inc.	\$ 54,849	\$ 68,799

See notes to condensed consolidated financial statements.

Generac Holdings Inc.
Condensed Consolidated Statements of Stockholders' Equity
(U.S. Dollars in Thousands, Except Share Data)
(Unaudited)

Generac Holdings Inc.											
	Common Stock		Additional Paid-In Capital	Treasury Stock		Excess Purchase Price Over Predecessor Basis	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Amount		Shares	Amount						
Balance at January 1, 2026	74,050,753	\$ 741	\$ 1,187,419	(15,373,990)	\$ (1,358,053)	\$ (202,116)	\$ 3,003,557	\$ 874	\$ 2,632,422	\$ 5,882	\$ 2,638,304
Unrealized loss on interest rate swaps, net of tax benefit of \$501								(1,515)	(1,515)		(1,515)
Foreign currency translation adjustment								(16,889)	(16,889)	154	(16,735)
Common stock issued under equity incentive plans, net of forfeitures and shares withheld for employee taxes and strike price	157,973	1	(6,644)						(6,643)		(6,643)
Payment of acquisition contingent consideration	10,000	–	3,917						3,917		3,917
Net share settlement of restricted stock awards				(90,537)	(20,655)				(20,655)		(20,655)
Disposition of business with a non-controlling interest			(2,640)						(2,640)	(6,030)	(8,670)
Share-based compensation			13,442						13,442		13,442
Net income							73,253		73,253	–	73,253
Balance at March 31, 2026	74,218,726	\$ 742	\$ 1,195,494	(15,464,527)	\$ (1,378,708)	\$ (202,116)	\$ 3,076,810	\$ (17,530)	\$ 2,674,692	\$ 6	\$ 2,674,698

Generac Holdings Inc.											
	Common Stock		Additional Paid-In Capital	Treasury Stock		Excess Purchase Price Over Predecessor Basis	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Amount		Shares	Amount						
Balance at January 1, 2025	73,785,631	\$ 738	\$ 1,133,756	(14,173,697)	\$ (1,196,997)	\$ (202,116)	\$ 2,844,296	\$ (85,399)	\$ 2,494,278	\$ 3,165	\$ 2,497,443
Unrealized loss on interest rate swaps, net of tax benefit of \$1,419								(4,313)	(4,313)		(4,313)
Foreign currency translation adjustment								29,272	29,272	198	29,470
Common stock issued under equity incentive plans, net of forfeitures and shares withheld for employee taxes and strike price	249,885	2	626						628		628
Net share settlement of restricted stock awards				(63,604)	(8,635)				(8,635)		(8,635)
Stock repurchases				(716,685)	(97,454)				(97,454)		(97,454)
Share-based compensation			11,608						11,608		11,608
Net income							43,840		43,840	438	44,278
Balance at March 31, 2025	74,035,516	\$ 740	\$ 1,145,990	(14,953,986)	\$ (1,303,086)	\$ (202,116)	\$ 2,888,136	\$ (60,440)	\$ 2,469,224	\$ 3,801	\$ 2,473,025

Generac Holdings Inc.
Condensed Consolidated Statements of Cash Flows
(U.S. Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Operating activities		
Net income	\$ 73,112	\$ 44,278
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and finance lease amortization	25,594	20,652
Amortization of intangible assets	30,380	25,489
Amortization of deferred financing costs and original issue discount	535	636
Change in fair value of investments	1,374	9,947
Deferred income tax expense (benefit)	3,745	(4,182)
Share-based compensation expense	13,442	11,608
Loss on disposal of assets	218	303
Loss attributable to business dispositions	4,782	-
Other noncash charges	552	626
Excess tax benefits from equity awards	(2,789)	(164)
Net changes in operating assets and liabilities:		
Accounts receivable	(15,103)	48,350
Inventories	13,930	(57,203)
Other assets	(44,151)	2,145
Accounts payable	40,085	(33,007)
Accrued wages and employee benefits	(13,704)	(31,554)
Other accrued liabilities	(12,717)	20,228
Net cash provided by operating activities	119,285	58,152
Investing activities		
Proceeds from sale of property and equipment	-	54
Purchase of long-term investments	-	(2,656)
Expenditures for property and equipment	(29,397)	(30,937)
Acquisition of business, net of cash acquired	(122,828)	-
Other investing activities	(1,525)	-
Net cash used in investing activities	(153,750)	(33,539)
Financing activities		
Proceeds from short-term borrowings	14,079	19,236
Proceeds from long-term borrowings	243	943
Repayments of short-term borrowings	(21,035)	(19,985)
Repayments of long-term borrowings and finance lease obligations	(6,190)	(14,450)
Stock repurchases	-	(97,454)
Payment of deferred acquisition consideration	(1,130)	-
Taxes paid related to equity awards	(34,594)	(8,601)
Proceeds from the exercise of stock options	7,245	592
Net cash used in financing activities	(41,382)	(119,719)
Effect of foreign exchange rate changes on cash and cash equivalents	(36)	1,293
Net decrease in cash and cash equivalents	(75,883)	(93,813)
Cash and cash equivalents at beginning of period	341,413	281,277
Cash and cash equivalents at end of period	\$ 265,530	\$ 187,464

See notes to condensed consolidated financial statements.

Generac Holdings Inc.
Notes to Condensed Consolidated Financial Statements
(U.S. Dollars in Thousands, Except Share and Per Share Data)
(Unaudited)

1. Description of Business and Basis of Presentation

Founded in 1959, Generac Holdings Inc. (the Company) is a leading global designer and manufacturer of a wide range of energy technology solutions. The Company provides power generation equipment, energy storage systems, energy management devices & solutions, and other power products and services serving the residential, commercial, data center, telecom, rental, and industrial markets. Generac's power products and solutions are available globally through a broad network of independent dealers, distributors, retailers, e-commerce partners, wholesalers, and equipment rental companies, as well as sold direct to certain end user customers.

Over the years, the Company has executed a number of acquisitions that support its strategic plan (refer to Item 1 in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, for a discussion of the Company's "Powering a Smarter World" strategic plan). A summary of acquisitions affecting the reporting periods presented include:

- In January 2026, the Company acquired Allmand, headquartered in Holdrege, Nebraska. Allmand is a leading manufacturer of mobile power equipment for commercial and industrial markets.

The condensed consolidated balance sheet as of March 31, 2026, the condensed consolidated statements of comprehensive income for the three months ended March 31, 2026 and 2025, the condensed consolidated statements of stockholders' equity for the three months ended March 31, 2026 and 2025, and the condensed consolidated statements of cash flows for the three months ended March 31, 2026 and 2025 have been prepared by the Company and have not been audited. In the opinion of management, all adjustments (which include only normal recurring adjustments except where disclosed) necessary for the fair presentation of the financial position, results of operation, and cash flows have been made. The results of operations for any interim period are not necessarily indicative of the results to be expected for the full year.

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The condensed consolidated financial statements include the accounts of the Company and its subsidiaries that are consolidated in conformity with accounting principles generally accepted in the United States of America (GAAP). All intercompany amounts and transactions have been eliminated in consolidation.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

New Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board (FASB) in the form of accounting standard updates (ASUs) to the FASB Accounting Standards Codification (ASC).

In September 2025, the FASB issued *ASU 2025-06 Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40)*. The update is intended to better align internal use software guidance with modern development methods, which have evolved to commonly include incremental and iterative development approaches. The ASU requires an entity to start capitalizing software costs when management has authorized and committed to funding a software project and when it is probable the project will be completed and used to perform the intended function. The ASU amendments also supersede previous guidance on website development costs. The update is effective for fiscal years beginning after December 15, 2027 and may be adopted prospectively, retrospectively or with a modified transition approach. Early adoption is permitted. The Company is currently assessing the impact and timing of adopting the updated standard.

In November 2024, the FASB issued *ASU 2024-03 Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The new guidance is intended to provide investors with more detailed disclosures around specific types of expenses. The new disclosures require additional quantitative and qualitative information for certain expenses contained within the Consolidated Statements of Comprehensive Income to be presented in the notes to the financial statements. The update is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The disclosure updates are required to be applied prospectively with the option for retrospective application. The Company is currently assessing the impact and timing of adopting the updated standard.

There have been no other recent accounting pronouncements, changes in accounting pronouncements, or recently adopted accounting guidance during the three months ended March 31, 2026, that are of significance or potential significance to the Company's consolidated financial statements or disclosures.

2. Acquisitions and Dispositions

Fiscal 2026 Acquisition

On January 5, 2026, the Company acquired Allmand, a leading manufacturer of mobile power equipment for Commercial & Industrial markets, headquartered in Holdrege, Nebraska for \$122,828. The Company recorded its preliminary purchase price allocation based upon the Company's estimates of the fair value of the acquired assets and assumed liabilities at that time. As a result, the Company recorded \$44,300 of certain intangible assets and \$34,439 of goodwill in the Commercial & Industrial segment, as of the acquisition date. Goodwill ascribed to this acquisition is deductible for tax purposes. The accompanying condensed consolidated financial statements include the results of Allmand from the date of acquisition through March 31, 2026. Pro-forma and other financial information are not presented as the effects of the acquisition are not material to the Company's results of operations or financial position prior to the acquisition date.

Fiscal 2026 and 2025 Dispositions

On January 2, 2026, the Company completed two immaterial business dispositions within the Commercial & Industrial segment, resulting in a combined loss of \$4,782.

On May 31, 2025, the Company completed an immaterial business disposition within the Residential segment (prior to the segment reorganization, the Domestic segment), resulting in a loss of \$3,905. Refer to Note 7, "Segment Reporting," for further information regarding the segment reorganization.

3. Redeemable Noncontrolling Interest

The Company entered into a joint venture with E.A. Juffali & Brothers ("Juffali") on August 7, 2025, based in Bahrain, aiming to expand its footprint in the Middle East region. The joint venture, operating under the name Generac Juffali Generators WLL, will function as a distinct legal entity with ownership interests divided between the Company and Juffali at 51% and 49%, respectively. As the Company holds a controlling financial interest in the joint venture's operating entity, it will consolidate the entity. During the third quarter of 2025, Juffali funded 49% of the total capital contributed to the new legal entity. The issuance date fair value of the 49% noncontrolling interest was \$979 and was recorded in the condensed consolidated balance sheets as a redeemable noncontrolling interest. This classification is based on Juffali's right to require redemption of its interest in Generac Juffali Generators under specific triggering circumstances outlined in the joint venture agreement. The redeemable noncontrolling interest is initially recognized at its issuance date fair value and is adjusted each reporting period to reflect the noncontrolling interests' share of comprehensive income. If the redeemable noncontrolling interest becomes currently redeemable or is probable of becoming currently redeemable, it is then adjusted to the greater of the redemption value or the carrying value, with any redemption value adjustments being recorded directly to retained earnings in the consolidated balance sheets.

The following table presents the changes in the redeemable noncontrolling interest for Generac Juffali Generators:

	Three Months Ended March 31, 2026
Balance at beginning of period	\$ 742
Net loss	(141)
Foreign currency translation	1
Balance at end of period	<u>\$ 602</u>

4. Derivative Instruments and Hedging Activities

The Company records all derivatives in accordance with ASC 815, *Derivatives and Hedging*, which requires derivative instruments to be reported in the condensed consolidated balance sheets at fair value and establishes criteria for designation and effectiveness of hedging relationships. The Company is exposed to market risk such as changes in commodity prices, foreign currencies, and interest rates. The Company does not hold or issue derivative financial instruments for trading purposes.

The Company periodically utilizes commodity derivatives and foreign currency forward purchase and sales contracts in the normal course of business. Because these contracts do not qualify for hedge accounting, the related gains and losses are recorded in the Company's condensed consolidated statements of comprehensive income. The commodity and foreign currency forward contract gains and losses are not material to the Company's condensed consolidated financial statements for the periods presented.

Additionally, the Company maintains interest rate swap agreements and owns stock warrants described in more detail below.

Interest Rate Swaps

In March 2020, the Company entered into three interest rate swap agreements, which were still outstanding as of March 31, 2026. In July 2025, in conjunction with the amendments to the Company's credit agreements discussed further in Note 12, "Credit Agreements", the Company modified its interest rate swaps to match the underlying debt and reconfirmed hedge effectiveness. The Company formally documented all relationships between interest rate hedging instruments and the related hedged items, as well as its risk-management objectives and strategies for undertaking various hedge transactions. These interest rate swap agreements qualify as cash flow hedges and therefore, the effective portions of their gains or losses are reported as a component of accumulated other comprehensive income (loss) in the condensed consolidated balance sheets.

The amount of after-tax unrealized losses recognized in accumulated other comprehensive income (loss) for the three months ended March 31, 2026 and 2025 were \$1,515 and \$4,313, respectively. The cash flows of the swaps are recognized as adjustments to interest expense each period. The ineffective portions of the derivatives' changes in fair value, if any, are immediately recognized in earnings.

Stock Warrants

During the fourth quarter of 2023, the Company entered into a \$30,000 agreement with Wallbox to purchase 5% of its Class A common stock and acquire stock warrants, the latter of which provide the right to acquire incremental Class A common stock outstanding of Wallbox upon exercise at a fixed price with anti-dilution protections for a period of time. During the third quarter of 2024 and the first, second, and fourth quarters of 2025, the Company received additional warrants under the anti-dilution protection rights in connection with additional rounds of funding performed by Wallbox. In accordance with U.S. GAAP, the Company is required to adjust the carrying value of these warrants to market value on a quarterly basis. Gains and losses attributable to the stock warrants are recognized in other expense, net in the condensed consolidated statements of comprehensive income.

The loss attributable to the stock warrants was \$1,635 and \$3,356 for the three months ended March 31, 2026 and 2025, respectively.

Fair Value

The following table presents the fair value of all the Company's interest rate swaps and stock warrants.

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Interest rate swaps	\$ 9,256	\$ 11,272
Stock warrants	445	2,080

The fair values of the interest rate swaps and stock warrants are included in operating lease and other assets in the condensed consolidated balance sheets as of March 31, 2026 and December 31, 2025. Excluding the impact of credit risk, the fair value of the interest rate swaps as of March 31, 2026 and December 31, 2025 was an asset of \$9,559 and \$11,604, respectively, which represents the amount the Company would receive to exit all of the agreements on those dates.

5. Fair Value Measurements

ASC 820-10, *Fair Value Measurement*, defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure for each major asset and liability category measured at fair value on either a recurring basis or nonrecurring basis. ASC 820-10 clarifies that fair value is an exit price, representing the amount that would be received in the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the pronouncement establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company believes the carrying amount of its financial instruments (cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, short-term borrowings, and revolving facility (Revolving Facility) borrowings), excluding Term Loan borrowings, approximates the fair value of these instruments based on their short-term nature. The fair value of the New Tranche A Term Loan Facility borrowing, which has a net carrying value of \$696,949, was approximately \$693,000 (Level 2) as of March 31, 2026. The fair value of the Term Loan B Facility borrowing, which has a net carrying value of \$490,140, was approximately \$494,963 (Level 2) as of March 31, 2026. These Term Loan fair values were calculated based on independent valuations which contain inputs and significant value drivers that are observable.

For the fair value of the derivatives measured on a recurring basis, refer to the fair value table in Note 4, "Derivative Instruments and Hedging Activities," to the condensed consolidated financial statements of this Quarterly Report on Form 10-Q. The fair value of the Company's interest rate swaps and commodity and foreign currency derivative contracts are classified as Level 2. The valuation techniques used to measure the fair value of these derivative contracts, all of which have counterparties with high credit ratings, were based on quoted market prices or model driven valuations using significant inputs derived from or corroborated by observable market data. The fair value of the derivative contracts discussed above considers the Company's credit risk in accordance with ASC 820-10.

The fair value of the Wallbox stock warrants is classified as Level 3. The fair value of these warrants is measured using a Black Scholes option pricing model, with significant inputs derived from or corroborated by observable market data as well as internal estimates, specifically the time period until exercise. The warrants received in 2025, 2024, and 2023 expire at the earlier of when the price per share equals or exceeds \$120.00 or in 2028, 2028, and 2029, respectively. The time period until exercise assumption has a significant impact on the fair value of the warrants.

Equity Securities

Equity securities primarily consist of Wallbox Shares. During the third quarter of 2024, the Company invested an incremental \$35,000 in additional Wallbox Shares. The Wallbox Shares are classified as Level 1 in the fair value hierarchy and are recognized at fair value using the closing price of Wallbox common stock quoted on the New York Stock Exchange (NYSE) on the last trading day of the quarter. The Wallbox Shares are included in operating lease and other assets in the condensed consolidated balance sheets. The fair value of the Wallbox Shares was \$4,724 and \$4,457 as of March 31, 2026, and December 31, 2025, respectively. Gains and losses attributable to the Wallbox Shares are recognized in other expense, net in the condensed consolidated statements of comprehensive income. The gain (loss) recognized on the Wallbox Shares was \$267 and \$(6,591) for the three months ended March 31, 2026 and 2025, respectively.

Contingent Consideration

Certain of the Company's business combinations involve potential payment of future consideration that is contingent upon the achievement of certain milestones. As part of purchase accounting, a liability is recorded for the estimated fair value of the contingent consideration on the acquisition date. The fair value of the contingent consideration is remeasured at each reporting period, and the change in fair value is recognized within general and administrative expenses in the Company's condensed consolidated statements of comprehensive income. The fair value measurement of contingent consideration is typically categorized as a Level 3 liability, as the measurement amount is based primarily on significant inputs that are not observable in the market.

The combined fair value of contingent consideration for the Chilicon Power LLC (Chilicon), Ageto, and PR Industrial S.r.l. (Pramac) acquisitions as of March 31, 2026, and December 31, 2025, was \$29,266 and \$32,872, respectively. The contingent consideration period for Pramac ended as of December 31, 2025. The contingent consideration for Chilicon extends through December 31, 2028, and is paid annually based on incremental earnings and upon achievement of certain milestones. The contingent consideration for Ageto can be earned in equal increments with one third of the contingent consideration earned as of August 1, 2025, and the remaining two increments capable of being earned on August 1, 2026 and August 1, 2027. The current portion of contingent consideration totals \$10,357 and is reported in other accrued liabilities, and the non-current portion totals \$18,909 and is reported in operating lease and other long-term liabilities in the condensed consolidated balance sheets.

The following table provides a reconciliation of the activity for contingent consideration:

Beginning balance, January 1, 2026	\$	32,872
Payment of contingent consideration (1)		(3,917)
Present value interest accretion		310
Ending balance, March 31, 2026	\$	<u>29,266</u>

(1) Represents payment of \$3,917 in shares for the Chilicon acquisition. The payment of common stock is accounted for as a non-cash item in the condensed consolidated statement of cash flows.

6. Accumulated Other Comprehensive Income (Loss)

The following table presents a disclosure of changes in Accumulated Other Comprehensive Income (Loss) during the three months ended March 31, 2026 and 2025, net of tax:

	Foreign Currency Translation Adjustments	Unrealized Gain (Loss) on Cash Flow Hedges	Total
Beginning Balance – January 1, 2026	\$ (7,030)	\$ 7,904	\$ 874
Other comprehensive loss	(16,889) (1)	(1,515) (2)	(18,404)
Ending Balance – March 31, 2026	<u>\$ (23,919)</u>	<u>\$ 6,389</u>	<u>\$ (17,530)</u>

	Foreign Currency Translation Adjustments	Unrealized Gain (Loss) on Cash Flow Hedges	Total
Beginning Balance – January 1, 2025	\$ (106,166)	\$ 20,767	\$ (85,399)
Other comprehensive income (loss)	29,272 (3)	(4,313) (4)	24,959
Ending Balance – March 31, 2025	<u>\$ (76,894)</u>	<u>\$ 16,454</u>	<u>\$ (60,440)</u>

(1) Represents an unfavorable impact from the strengthening of the U.S. dollar against foreign currencies during the three months ended March 31, 2026, particularly the Euro, British Pound, and Mexican Peso.

(2) Represents unrealized losses of \$2,016 on the interest rate swaps, net of tax benefit of \$501, for the three months ended March 31, 2026.

(3) Represents favorable impact from the weakening of the U.S. dollar against foreign currencies during the three months ended March 31, 2025, particularly the Euro and British Pound.

(4) Represents unrealized losses of \$5,732 on the interest rate swaps, net of tax benefit of \$1,419, for the three months ended March 31, 2025.

7. Segment Reporting

On March 25, 2026, the Company announced its plan to reorganize its two reportable segments, effective March 31, 2026 (the Reorganization). The Company's Chief Operating Decision Maker (CODM) is Aaron Jagdfeld, President and Chief Executive Officer (CEO). The Reorganization reflects a change in how the CODM evaluates the Company's operations and performance to better align reporting with the way the business is managed. Prior to the Reorganization, the Company's reportable segments were Domestic and International. As a result of the Reorganization, the Company's new reportable segments are Residential and Commercial & Industrial (C&I). While Residential and C&I include similar products, they differ based on power output and end customer.

The Residential segment consists of the former Domestic segment, excluding the domestic C&I operations. Residential products consist primarily of automatic home standby generators ranging in output from 7.5kW to 150kW, portable generators, residential energy storage systems, energy management devices and solutions, and other outdoor power equipment. These products are predominantly sold through independent residential dealers, national and regional retailers, e-commerce merchants, electrical/HVAC/solar wholesalers, solar installers, and outdoor power equipment dealers. Residential segment revenue consists of product sales to the Company's distribution partners, who in turn sell the product to the end consumer, sometimes including installation and maintenance services. The Residential segment revenue also includes sales of products and services related to aftermarket service parts, the amortization of extended warranty deferred revenue, and remote monitoring subscription revenue. In some cases, residential products are sold directly to the end consumer. The majority of Residential segment revenues are recorded at a point in time when control is transferred to the customer. The remaining revenue, primarily related to extended warranty and other services, is recognized over the period the related services are performed.

The C&I segment consists of the operations of the former International segment with the addition of the domestic Commercial & Industrial operations. Commercial & Industrial products consist of larger output stationary generators used in C&I applications, with power outputs up to 3,250kW. Also included in C&I products are mobile generators, light towers, C&I battery energy storage systems, mobile heaters, mobile pumps, and related controls for power generation equipment. These products are sold globally through industrial distributors and dealers, Engineering, Procurement, and Construction (EPC) companies, equipment rental companies, and equipment distributors. C&I segment revenue consists of product sales to the Company's distribution partners, who in turn sell or rent the product to the end customer, sometimes including installation and maintenance services. The C&I segment revenue also includes sales of products and services related to aftermarket service parts and product accessories sold to the Company's distribution partners, grid services subscription revenue, as well as certain installation and maintenance service revenue. In some cases, C&I products are sold directly to the end customer. C&I segment revenues are recorded at either a point in time when control is transferred to the customer, or if the performance obligation is satisfied over time, then revenue is recognized using a method that reflects the performance under the contract.

Segment financial information for the prior periods has been recast to conform to the current presentation.

The composition of net sales between Residential and Commercial & Industrial reportable segments is as follows:

	Total Sales by Reportable Segment					
	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	External Net Sales	Intersegment Sales	Total Sales	External Net Sales	Intersegment Sales	Total Sales
Residential	\$ 549,316	\$ 2,867	\$ 552,183	\$ 543,115	\$ 5,548	\$ 548,663
Commercial & Industrial	510,049	49	510,098	399,006	-	399,006
Intercompany eliminations	-	(2,916)	(2,916)	-	(5,548)	(5,548)
Total net sales	<u>\$ 1,059,365</u>	<u>\$ -</u>	<u>\$ 1,059,365</u>	<u>\$ 942,121</u>	<u>\$ -</u>	<u>\$ 942,121</u>

The Company views Adjusted EBITDA as a key measure of the Company's performance. The computation of Adjusted EBITDA is based primarily on the definition that is contained in the Company's credit agreements. The Company presents Adjusted EBITDA not only due to its importance for purposes of the Company's credit agreements, but also because it assists the Company in comparing performance across reporting periods on a consistent basis as it excludes items the Company's management does not believe are indicative of the Company's core operating performance. The CODM uses Adjusted EBITDA, along with the Company's management:

- for planning purposes, including the preparation of the Company's annual operating budget and developing and refining internal projections for future periods;
- to allocate resources to enhance the financial performance of the Company's business;
- as a target for the determination of the bonus component of compensation for the Company's senior executives under the Company's management incentive plan, as described further in the Company's proxy statement;
- to evaluate the effectiveness of the Company's business strategies and as a tool in evaluating the Company's performance against the Company's budget for each period; and
- in communications with the Company's Board of Directors and investors concerning the Company's financial performance.

The table below presents sales (external and intersegment), significant segment expenses, other segment items, and Adjusted EBITDA by reportable segment, reconciled to consolidated income before provision for income taxes.

	Three Months Ended March 31, 2026				Three Months Ended March 31, 2025			
	Commercial & Industrial		Corporate & Eliminations (*)	Total	Commercial & Industrial		Corporate & Eliminations (*)	Total
	Residential	Industrial			Residential	Industrial		
External net sales	\$ 549,316	\$ 510,049	\$ -	\$ 1,059,365	\$ 543,115	\$ 399,006	\$ -	\$ 942,121
Intersegment sales	2,867	49	-	2,916	5,548	-	-	5,548
Total sales	552,183	510,098	-	1,062,281	548,663	399,006	-	947,669
Elimination of intersegment sales			(2,916)	(2,916)			(5,548)	(5,548)
Costs of goods sold	280,955	371,090	-	652,045	289,902	285,781	-	575,683
Elimination of intersegment cost of goods sold			(2,916)	(2,916)			(5,548)	(5,548)
Operating expenses	176,617	102,481	13,847	292,945	185,228	90,373	12,747	288,348
Other segment items (1)	(43,974)	(30,005)	(2,211)	(76,190)	(38,056)	(22,494)	(5,358)	(65,908)
Adjusted EBITDA by reportable segment	\$ 138,585	\$ 66,532	\$ (11,636)	\$ 193,481	\$ 111,589	\$ 45,346	\$ (7,389)	\$ 149,546
Interest expense				(15,376)				(17,110)
Depreciation and amortization				(55,974)				(46,141)
Non-cash write-down and other adjustments (2)				1,443				13
Non-cash share-based compensation expense (3)				(13,442)				(11,608)
Transaction costs and credit facility fees (4)				(2,710)				(760)
Business optimization and other charges (5)				(1,153)				(1,575)
Provision for legal, regulatory, and other costs (6)				(3,206)				(3,751)
Change in fair value of investments (7)				(1,374)				(9,947)
Other (8)				(4,930)				(153)
Income before provision for income taxes				\$ 96,759				\$ 58,514

(*) The 'Corporate & Eliminations' column includes general corporate overhead, centrally managed costs not allocated to the reportable segments, and the elimination of intersegment revenues and profits. These costs primarily relate to certain legal, accounting, human resources, technology functions, and other costs related to the Corporate headquarters.

(1) Other segment items primarily represent depreciation and amortization and the following items defined below: Non-cash write-down and other adjustments; Non-cash shared-based compensation expense; Transaction costs and credit facility fees; Business optimization and other charges; and Provision for legal, regulatory, and other costs.

(2) Includes gains (losses) on dispositions of assets other than in the ordinary course of business, gains (losses) on sales of certain investments, unrealized mark-to-market adjustments on commodity contracts, certain foreign currency related adjustments, and certain purchase accounting and contingent consideration adjustments.

(3) Represents share-based compensation expense to account for stock options, restricted stock, and other stock awards over their respective vesting periods.

(4) Represents transaction costs incurred directly in connection with any investment, as defined in the Company's credit agreement, equity issuance or debt issuance or refinancing, together with certain fees relating to the Company's senior secured credit facilities, such as administrative agent fees and credit facility commitment fees under the Company's credit agreement.

(5) Represents severance and other restructuring charges related to the consolidation of certain operating facilities and organizational functions.

(6) Represents the following significant litigation, regulatory, and other matters that are not indicative of the Company's ongoing operations:

	Three Months Ended March 31,	
	2026	2025
Legal expenses, judgements and settlements related to certain patent lawsuits	\$ 2,447	\$ 1,492
Legal expenses, judgements and settlements related to certain class action lawsuits	1,026	1,343
Legal expenses related to certain government inquiries and other significant matters	862	916
Release of warranty provision recorded in 2022 to address clean energy warranty-related matters	(1,129)	-
Total provision for legal, regulatory and other matters	\$ 3,206	\$ 3,751

(7) Represents non-cash gains (losses) primarily from changes in the fair value of the Company's investment in Wallbox warrants and equity securities.

(8) The current year loss relates primarily to two immaterial business dispositions that closed in the first quarter of 2026.



The following tables summarize additional financial information by reportable segment:

	Assets by Reportable Segment	
	March 31, 2026	December 31, 2025
Residential	\$ 3,039,205	\$ 3,144,332
Commercial & Industrial	2,497,864	2,367,764
Corporate	56,194	61,583
Total	<u>\$ 5,593,263</u>	<u>\$ 5,573,679</u>

	Depreciation and Amortization by Reportable Segment	
	Three Months Ended March 31,	
	2026	2025
Residential	\$ 32,216	\$ 28,885
Commercial & Industrial	23,487	16,993
Corporate	271	263
Total	<u>\$ 55,974</u>	<u>\$ 46,141</u>

	Capital Expenditures by Reportable Segment	
	Three Months Ended March 31,	
	2026	2025
Residential	\$ 12,811	\$ 16,127
Commercial & Industrial	15,458	13,088
Corporate	1,128	1,722
Total	<u>\$ 29,397</u>	<u>\$ 30,937</u>

The Company's sales in the U.S. represented approximately 78% of total sales for both the three months ended March 31, 2026 and 2025. Approximately 76% and 74% of the Company's identifiable long-lived assets were located in the U.S. as of March 31, 2026 and December 31, 2025, respectively.

8. Balance Sheet Details

Inventories consist of the following:

	March 31, 2026	December 31, 2025
Raw material	\$ 675,079	\$ 705,610
Work-in-process	12,726	12,592
Finished goods	563,988	530,665
Total	<u>\$ 1,251,793</u>	<u>\$ 1,248,867</u>

Property and equipment consists of the following:

	March 31, 2026	December 31, 2025
Land and improvements	\$ 37,041	\$ 31,937
Buildings and improvements	464,038	444,171
Machinery and equipment	390,288	374,791
Dies and tools	66,549	63,666
Vehicles	19,485	19,743
Office & information technology equipment and internal use software	265,658	252,425
Leasehold improvements	10,889	10,670
Construction in progress	62,818	86,116
Gross property and equipment	<u>1,316,766</u>	<u>1,283,519</u>
Accumulated depreciation	(497,142)	(469,914)
Total	<u>\$ 819,624</u>	<u>\$ 813,605</u>

Total property and equipment includes finance leases of \$82,513 and \$83,963 as of March 31, 2026, and December 31, 2025, respectively, primarily consisting of buildings and improvements. Amortization of finance lease right of use assets is recorded within depreciation expense in the condensed consolidated statements of comprehensive income. The initial measurement of new finance lease right of use assets is accounted for as a non-cash item in the condensed consolidated statements of cash flows.

Other accrued liabilities consist of the following:

	March 31, 2026	December 31, 2025
Accrued selling expenses	\$ 103,785	\$ 118,962
Current contract liabilities	142,421	153,745
Accrued legal & professional fees	250,142	248,445
Current operating lease liabilities	11,876	15,731
Accrued other (1)	69,203	54,504
Total	<u>\$ 577,427</u>	<u>\$ 591,387</u>

(1) Accrued other contains a certain recall reserve for the total amount of \$9,228 as of March 31, 2026, that is recoverable from a certain supplier.

9. Goodwill

As described in Note 7, "Segment Reporting," effective March 31, 2026, the Company reorganized its reportable segments into Residential and C&I. As a result, the composition of the reporting units changed. The Company reassigned goodwill to the affected reporting units using a relative fair value allocation approach.

The Company concluded that the change in reporting unit composition represented a triggering event and performed an interim quantitative goodwill impairment test for the reporting units affected by the reorganization. The impairment test compared the carrying amount of each affected reporting unit, including goodwill, with its estimated fair value.

As a result of this test, the Company recorded \$1,523 of goodwill impairment for one reporting unit within the Residential segment. For the remaining affected reporting units, the Company concluded that estimated fair value exceeded carrying amount and no additional impairment was recognized.

The changes in the carrying amount of goodwill by reportable segment are as follows:

	Residential	Commercial & Industrial	Total
Balance as of December 31, 2025	\$ 855,118	\$ 611,976	\$ 1,467,094
Acquisitions and dispositions of businesses, net	-	28,263	28,263
Impairment charge	(1,523)	-	(1,523)
Foreign currency translation rate changes	(27)	(7,000)	(7,027)
Balance as of March 31, 2026	<u>\$ 853,568</u>	<u>\$ 633,239</u>	<u>\$ 1,486,807</u>

10. Product Warranty Obligations

The Company records a liability for standard product warranty obligations accounted for as assurance warranties at the time of sale of the related product to a customer based on historical warranty experience. The Company also records a liability for specific warranty matters when they become known and are reasonably estimable. The following is a tabular reconciliation of the Company's standard product warranty liability accounted for as an assurance warranty:

	Three Months Ended March 31,	
	2026	2025
Balance at beginning of period	\$ 131,922	\$ 110,987
Payments	(23,976)	(20,887)
Provision for warranty issued	19,029	18,118
Changes in estimates for pre-existing warranties	1,250	2,499
Warranty reserve assumed in acquisition	129	-
Balance at end of period	<u>\$ 128,354</u>	<u>\$ 110,717</u>

The Company also sells extended warranty coverage for certain products, which it accounts for as a service warranty. The sales of extended warranties are recorded as deferred revenue, and typically have a duration of five to ten years. The deferred revenue related to extended warranty coverage is amortized over the duration of the extended warranty contract period, following the standard warranty period, using the straight-line method. The Company believes the straight-line method is appropriate because the performance obligation is satisfied based on the passage of time. The amortization of deferred revenue is recorded to net sales in the condensed consolidated statements of comprehensive income. The following is a tabular reconciliation of the deferred revenue related to extended warranty coverage:

	Three Months Ended March 31,	
	2026	2025
Balance at beginning of period	\$ 219,404	\$ 186,922
Deferred revenue contracts issued	16,822	15,818
Amortization of deferred revenue contracts	(9,595)	(8,337)
Balance at end of period	<u>\$ 226,631</u>	<u>\$ 194,403</u>

The timing of recognition of the Company's deferred revenue balance related to extended warranties as of March 31, 2026 is as follows:

Remainder of 2026	\$	30,404
2027		42,859
2028		40,628
2029		33,826
2030		26,527
After 2030		52,387
Total	\$	<u>226,631</u>

Standard product warranty obligations and extended warranty related deferred revenues are included in the condensed consolidated balance sheets as follows:

	March 31, 2026	December 31, 2025
Product warranty liability		
Current portion - accrued product warranty	\$ 41,622	\$ 44,716
Long-term portion - other long-term liabilities	86,732	87,206
Total	<u>\$ 128,354</u>	<u>\$ 131,922</u>
Deferred revenue related to extended warranties		
Current portion - other accrued liabilities	\$ 41,307	\$ 38,958
Long-term portion - deferred revenue	185,324	180,446
Total	<u>\$ 226,631</u>	<u>\$ 219,404</u>

11. Contract Liabilities

While the Company's standard payment terms for its customers are less than one year, the specific payment terms and conditions in its customer contracts vary. In some cases, customers prepay for their goods or services; in other cases, after appropriate credit evaluation, an open credit line is granted and payment is due in arrears after shipment of the product to the customer or performance of the service. Contracts with payment in arrears are recognized in the condensed consolidated balance sheets as accounts receivable or as prepaid expenses and other current assets upon revenue recognition, while contracts where customers pay in advance of performance are recognized as deferred revenue and recorded in other accrued liabilities (for the portion expected to be recognized within twelve months) or long-term deferred revenue (for the portion not expected to be recognized within twelve months) in the condensed consolidated balance sheets, until revenue is recognized.

The balance of customer deposits and other contract liabilities, excluding the extended warranty deferred revenue balance disclosed in Note 10, was \$137,438 and \$151,257 as of March 31, 2026, and December 31, 2025, respectively. During the three months ended March 31, 2026, the Company recognized revenue of \$46,832 related to amounts included in the December 31, 2025 contract liability balance. As of March 31, 2026, the aggregate amount of revenue that the Company expects to recognize on remaining performance obligations (excluding extended warranty) was approximately \$272,000, of which approximately 90% is expected to be recognized as revenue over the next two years. We have applied the practical expedient to exclude the value of remaining performance obligations for contracts with an original term of one year or less.

12. Credit Agreements

Short-term borrowings included in the condensed consolidated balance sheets as of March 31, 2026, and December 31, 2025, consisted of borrowings by the Company's foreign subsidiaries on local lines of credit totaling \$43,950 and \$50,618, respectively. As of March 31, 2026, the weighted-average interest rate on the short-term borrowings was 6.19%.

Long-term borrowings are included in the condensed consolidated balance sheets as follows:

	March 31, 2026	December 31, 2025
Tranche A Term Loan Facility	\$ 700,000	\$ 700,000
Term Loan B Facility	492,500	493,750
Original issue discount and deferred financing costs	(5,411)	(5,673)
Revolving Facility	-	-
Finance lease obligations	90,203	90,915
Other	2,635	3,456
Total	<u>1,279,927</u>	<u>1,282,448</u>
Less: current portion of debt	16,303	12,729
Less: current portion of finance lease obligations	10,087	9,463
Total long-term borrowings and finance lease obligations	<u>\$ 1,253,537</u>	<u>\$ 1,260,256</u>

As of March 31, 2026, there were \$4,712 of unamortized deferred financing costs associated with the New Revolving Facility (as defined below) included in operating lease and other assets in the condensed consolidated balance sheets, and \$5,411 of unamortized original issue discount and deferred financing costs linked to the New Tranche A Term Loan Facility and Term Loan B Facility (as defined collectively below) included in long-term borrowings and finance lease obligations in the condensed consolidated balance sheets.

The New Tranche A Term Loan Facility and New Revolving Facility mature on July 1, 2030. The New Tranche A Term Loan Facility is repayable in quarterly installments commencing October 1, 2026, with a balloon payment due at maturity. The Term Loan B Facility matures on July 3, 2031, and is repayable in quarterly installments which commenced September 2024, with a balloon payment due at maturity. Maturities of the Company's New Tranche A Term Loan Facility, Term Loan B Facility and New Revolving Facility outstanding on March 31, 2026, before considering original issue discount and deferred financing costs, were as follows:

	Tranche A Term Loan Facility	Term Loan B Facility	Revolving Facility	Total
2026	\$ 4,375	\$ 3,750	\$ -	\$ 8,125
2027	21,875	5,000	-	26,875
2028	35,000	5,000	-	40,000
2029	43,750	5,000	-	48,750
2030	595,000	5,000	-	600,000
2031	-	468,750	-	468,750
Total	\$ 700,000	\$ 492,500	\$ -	\$ 1,192,500

The Company's credit agreements originally provided for a \$1,200,000 Tranche B Term Loan Facility (Original Term Loan B Facility) and included a \$300,000 uncommitted incremental term loan on that facility. After several amendments, the Original Term Loan B Facility bore interest at rates based on either a base rate plus an applicable margin of 0.75% or adjusted SOFR rate plus an applicable margin of 1.75%, subject to a SOFR floor of 0.0%, and was scheduled to mature on December 13, 2026.

In July 2024, the Company extinguished the \$530,000 balance then outstanding under the Original Term Loan B Facility and replaced it with a new \$500,000 Tranche B Term Loan Facility maturing on July 3, 2031 (New Term Loan B Facility and, together with the Original Term Loan B Facility, the Term Loan B Facility). The New Term Loan B Facility continues to include a \$300,000 uncommitted incremental term loan on that facility. In accordance with ASC 470-50, the Company capitalized \$2,991 of debt issuance costs related to this transaction. Additionally, the Company wrote-off the unamortized deferred financing costs related to the Original Term Loan B of \$4,236 and expensed \$625 of fees paid to creditors as a loss on refinancing of debt. The New Term Loan B Facility bears interest at the SOFR rate plus an applicable margin of 1.75%, subject to a SOFR floor of 0.0%, resulting in a 5.42% combined rate as of March 31, 2026.

The New Term Loan B Facility does not require an Excess Cash Flow payment (as defined in the New Term Loan B Facility credit agreement) if the Company's net secured leverage ratio is maintained below 3.75 to 1.00. As of March 31, 2026, the Company's net secured leverage ratio was 1.31 to 1.00, and the Company was in compliance with all covenants under the facility. There are no financial maintenance covenants on the Term Loan B Facility.

The Company's original Tranche A Term Loan Facility provided an aggregate principal amount of \$750,000 (Original Tranche A Term Loan Facility), along with a \$1,250,000 revolving facility (Original Revolving Facility) with all LIBOR provisions replaced with SOFR provisions. The Original Tranche A Term Loan Facility and the Original Revolving Facility bore interest at a rate based on adjusted SOFR plus an applicable margin between 1.25% and 1.75%, based on the Company's total leverage ratio and subject to a SOFR floor of 0.0%.

On July 1, 2025, the Company amended the Original Tranche A Term Loan Facility and Original Revolving Facility (Prior Amended Credit Agreement), extending the maturity of both to July 1, 2030, revising the Original Tranche A Term Loan Facility outstanding principal balance to \$700,000 (New Tranche A Term Loan Facility), reducing the Original Revolving Facility borrowing capacity to \$1,000,000 (New Revolving Facility) (collectively the New Credit Agreements), and redefined the Term Benchmark (as defined in the Prior Amended Credit Agreement) to replace the Adjusted Term SOFR Rate (as defined in the Prior Amended Credit Agreement) with the Term SOFR Rate (as defined in the New Credit Agreement), resulting in an interest rate reduction of 0.10%. Except for redefining the Term Benchmark, interest rates for the New Credit Agreements remain unchanged from the original credit agreements. As of March 31, 2026, the interest rate for the New Tranche A Term Loan Facility and the New Revolving Facility is 4.92%.

In accordance with AS C 470-50, the Company capitalized \$5,275 of debt issuance costs related to this transaction. Additionally, the Company wrote-off certain unamortized deferred financing costs related to the Original Revolving Facility of \$443 and expensed \$782 of third-party fees as a loss on refinancing of debt.

Both the New Tranche A Term Loan Facility and the New Revolving Facility contain certain financial covenants that require the Company to maintain a total leverage ratio below 3.75 to 1.00, as well as an interest coverage ratio above 3.00 to 1.00. As of March 31, 2026, the Company's total leverage ratio was 1.37 to 1.00, and the Company's interest coverage ratio was 12.98 to 1.00. The Company was also in compliance with all other covenants of the New Credit Agreements as of March 31, 2026.

The New Term Loan B Facility, New Tranche A Term Loan Facility and New Revolving Facility are guaranteed by substantially all of the Company's wholly-owned domestic restricted subsidiaries and are secured by associated collateral agreements which pledge a first priority lien on virtually all of the Company's assets, including fixed assets and intangibles, cash, trade accounts receivable, inventory, and other current assets and proceeds thereof.

As of March 31, 2026, there were no amounts outstanding under the New Revolving Facility, leaving \$999,250 of unused capacity, net of outstanding letters of credit.

See Item 7A of the Annual Report on Form 10-K for the year ended December 31, 2025, for further information on interest rate swaps that are currently outstanding and partially offset the above interest expense on outstanding borrowings.

13. Stock Repurchase Program

On February 12, 2024, the Company's Board of Directors approved a stock repurchase program that allowed for the repurchase of up to \$500,000 of the Company's common stock over a 24-month period. Additionally, on February 9, 2026, the Company's Board of Directors approved a new stock repurchase program that allows for the repurchase of up to \$500,000 of the Company's common stock over the following 24 months. The new program replaces the prior share repurchase program, which had \$199,340 remaining available for repurchase when the new program was approved. Pursuant to the approved program, the Company may repurchase its common stock from time to time, in amounts and at prices the Company deems appropriate, subject to market conditions and other considerations. The repurchases may be executed using a combination of Rule 10b5-1 trading plans, open market purchases, privately negotiated agreements or other transactions. The actual timing, number and value of shares repurchased under the program will be determined by management at its discretion and in compliance with the terms of the Company's credit agreements. The repurchases may be funded with cash on hand, available borrowings, or proceeds from potential debt or other capital markets sources. The stock repurchase program may be suspended or discontinued at any time without prior notice.

During the first quarter of 2026, there were no share repurchases under the program. For the three months ended March 31, 2025, the Company repurchased 716,685 shares of common stock for \$97,454. The Company has periodically reissued shares out of Treasury stock, including for acquisition contingent consideration payments.

14. Earnings Per Share

Basic earnings per share is calculated by dividing net income attributable to the common shareholders of the Company by the weighted average number of common shares outstanding during the period, exclusive of restricted shares. Except where the result would be anti-dilutive, diluted earnings per share is calculated by assuming the vesting of unvested "in the money" restricted stock and the exercise of outstanding "in the money" stock options, as well as the satisfaction of certain contingent acquisition consideration conditions as of the end of the period. Refer to Note 4, "Redeemable Noncontrolling Interests," of the Annual Report on Form 10-K for the year ended December 31, 2025, for further information regarding the accounting for redeemable noncontrolling interests within earnings per share.

The following table reconciles the numerator and the denominator used to calculate basic and diluted earnings per share:

	Three Months Ended March 31,	
	2026	2025
Numerator		
Net income attributable to Generac Holdings Inc.	\$ 73,253	\$ 43,840
Net income attributable to common shareholders	<u>\$ 73,253</u>	<u>\$ 43,840</u>
Denominator		
Weighted average shares, basic	58,412,205	59,062,534
Dilutive effect of stock compensation awards (1)	820,939	685,055
Weighted average shares, diluted	<u>59,233,144</u>	<u>59,747,589</u>
Net income attributable to common shareholders per share		
Basic	\$ 1.25	\$ 0.74
Diluted	\$ 1.24	\$ 0.73

(1) Excludes approximately 178,000 and 402,000 stock options and restricted stock awards for the three months ended March 31, 2026 and 2025, respectively, because they would be anti-dilutive.

15. Income Taxes

The effective income tax rates for the three months ended March 31, 2026 and 2025 were 24.4% and 24.3%, respectively. The slight increase in effective tax rate was due primarily to certain discrete items and their impact on higher pre-tax income in the quarter.

16. Commitments and Contingencies

The Company has an arrangement with a finance company to provide floor plan financing for certain dealers. The Company receives payment from the finance company after shipment of product to the dealer. The Company participates in the cost of dealer financing up to certain limits and has agreed to repurchase Generac products repossessed by the finance company, but does not indemnify the finance company for any credit losses they incur. The amount financed by dealers which remained outstanding under this arrangement as of March 31, 2026, and December 31, 2025, was \$162,314 and \$149,737, respectively.

On August 1, 2022, Power Home Solar, LLC d/b/a Pink Energy (PHS) filed a lawsuit in the Western District of Virginia against Generac Power Systems, Inc., a wholly owned subsidiary of the Company (Generac Power). The complaint alleges breaches of warranty, product liability, and other causes of action against Generac Power relating to the sale and performance of certain clean energy equipment and seeks to recover damages, including consequential damages, that PHS allegedly incurred. The Company disputes the allegations in the complaint, including that PHS can seek consequential damages or amounts greater than the \$25,000 liability cap set forth in the agreement between the parties. Generac Power moved to dismiss the complaint and compel arbitration consistent with the parties' agreement. PHS later filed a Chapter 7 bankruptcy petition in the Western District of North Carolina that identified Generac Power as one of its outstanding creditors. The parties agreed to toll PHS's deadline to respond to the motion to dismiss and all other pretrial deadlines to allow the bankruptcy trustee to evaluate the complaint. The Trustee decided to pursue PHS's claims against Generac in arbitration. Generac Power intends to vigorously defend against the claims and contends that PHS cannot recover certain damages on behalf of its customers upon final approval of the settlement in the Multidistrict Litigation described below to the extent the claims relate to the performance of a certain solar system component. The arbitration hearing is expected to occur in June 2027.

On October 28, 2022, Daniel Haak filed a putative consumer class action lawsuit against Generac Power in the Middle District of Florida. The complaint alleges breaches of warranty, tort-based, and unjust enrichment claims against Generac Power relating to the sale and performance of certain clean energy products, and seeks to recover damages, including consequential damages, that the plaintiff and putative class allegedly incurred. Additional putative class actions were filed by consumers raising similar claims and allegations in other district court cases. These putative class actions have been consolidated into a Multidistrict Litigation, In re: Generac Solar Power Systems Marketing, Sales Practices and Products Liability Litigation currently pending in the Eastern District of Wisconsin, Case No. 23-md-3078. Generac Power and plaintiffs participated in a mediation through which the parties agreed to certain monetary and non-monetary terms to resolve the matter on a classwide basis. The parties have obtained preliminary approval for the classwide settlement and will be seeking final approval. In the third quarter of 2025, Generac Power recorded a reserve for the contemplated \$15,000 settlement fund. Generac Power does not concede liability or any charges of wrongdoing in connection with the proposed settlement.

On December 1, 2022, Oakland County Voluntary Employees' Beneficiary Association and Oakland County Employees' Retirement System filed a putative securities class action lawsuit against the Company and certain of its officers in the Eastern District of Wisconsin. The court subsequently consolidated a later filed action and appointed a lead plaintiff. The lead plaintiff filed a consolidated complaint alleging violation of federal securities law related to disclosures of certain matters (the Oakland County Lawsuit). On February 7, 2025, the court granted the Company's motion to dismiss and found that plaintiffs failed to adequately plead a securities fraud claim. Plaintiffs filed an amended complaint on March 10, 2025. On April 30, 2026, the court granted the Company's motion to dismiss the amended complaint with prejudice, again finding that plaintiffs failed to adequately plead a securities fraud claim, and directed the entry of final judgment in favor of the Company. Plaintiffs may appeal the dismissal. If an appeal is filed, the Company intends to vigorously defend the judgment.

On February 3, 2023, a purported Company shareholder filed a shareholder derivative action against certain of the Company's officers and directors in the United States District Court for the Eastern District of Wisconsin. The complaint seeks unspecified damages on behalf of the Company and certain other relief, such as certain reforms to corporate governance practices. The complaint (in which the Company is named as a nominal defendant) generally alleges, among other things, breaches of fiduciary duties in connection with the oversight of the Company's public statements and legal compliance, and that the Company was damaged as a result of the breaches of fiduciary duties, and the defendants were unjustly enriched. The complaint also alleges, among other things, violations of Sections 14(a), 10(b) and 20(a) of the Securities Exchange Act of 1934, abuse of control, gross mismanagement, and waste of corporate assets. The Company has received several additional derivative actions filed in both state and federal courts raising similar claims and allegations, including issues raised in the Oakland County Lawsuit. The Company disputes the allegations in the shareholder derivative actions and intends to vigorously defend against the claims in the complaints.

On October 28, 2022, Generac Power received a grand jury subpoena from the U.S. Attorney for the Eastern District of Michigan and, as a result, the Company became aware of an enforcement investigation by the U.S. DOJ. The subpoena requests similar documents and information provided by the Company to the U.S. EPA and the CARB in response to civil document requests related to the Company's compliance with emissions regulations for approximately 1,850 (not in thousands) portable generators produced by the Company in 2019 and 2020 and sold in 2020. On October 3, 2025, the Company received notice from the EPA that it would seek to void certain emissions certifications for 2020, affecting approximately 4,850 (not in thousands) additional portable generators as the Company previously disclosed in Note 18, "Commitments and Contingencies," to its 2024 Annual Report on Form 10-K. The Company is cooperating with the DOJ, EPA and CARB regarding these topics, various voluntary self-disclosures the Company has made to the EPA since 2024, and other ancillary requests for information.

On March 8, 2022, Ollnova Technologies Limited, a non-practicing entity, filed a patent infringement lawsuit against ecobee Technologies, ULC. (ecobee) in the United States District Court for the Eastern District of Texas (Case No. 22-cv-00072-JRG). Ollnova claimed that ecobee infringes on four of its patents. Following an October 5, 2023 jury verdict finding one of Ollnova's patents invalid and that ecobee infringed at least one of the claims of the asserted patents, on March 1, 2024, the trial court entered judgment against ecobee for \$11,500, as well as an award of prejudgment and post-judgment interest. In 2023, the Company recorded a reserve of \$12,669 related to this matter. In the first quarter of 2024, the Company recorded an additional reserve of \$1,826 for estimated prejudgment and post-judgment interest and continues to accrue for post-judgment interest thereafter. ecobee has appealed the trial court's judgment to the Court of Appeals for the Federal Circuit and that appeal is currently pending.

On November 21, 2023, Christopher Walling filed a putative securities class action lawsuit against the Company and certain of its officers in the Western District of Wisconsin and was later appointed lead plaintiff. The complaint asserted claims for alleged violation of federal securities law related to statements concerning the Company's financial outlook and the impact of macroeconomic trends on the demand for its products. The plaintiff sought to represent a class of individuals who purchased or otherwise acquired common stock between May 3, 2023, and August 3, 2023, and sought unspecified compensatory damages and other relief on behalf of a purported class of purchasers of the Company's stock (the Walling Lawsuit). On February 3, 2026, the court granted the Company's motion to dismiss the amended complaint and found that plaintiff failed to adequately plead a securities fraud claim. Plaintiff did not appeal the dismissal, so it is final.

On February 14, 2024, a purported Company shareholder filed a derivative action against certain of the Company's officers and directors in the United States District Court for the Eastern District of Wisconsin. The complaint (in which the Company was named as a nominal defendant) generally alleged, among other things, breaches of fiduciary duties in connection with the oversight of the Company's public statements and legal compliance, including as to the claims raised in the Walling Lawsuit. Following the dismissal of the Walling Lawsuit, plaintiff voluntarily dismissed the shareholder derivative action.

On December 5, 2023, seven plaintiffs filed a product liability lawsuit in the Philadelphia County Court of Common Pleas against Generac Power, other Generac affiliates, and unrelated entities for damages sustained in an accident involving a GP15000E portable generator that occurred on October 4, 2023 (Zawaski, et al. v. Generac Power Systems, Inc., et al.). Plaintiffs pursued claims against Generac Power for negligence, strict liability, and loss of consortium, seeking compensatory and punitive damages. On January 26, 2026, the Company, together with other co-defendants, agreed to enter a settlement in principle to resolve all asserted claims, while denying any wrongdoing, to eliminate the uncertainty, burden, and expense of protracted litigation. The Company agreed to pay \$104,500 in addition to the Company's excess insurance for the applicable policy year. As of March 31, 2026 and December 31, 2025, the Company has reflected a reserve for \$206,500 within other accrued liabilities and an insurance receivable for \$102,000 in prepaid expenses and other assets in the condensed consolidated balance sheets. The Company and its insurance carriers satisfied the payment obligation on April 1, 2026.

On October 9, 2024, Champion Power Equipment, Inc. (Champion) filed a patent infringement lawsuit against Generac Power in the United States District Court for the Eastern District of Wisconsin (Case No. 24-cv-01281-LA). Champion claims that certain Generac and Powermate branded multi-fuel portable generators infringe on Champion's portfolio of dual and multi-fuel patents. Generac Power denies infringement and has filed a counterclaim against Champion claiming that some of Champion's portable generators infringe on Generac Power's patents relating to carbon monoxide detection and engine shutoff technologies. Champion in turn filed new patent infringement claims relating to its own carbon monoxide detection and shutoff technology. Generac Power denies the infringement allegations and intends to vigorously defend the matter.

On October 18, 2024, two individuals filed a putative consumer class action lawsuit against Generac Power and the Company in the Middle District of Florida (Case No. 24-cv-02412). The Amended Complaint, which includes additional plaintiffs, alleges certain defects for home standby generators manufactured or sold to consumers from 2020-2024. Plaintiffs assert breaches of warranty, tort-based, and statutory claims relating to the sale and performance of home standby generators. The court dismissed (1) all claims against the Company and (2) all non-Florida residents' claims against Generac Power for lack of personal jurisdiction, and limited the Florida plaintiffs' claims against Generac Power to a claim for breach of express warranty. The Company disputes the allegations and intends to vigorously defend against the remaining claims in the Amended Complaint, including that the case should not proceed as a class action.

It is presently unlikely that any legal, regulatory or other proceedings pending against or involving the Company will have a material adverse effect on the Company's financial condition, results of operations or cash flows. However, in many of these matters, it is inherently difficult to determine whether a loss is probable or to estimate the size or range of the possible loss given the variety and potential outcomes of actual and potential claims, the uncertainty of future rulings, the behavior or incentives of adverse parties, and other factors outside the control of the Company. Accordingly, the Company's loss reserves may change from time to time, and actual losses could exceed the amounts reserved by an amount that could be material to the Company's consolidated financial position, results of operations or cash flows in any particular reporting period.

17. Subsequent Events

On April 1, 2026, the Company acquired Enercon Engineering, Inc. (Enercon) headquartered in East Peoria, Illinois. Enercon designs and manufactures custom power equipment and industrial enclosures for high-reliability applications, strengthening the Company's ability to service hyperscale and enterprise data center markets. The preliminary purchase price totaled \$122,322, of which \$44,785 was paid in restricted shares and the remainder in cash. Additional contingent consideration may be earned up to a maximum amount of \$112,043, with 35% paid in restricted shares and the remainder in cash, upon the achievement of certain conditions. The earnout period extends through April 1, 2027. Due to the close proximity of the acquisition date and the Company's filing of its interim financial information on Form 10-Q for the three months ended March 31, 2026, the initial accounting for the business combination is not yet complete and is pending identification and measurement of the assets acquired and liabilities assumed. Accordingly, the information required by ASC 805, Business Combinations, will be disclosed in the Company's subsequent Form 10-Q.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This quarterly report contains forward-looking statements that are subject to risks and uncertainties. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," "optimistic" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

The forward-looking statements contained in this quarterly report are based on assumptions that we have made in light of our industry experience and on our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you read and consider this report, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (some of which are beyond our control) and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results and cause them to differ materially from those anticipated in the forward-looking statements. The forward-looking statements contained in this quarterly report include estimates and comments regarding:

- our business and markets that we serve, financial and operating results, and future economic performance;
- proposed new product and service offerings; and
- management's goals, expectations, and objectives, and other similar expressions concerning matters that are not historical facts.

Factors that could affect our actual financial results and cause them to differ materially from those anticipated in the forward-looking statements include:

- frequency and duration of power outages impacting demand for our products;
- fluctuations in cost, availability, and quality of raw materials, key components and labor required to manufacture our products;
- our dependence on a small number of contract manufacturers and component suppliers, including single-source suppliers;
- changes and volatility with respect to the trade policies of various countries, which may result in new or increased tariffs, trade restrictions, or other unfavorable trade actions;
- our ability to protect our intellectual property rights or successfully defend against third party infringement claims;
- changes in durable goods spending by consumers and businesses or other global macroeconomic conditions, impacting demand for our products;
- changes in governmental policies, particularly with respect to tax incentives, tax credits, or grant programs, which could: (i) affect the demand for certain of our products; or (ii) result in a withdrawal or reduction of grants previously awarded to the Company;
- increase in product and other liability claims, warranty costs, recalls, or other claims;
- significant legal proceedings, claims, fines, penalties, tax assessments, lawsuits or government investigations;
- our ability to consummate our share repurchase programs;
- our failure or inability to adapt to, or comply with, current or future changes in applicable laws, regulations, and product standards;
- our ability to develop and enhance products and gain customer acceptance, including our offerings that serve the data center and energy technology markets;
- uncertainty regarding the growth of the data center market;
- our ability to accurately forecast demand for our products and effectively manage inventory levels relative to such forecast;
- our ability to remain competitive;
- our dependence on our dealer and distribution network;
- market reaction to changes in selling prices or mix of products;
- loss of our key management and employees;
- disruptions from labor disputes or organized labor activities;
- our ability to attract and retain employees;
- disruptions in our manufacturing operations;
- the possibility that the expected synergies, efficiencies and cost savings of our acquisitions, divestitures, restructurings, or realignments will not be realized, or will not be realized within the expected time period;
- risks related to sourcing components in foreign countries;
- compliance with environmental, health and safety laws and regulations;
- scrutiny regarding our sustainability practices
- government regulation of our products;
- failures or security breaches of our networks, information technology systems, or connected products;
- risks due to instability caused by geopolitical conflicts;
- our ability to make payments on our indebtedness;
- terms of our credit facilities that may restrict our operations;
- our potential need for additional capital to finance our growth or refinancing our existing credit facilities;
- risks of impairment of the value of our goodwill and other indefinite-lived assets;
- volatility of our stock price; and
- potential tax liabilities.

Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect, our actual results may vary in material respects from those projected in any forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in our filings with the Securities and Exchange Commission, including in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 and in Part II, Item 1A of this Quarterly Report on Form 10-Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Any forward-looking statement made by us in this report speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Overview

Founded in 1959, Generac is a leading global designer, manufacturer, and provider of a wide range of energy technology solutions. Generac provides power generation equipment, energy storage systems, energy management devices & solutions, and other power products and services serving the residential, commercial, data center, telecom, rental, and industrial markets. The Company's broad portfolio of energy technology offerings for homes and businesses enables its mission to Power a Smarter World and lead the evolution to more resilient, efficient, and innovative energy solutions.

We have a long history of providing power generation products across a variety of applications, and we maintain one of the leading positions in the North American market for power equipment with an expanding presence internationally. We believe we have one of the widest ranges of products in the power generation marketplace, including residential, commercial, and industrial standby generators, as well as portable and mobile generators used in a variety of applications. The recent introduction of our large-megawatt diesel generator line-up has substantially increased our served addressable market, allowing us to participate in the supply-constrained data center market which is expected to grow significantly over the coming years due to the mass adoption of artificial intelligence. Over the last few years, we have also been focused on building out ecosystems of energy technology products, solutions, and services for homes and businesses, allowing us to fully integrate our product portfolios together into common platforms and user interfaces and enabling end users to better manage their energy resilience and costs. We have also been leveraging our leading position in the growing market for natural gas fueled generators, which we believe represents a cleaner fuel compared to diesel, to develop solutions for applications beyond standby power, allowing us to participate in multipurpose microgrid projects for C&I customers. As the traditional centralized utility model evolves over time, we believe that a more decarbonized, digitized, and decentralized grid infrastructure will develop, and our energy technology solutions are uniquely and strategically positioned to participate in this next-generation grid.

Given our competitive strengths in our traditional power generation markets, we believe we are well-positioned to execute on the growing opportunity for backup power for homes and businesses, where increased penetration is being driven by multiple mega-trends that are resulting in poorer power quality for end users. In addition, our focus on more resilient, efficient and innovative energy solutions has increased our served addressable market, and as a result, we believe we can provide products that can help offset rising energy costs as the traditional utility grid suffers from significant supply/demand imbalances over time.

Mega-Trends, Strategic Growth Themes, and Additional Business Drivers

Our "Powering a Smarter World" strategic plan serves as the framework for the significant investments that we have made, and will continue to make, to capitalize on the long-term growth prospects of Generac. Our enterprise strategy is derived from certain key mega-trends that we believe will drive various strategic growth themes for our business. Those mega-trends and growth themes are as follows:

Key Mega-Trends:

- Lower power quality continuing to drive demand for backup power solutions:
 - More frequent severe and volatile weather impacting an aging grid, causing increased power outage activity.
 - Increasing deployment of intermittent generation sources coupled with accelerating electricity demand trends driving supply/demand imbalances for utilities and grid operators.
- Higher power prices driving the need for energy management solutions:
 - Electrification trends causing power demand to exceed supply, driving up power prices.
 - Investment required to upgrade grid infrastructure and transition to renewable power sources, pushing prices higher.
- Artificial intelligence adoption accelerating, creating a large market opportunity for backup power:
 - Significant power requirements for the buildout of data centers to enable AI adoption could drive further grid instability and higher power prices.
 - Massive capital investment into hyperscale and edge data centers has created a very large market for back-up power that is supply-constrained, providing a significant growth opportunity for our newly introduced large-megawatt C&I products.
- Growing demand for cleaner burning fuels:
 - Natural gas and other alternative fuels are vital to the energy transition.
 - Demand for natural gas-fueled backup generators growing as homes and businesses desire cleaner-burning fuel sources of generation.
- Required investment in global infrastructure, driving demand for our products:
 - Upgrading of aging and underinvested legacy infrastructure systems, such as energy production, telecommunications, transportation, and data centers.
 - Expanding investment for increasingly critical technology infrastructure as we transition to a more "connected" society.

Strategic Growth Themes:

Power quality issues continue to increase. Power disruptions are an important driver of consumer awareness for backup power and have historically influenced demand for generators both in the United States and internationally. Increased frequency and duration of major power outage events, that have a broader impact beyond a localized level, increases product awareness and may drive consumers to accelerate their purchase of a standby or portable generator during the immediate and subsequent period. Energy storage systems offer similar resiliency advantages to consumers (at least for short duration power outages and for limited circuits) and demand for these products can benefit from these same awareness drivers. The optional standby market for C&I power generation is also driven by power quality issues and the related need for backup power.

The impact of climate change has received increased global focus in recent years, and an aging and under-invested electrical grid infrastructure remains highly vulnerable to potentially more severe and volatile weather. Additionally, growth in renewable power sources (such as solar and wind) is resulting in increased intermittency of supply as traditional thermal generation assets are retired, further impairing the reliable supply of electricity. At the same time, power demand is expected to meaningfully accelerate due to (i) the rapid adoption of artificial intelligence and related data center energy requirements, (ii) the re-industrialization of North America, and (iii) the electrification of a wide range of consumer and commercial products, including transportation, HVAC systems, and other major appliances. These developments are causing a growing supply/demand imbalance for grid operators across the world, which has led to high-profile examples of rolling blackouts and calls for utility customers to reduce consumption to maintain grid integrity. In fact, the North American Electric Reliability Corporation has labeled significant portions of the United States and Canada as being at high or elevated risk of resource adequacy shortfalls in the 2025-2029 period due in part to these supply/demand dynamics. We believe utility supply shortfalls and related warnings may continue in the future, resulting in further power quality issues for the world's electrical grid. Finally, certain utilities are adopting preventative power shutoff policies to reduce the risk of wildfires caused by their electrical distribution equipment, predominately in the western part of the United States. Taken together, we expect these factors to continue driving increased awareness of the need for backup power for homes and businesses which will continue to create demand for Generac's products across the portfolio.

Home standby penetration opportunity is significant. Many potential customers are still not aware of the costs and benefits of automatic backup power solutions. With only approximately 6.75% penetration of the addressable market of homes in the United States (which we define as single-family detached, owner-occupied households with a home value of over \$175,000, as defined by the U.S. Census Bureau's 2023 American Housing Survey for the United States), we believe there are significant opportunities to further penetrate the residential standby generator market both domestically and internationally. In addition to the mega-trends supporting growth of the category, we believe by expanding and developing our distribution network, continuing to invest in new product lines and technologies, and optimizing our marketing efforts, we can continue to build awareness and increase penetration for our home standby generators.

Substantial capital investments in new data centers and accelerating adoption of artificial intelligence. As a result of the development of artificial intelligence and the expected benefits of this technology, there is significant capital investment being made to build out data center infrastructure, which is expected to further accelerate adoption of artificial intelligence capabilities. Backup power solutions are a necessary part of this substantial investment in data centers. Given the significant power requirements and the mission-critical nature of these data centers, demand for large backup power generators is expected to grow at a dramatic rate for the foreseeable future. Due to all of these factors, the market for large-megawatt backup generators has become significantly supply-constrained. This presents a very large incremental opportunity for our recently introduced large-megawatt diesel generator offering. As we continue to ramp our capacity and capabilities for large megawatt generators, we believe that we are well positioned to take share in this market over time given (i) our long-standing historical focus on backup power generation, (ii) our global presence in markets around the world, (iii) our ability to provide customized product solutions via our extensive sales, engineering, and project management resources, and (iv) our robust aftermarket support through a combination of direct service teams and our global service network provided by our industrial distributor partners. Given the scale and mission-critical nature of these applications, this level of support is necessary to capture market share and serve these customers. Additionally, we believe these large data center power loads will contribute to the growing supply/demand imbalance across the broader electrical grid, resulting in continued power quality issues and increased demand for backup power solutions for all homes and businesses. Finally, we believe the significant growth in data center power consumption will cause higher power prices, driving growth in the market for solar, storage, and intelligent energy management solutions.

Increasingly critical nature and growing power consumption of digital infrastructure. As the number of “connected” devices continues to rapidly increase and wireless networks are considered critical infrastructure in the United States, network reliability and up-time are necessary for our increasingly connected society. This will require highly resilient cell tower sites across the network, and therefore, necessitates the need for backup power sources on site at these cell towers. Generac is the leading supplier of backup power to the telecommunications market in the United States. As more mission-critical data is transmitted over wireless networks, we believe the penetration rate of backup generators on cell towers must increase considerably to maintain a higher level of reliability across the network. We have relationships with key Tier 1 carriers and tower companies globally, in addition to having distribution partners to provide local service support to the global market. We believe these factors coupled with Generac’s ability to customize solutions to each customer’s needs help us to maintain our strength within the global telecommunications market.

Natural gas generators, a continuing growth opportunity. We believe natural gas will continue to be an important and cleaner transition fuel of the future, compared to diesel, as the world continues to shift towards lower emission power generation sources. Demand for natural gas generators continues to represent an increasing portion of many C&I end markets, as the benefits of natural gas power generation are very compelling relative to traditional diesel fueled generators for certain end users. We also continue to explore and expand our capabilities within new gaseous generator market opportunities, including continuous-duty, prime rated, distributed generation, demand response, microgrids, and overall use as a Distributed Energy Resource (DER) in areas where grid stability is needed. Many of these applications are made possible by our natural gas generators having the capability to participate in available grid services programs, helping to offset the purchase price of the equipment over the product’s lifespan. Expanding our natural gas product offering into larger power nodes is another way that we are increasing the addressable market for natural gas generators. As a leader in natural gas power generation, we believe we are well positioned to capitalize on this strategic growth theme.

Solar, storage, and energy management markets will continue to develop despite phasing out of government subsidies and incentives. We believe the electric utility landscape will undergo significant changes in the decade ahead due to accelerating demand growth, grid instability and power quality issues, environmental concerns, permitting challenges, and the continuing performance and cost improvements in renewable energy and energy storage technologies. Importantly, we expect that a confluence of factors will continue to drive power prices meaningfully higher in the future. As a result, on-site power generation from renewable sources and cleaner-burning natural gas generators are projected to become more prevalent as will the need to monitor, manage, and store this power – potentially developing into a significant market opportunity as utility customers seek alternative solutions to combat rising power prices. In addition, battery storage can also provide customers with another source of power resiliency for shorter duration outages.

Solar and storage markets have historically been supported by subsidies and investment tax credits for consumers and businesses to help advance the adoption of clean energy technologies. Further, production tax credits are being offered to businesses that meet certain domestic manufacturing requirements in the production of renewable energy products. On July 4, 2025, the United States signed into law the One Big Beautiful Bill Act (OBBBA). The OBBBA accelerates the phase-out of tax incentives for the solar market and includes certain domestic supply chain requirements to qualify for these incentives. While this phase-out of tax incentives will negatively impact the solar and storage markets in the near term, we believe the overall mega-trends that drive the solar, storage, and energy management markets will continue and provide sufficient incentive for long-term, value-creating investments for market participants in this space. Given the significant long-term market opportunity, we believe it is important to build out our capabilities in energy technology and continue to develop our residential ecosystem of products and solutions. In addition, we plan to leverage our strong competencies in the residential standby generator market to increase our market position in the residential solar, storage, and energy management markets.

Other Business Drivers

Impact of residential investment cycle. The market for our residential products is affected by the residential investment cycle and overall consumer confidence and sentiment. When homeowners are confident of their household income, the value of their home and overall net worth, they are more likely to invest in their home. These trends can have an impact on demand for residential generators, solar and energy storage systems, and energy management devices. Trends in interest rates and the new housing market, highlighted by residential housing starts, can also impact demand for these products. Demand for outdoor power equipment is also impacted by several of these factors, as well as weather patterns. The existence of renewable energy mandates, investment tax credits, and other subsidies can also have an impact on the demand for solar and energy storage systems. The “One Big Beautiful Bill Act” (OBBBA) that was enacted in the United States in July 2025 accelerated the phase out of certain investment tax credits, resulting in a negative impact to the solar & storage market thereafter.

Impact of business capital investment and other economic cycles. The global market for our C&I products is affected by different capital investment cycles, which can vary widely across the different regions and markets that we serve. These cycles include non-residential building construction, durable goods and infrastructure spending, as well as investments in the exploration and production of oil & gas, as businesses or organizations either add new locations or make investments to upgrade existing locations or equipment. These trends and market conditions can have a material impact on demand for our products. The capital investment cycle may differ for the various C&I end markets that we serve, including data centers, light commercial, retail, office, telecommunications, rental, industrial, healthcare, construction, oil & gas and municipal infrastructure, among others. The market for these products is also affected by general economic conditions around the world, fluctuations in interest rates & foreign currencies, trade policies, and geopolitical matters and conflicts in the various countries where we serve, as well as credit availability in those regions.

Factors Affecting Results of Operations

We are subject to various factors that can affect our results of operations, which we attempt to mitigate through factors we can control, including continued product development, expanded distribution, pricing, cost control, and hedging. Certain operational and other factors that affect our business include the following:

Effect of commodity, currency, component price fluctuations, and resource availability. Industry-wide price fluctuations of key commodities, such as steel, copper and aluminum, along with other components we use in our products, as well as changes in labor costs required to produce our products, can have a material impact on our results of operations. Acquisitions in recent years have increased our use of advanced electronic components and battery cells that can fluctuate in terms of pricing and availability. Our international operations, along with our existing global supply chain, expose us to fluctuations in foreign currency exchange rates and regulatory tariffs that can also have a material impact on our results of operations.

Commodity, currency, and component price levels are increasingly subject to geopolitical uncertainty, including ongoing regional conflicts, shifts in U.S. and international trade policies, and the potential for new or increased tariffs. These factors, along with increased demand from data centers, have contributed to heightened volatility in commodity prices, particularly for raw materials such as steel, copper, and aluminum. Additionally, geopolitical instability can contribute to significant fluctuations in foreign currency exchange rates which can impact our reported financial performance from our foreign operations and supply chain.

We have historically attempted to mitigate the impact of any inflationary pressures through improved product design and sourcing, manufacturing efficiencies, price increases, and select hedging transactions. Our results are also influenced by changes in fuel prices in the form of freight rates, which in some cases are accepted by our customers and in other cases are paid by us.

Tariffs and international trade relations. Given our global supply chain and international operations, our business is impacted by tariffs and other changes in U.S. trade policy and international trade relations. For example, starting in the first quarter of 2025, the United States government enacted additional tariffs on goods imported into the U.S. from numerous countries, and certain countries announced tariffs on U.S. goods. Some of these tariffs have been subsequently modified or delayed, and the U.S. government has also stated it is willing to negotiate with respect to the tariffs it has enacted.

We have implemented price increases across many of our product offerings and are executing a number of supply chain initiatives to attempt to mitigate the impact of these tariffs on our profitability. Despite our efforts, these tariff actions and resulting price increases have created inflationary pressures for consumers, negatively impacting demand and margins for certain of our products. As U.S. trade policy continues to evolve, we will continue to evaluate the impact of future tariffs and take actions to mitigate and/or minimize their effects.

On February 20, 2026, the U.S. Supreme Court issued a decision invalidating tariffs imposed under the International Emergency Economic Powers Act (“IEEPA”). This ruling may allow for the recovery of IEEPA tariff amounts previously paid. The ruling leaves uncertainties regarding the timing and administration of any potential IEEPA tariff refunds by the U.S. government, and may be subject to further legal and regulatory developments.

The extent and duration of the tariffs and the resulting impact on general economic conditions and on our business, including potential IEEPA tariff refunds, continues to be uncertain. If refunds are received in future periods, they could have a favorable impact on cash flows and results of operations in the period of receipt or realization. However, we cannot reasonably estimate the amount or timing of these refunds, and therefore have not reflected a related receivable as of March 31, 2026.

Seasonality. Although there is demand for our products throughout the year, in each of the past five years, approximately 20% to 25% of our net sales occurred in the first quarter, 23% to 28% in the second quarter, 24% to 27% in the third quarter, and 23% to 29% in the fourth quarter, with different seasonality depending primarily on the occurrence, timing and severity of power outage activity in each year. Major outage activity is unpredictable by nature and, as a result, our sales levels and profitability may fluctuate from period to period. The seasonality experienced during a major power outage, and for the subsequent quarters following the event, will vary relative to other periods where no major outage events occurred. The second half of 2025 represented a very low level of baseline power outage activity, impacting demand for our residential products and resulting in quarterly net sales being more evenly distributed compared to our historical averages.

Acquisitions. Over the years, we have executed a number of acquisitions that support our strategic plan. A summary of the recent acquisitions can be found in Note 1, “Description of Business and Basis of Presentation,” to the condensed consolidated financial statements in Item 1 of this Quarterly Report on Form 10-Q and in Item 8 (Note 1, “Description of Business”) of the Annual Report on Form 10-K for the year ended December 31, 2025.

Factors Influencing Interest Expense

Interest expense can be impacted by a variety of factors, including market fluctuations in SOFR, interest rate election periods, interest rate swap agreements, repayments or borrowings of indebtedness, and amendments to our credit agreements. Refer to Note 12, “Credit Agreements,” to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q for further information. The year-over-year decrease in interest expense in the current period was primarily driven by lower borrowings and lower interest rates compared to the prior year period.

On July 1, 2025, we amended our Term Loan A Facility and Revolving Credit Facility, extending the maturity of both to July 1, 2030, revising the Term Loan A Facility outstanding principal balance to \$700,000, reducing the Revolving Credit Facility borrowing capacity to \$1,000,000, and redefining the Term Benchmark to replace the Adjusted Term SOFR Rate with the Term SOFR Rate, resulting in an interest rate reduction of 0.10%.

Factors Influencing Provision for Income Taxes and Cash Income Taxes Paid

The effective income tax rates for the three months ended March 31, 2026 and 2025 were 24.4% and 24.3%, respectively. The slight increase in effective tax rate was due primarily to certain discrete items and their impact on higher pre-tax income in the quarter.

On July 4, 2025, the United States signed the “One Big Beautiful Bill Act” (OBBBA) into law. This legislation makes permanent several key provisions of the Tax Cuts and Jobs Act, including 100% bonus depreciation and the immediate expensing of domestic research and development costs. Under ASC 740, “Income Taxes,” the effects of changes in tax laws are reflected in the Company’s financial statements in the quarter in which the legislation was passed. We continue to expect cash tax savings from the bonus depreciation and domestic research and development expensing. These changes did not have a material impact on our effective income tax rate for the first quarter or the estimated annual effective tax rate for 2026 as the changes relate to temporary differences in basis.

In January 2026, the Organization for Economic Cooperation and Development (OECD) released a new package of administrative guidance that effectively deems the United States tax system as compliant with Pillar Two, which is expected to eliminate additional top-up taxes across our global operations. This updated guidance package does not exempt us from Qualified Domestic Minimum Top-Up Taxes in foreign jurisdictions. As a result, we expect our cash taxes paid to remain subject to local minimum tax regimes where applicable. There was no impact to our financial results during the quarter, and we do not expect the rules to have a material impact on our effective tax rate for the year. We continue to monitor OECD and foreign jurisdictions developments and will update our future tax provisions accordingly.

Results of Operations

Three months ended March 31, 2026, compared to the three months ended March 31, 2025

The following table sets forth our consolidated statements of operations information for the periods indicated:

(U.S. Dollars in thousands)	Three Months Ended March 31,		\$ Change	% Change
	2026	2025		
Net sales	\$ 1,059,365	\$ 942,121	\$ 117,244	12.4%
Costs of goods sold	649,129	570,135	78,994	13.9%
Gross profit	410,236	371,986	38,250	10.3%
Operating expenses:				
Selling and service	123,624	126,065	(2,441)	-1.9%
Research and development	62,656	62,048	608	1.0%
General and administrative	76,285	74,746	1,539	2.1%
Amortization of intangible assets	30,380	25,489	4,891	19.2%
Total operating expenses	292,945	288,348	4,597	1.6%
Income from operations	117,291	83,638	33,653	40.2%
Total other expense, net	(20,532)	(25,124)	4,592	18.3%
Income before provision for income taxes	96,759	58,514	38,245	65.4%
Provision for income taxes	23,647	14,236	9,411	66.1%
Net income	73,112	44,278	28,834	65.1%
Net (loss) income attributable to noncontrolling interests	(141)	438	(579)	-132.2%
Net income attributable to Generac Holdings Inc.	<u>\$ 73,253</u>	<u>\$ 43,840</u>	<u>\$ 29,413</u>	<u>67.1%</u>

Segment Results of Operations

On March 25, 2026, we announced our plan to reorganize our two reportable segments to better align the organization with our enterprise strategy, effective March 31, 2026 (the Reorganization). Prior to the Reorganization, our reportable segments were Domestic and International. As a result of the Reorganization, our new reportable segments are Residential and C&I. The Residential segment consists of the former Domestic segment, excluding the domestic C&I operations. The C&I segment consists of the operations of the former International segment with the addition of the domestic C&I operations.

Segment financial information for the prior periods has been recast to conform to the current presentation.

The following tables set forth our reportable segment information for the periods indicated:

(U.S. Dollars in thousands)	Net Sales by Reportable Segment			
	Three Months Ended March 31,			
	2026	2025	\$ Change	% Change
Residential	\$ 549,316	\$ 543,115	\$ 6,201	1.1%
Commercial & Industrial	510,049	399,006	111,043	27.8%
Total net sales	\$ 1,059,365	\$ 942,121	\$ 117,244	12.4%

	Total Sales by Reportable Segment					
	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	External Net Sales	Intersegment Sales	Total Sales	External Net Sales	Intersegment Sales	Total Sales
Residential	\$ 549,316	\$ 2,867	\$ 552,183	\$ 543,115	\$ 5,548	\$ 548,663
Commercial & Industrial	510,049	49	510,098	399,006	-	399,006
Intercompany eliminations	-	(2,916)	(2,916)	-	(5,548)	(5,548)
Total net sales	\$ 1,059,365	\$ -	\$ 1,059,365	\$ 942,121	\$ -	\$ 942,121

	Adjusted EBITDA by Reportable Segment			
	Three Months Ended March 31,			
	2026	2025	\$ Change	% Change
Residential	\$ 138,585	\$ 111,589	\$ 26,996	24.2%
Commercial & Industrial	66,532	45,346	21,186	46.7%
Corporate and eliminations	(11,636)	(7,389)	(4,247)	NM
Total Adjusted EBITDA	\$ 193,481	\$ 149,546	\$ 43,935	29.4%

Net sales. Residential segment total sales increased approximately 1% to \$552 million as compared to \$549 million in the prior year. This sales increase was primarily driven by higher portable generator shipments, partially offset by a decline in energy storage system sales. Home standby generator sales were approximately flat as higher pricing in the current year was offset by lower volumes due to a strong prior year period that included the benefit from a substantial 2024 hurricane season.

Commercial & Industrial segment total sales increased approximately 28% to \$510 million from \$399 million in the prior year quarter, including an approximate 10% net favorable impact from the combination of acquisitions, divestitures, and foreign currency. The core total sales growth for the segment was primarily driven by revenue from products sold to global data center customers, increased shipments to our domestic industrial distributor and rental channels, and higher sales of our controls solutions to the global power generation market.

In addition, net contribution from non-annualized acquisitions & divestitures for the first quarter of 2026 was \$18.0 million, primarily in the Commercial & Industrial segment.

Gross profit. Gross profit margin was 38.7% as compared to 39.5% in the prior-year first quarter. The decrease in gross margin was primarily driven by unfavorable sales mix. In addition, higher input costs, including the impact of tariffs and commodities, were more than offset by increased price realization.

Operating Expenses. Operating expenses increased \$4.6 million, or 2%, compared to the first quarter of 2025. The increase was primarily driven by higher intangible amortization.

Other Expense. The reduction in other expense, net was driven primarily by a decrease in the loss on the change in fair value of our investment in warrants and equity securities of Wallbox N.V. This was partially offset by the net impact of two immaterial business dispositions that closed in the current year quarter.

Provision for income taxes. Provision for income taxes for the current year quarter was \$23.6 million, or an effective tax rate of 24.4%, as compared to \$14.2 million, or a 24.3% effective tax rate, for the prior quarter. The slight increase in effective tax rate was primarily due to certain discrete items and their impact on higher pre-tax income relative to the prior year quarter.

Net income attributable to Generac Holdings Inc. Net income attributable to the Company during the first quarter was \$73 million, or \$1.24 per share, as compared to \$44 million, or \$0.73 per share, for the same period of 2025.

Adjusted EBITDA. Adjusted EBITDA for the Residential segment was \$138.6 million, or 25.1% of residential segment total sales, as compared to \$111.6 million, or 20.3% of residential sales, in the prior year. This margin increase was primarily driven by operational efficiencies resulting in lower operating expenses and favorable price realization that more than offset higher input costs.

Adjusted EBITDA for the Commercial & Industrial segment, before deducting for noncontrolling interests, was \$66.5 million, or 13.0% of C&I total sales, as compared to \$45.3 million, or 11.4% of total sales, in the prior year. This margin increase was primarily driven by improved price/cost realization, the accretive impact of the Allmand acquisition, and operating leverage on higher shipment volumes.

Adjusted Net Income. Adjusted net income attributable to the Company, as defined in the accompanying non-GAAP measures reconciliation schedules, was \$106 million in the current year first quarter as compared to \$75 million in the prior-year. This increase was primarily driven by higher net income in the current period as outlined above.

See “Non-GAAP Measures” for a discussion of how we calculate Adjusted EBITDA and Adjusted Net Income and the limitations on their usefulness.

Liquidity and Financial Condition

Our primary cash requirements include payment for raw materials and components, salaries and benefits, facility and lease costs, operating expenses, interest and principal payments on debt, and capital expenditures. We finance our operations primarily from cash flow generated from operations and, if necessary, borrowings under our revolving credit facility.

On July 1, 2025, we amended our Original Tranche A Term Loan Facility and Original Revolving Facility (Prior Amended Credit Agreement), extending the maturity of both to July 1, 2030, revising the Original Tranche A Term Loan Facility outstanding principal balance to \$700 million (New Tranche A Term Loan Facility), reducing the Original Revolving Facility borrowing capacity to \$1 billion (New Revolving Facility) (collectively the New Credit Agreements) and redefining the Term Benchmark (as defined in the Prior Amended Credit Agreement) to replace the Adjusted Term SOFR Rate (as defined in the Prior Amended Credit Agreement) with the Term SOFR Rate (as defined in the New Credit Agreements), resulting in an interest rate reduction of 0.10%. The New Tranche A Term Loan Facility is repayable in increasing quarterly installments over time, equal to 0.625% to 2.50% of the original principal amount, beginning on October 1, 2026. The New Tranche A Term Loan Facility and the New Revolving Facility bear interest at a rate based on SOFR plus an applicable margin between 1.25% and 1.75%, both based on our total leverage ratio and subject to a SOFR floor of 0.0%. As of March 31, 2026, the interest rate for the New Tranche A Term Loan Facility and the New Revolving Facility is 4.92%.

In accordance with ASC 470-50, we capitalized \$5.3 million of debt issuance costs related to this refinancing transaction. Additionally, we wrote-off certain unamortized deferred financing costs related to the Original Revolving Facility of \$0.4 million and expensed \$0.8 million of third-party fees as a loss on refinancing of debt.

As of March 31, 2026, there was \$492.5 million outstanding under the Term Loan B Facility, \$700 million outstanding under the New Tranche A Term Loan Facility, and no borrowings on the New Revolving Facility, leaving \$999.3 million of unused capacity, net of outstanding letters of credit.

The Term Loan B Facility bears interest at the adjusted SOFR rate plus an applicable margin of 1.75%, subject to a SOFR floor of 0.0%. As of March 31, 2026, the interest rate for the Term Loan B Facility was 5.42%. The Term Loan B Facility does not require an Excess Cash Flow payment (as defined in the Term Loan B Facility credit agreement) if our net secured leverage ratio is maintained below 3.75 to 1.00. As of March 31, 2026, our net secured leverage ratio was 1.31 to 1.00, and we were in compliance with all covenants of the facility. There are no financial maintenance covenants on the Term Loan B Facility. The New Tranche A Term Loan Facility and the New Revolving Facility contain certain financial covenants that require us to maintain a total leverage ratio below 3.75 to 1.00, as well as an interest coverage ratio above 3.00 to 1.00. As of March 31, 2026, our total leverage ratio was 1.37 to 1.00, and our interest coverage ratio was 12.98 to 1.00. We were also in compliance with all other covenants of the New Credit Agreements as of March 31, 2026.

On February 12, 2024, our Board of Directors approved a stock repurchase program that allowed for the repurchase of up to \$500.0 million of our common stock over a twenty-four-month period. Additionally, on February 9, 2026, our Board of Directors approved a new stock repurchase program that allows for the repurchase of up to \$500.0 million of our common stock over the next twenty-four months. The new program replaces the prior share repurchase program, which had approximately \$199.3 million remaining available for repurchase when the new program was approved. Pursuant to the approved program, we may repurchase our common stock from time to time, in amounts and at prices we deem appropriate, subject to market conditions and other considerations. The repurchases may be executed using a combination of Rule 10b5-1 trading plans, open market purchases, privately negotiated agreements, or other transactions. The actual timing, number and value of shares repurchased under the program will be determined by management at its discretion and in compliance with the terms of our credit agreements. The repurchases may be funded with cash on hand, available borrowings, or proceeds from potential debt or other capital markets sources. The stock repurchase program may be suspended or discontinued at any time without prior notice. As of March 31, 2026, the remaining unused buyback authorization under the current program was \$500 million.

There were no share repurchases under the program during the first quarter of 2026. During the first quarter of 2025, we repurchased 716,685 shares of common stock for \$97.5 million. We have periodically reissued shares out of Treasury stock, including for acquisition contingent consideration payments.

See Note 12, "Credit Agreements," and Note 13, "Stock Repurchase Program," to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q for more information on our credit agreements and stock repurchase programs.

We have an arrangement with a finance company to provide floor plan financing for qualifying dealers. This arrangement provides liquidity for our dealers by financing dealer purchases of Generac products with credit availability from the finance company. We receive payment from the finance company after shipment of product to the dealer, and our dealers are given a longer period of time to pay the finance company. If our dealers do not pay the finance company, we may be required to repurchase the applicable inventory held by the dealer. We do not indemnify the finance company for any credit losses they may incur. Total dealer purchases financed under this arrangement accounted for approximately 11% and 15% of net sales for the three months ended March 31, 2026 and 2025, respectively. The amount financed by dealers which remained outstanding under this arrangement was \$162.3 million and \$149.7 million as of March 31, 2026, and December 31, 2025, respectively.

Long-term Liquidity

As of March 31, 2026, we had total liquidity of \$1,264.8 million which consists of \$265.5 million of cash and cash equivalents and \$999.3 million of availability under our New Revolving Facility.

We believe our cash and cash equivalents, cash flow from operations, and availability under our New Revolving Facility and other short-term lines of credit will provide us with sufficient capital to continue to run our operations. We may use a portion of our cash flow for debt repayments and common stock buybacks, impacting the amount available for working capital, capital expenditures, acquisitions, and other general corporate purposes. As we continue to expand our business, we may require additional capital to fund other initiatives that could potentially drive incremental shareholder value.

Cash Flow

Three months ended March 31, 2026, compared to the three months ended March 31, 2025

The following table summarizes our cash flows by category for the periods presented:

(U.S. Dollars in thousands)	Three Months Ended March 31,		\$ Change	% Change
	2026	2025		
Net cash provided by operating activities	\$ 119,285	\$ 58,152	\$ 61,133	105.1%
Net cash used in investing activities	(153,750)	(33,539)	(120,211)	-358.4%
Net cash used in financing activities	(41,382)	(119,719)	78,337	65.4%
Effect of foreign exchange rate changes on cash and cash equivalents	(36)	1,293	(1,329)	-102.8%
Net decrease in cash and cash equivalents	<u>\$ (75,883)</u>	<u>\$ (93,813)</u>	<u>\$ 17,930</u>	<u>19.1%</u>

The increase in operating cash flows for the three months ended March 31, 2026 was primarily driven by higher operating earnings and a lower use of cash for working capital as compared to the prior year.

The \$153.8 million net cash used in investing activities for the three months ended March 31, 2026 primarily represents cash payments of \$29.4 million related to the purchase of property and equipment, \$122.8 million for the acquisition of Allmand, and \$1.5 million related to other investing activities.

The \$33.5 million net cash used in investing activities for the three months ended March 31, 2025 primarily represents cash payments of \$30.9 million related to the purchase of property and equipment, and \$2.7 million for the purchase of long-term investments.

The \$41.4 million net cash used in financing activities for the three months ended March 31, 2026 primarily represents proceeds of \$14.1 million from short-term borrowings, \$0.2 million from long-term borrowings, and \$7.2 million from the exercise of stock options. These cash proceeds were more than offset by \$27.2 million of debt repayments (\$21.0 million of short-term borrowings and \$6.2 million of long-term borrowings and finance lease obligations), \$34.6 million for taxes paid related to equity awards, and \$1.1 million for payments of deferred acquisition consideration.

The \$119.7 million net cash used in financing activities for the three months ended March 31, 2025 primarily represents proceeds of \$19.2 million from short-term borrowings, \$0.9 million from long-term borrowings, and \$0.6 million from the exercise of stock options. These cash proceeds were more than offset by \$34.4 million of debt repayments (\$20.0 million of short-term borrowings and \$14.4 million of long-term borrowings and finance lease obligations), \$97.5 million of share repurchases, and \$8.6 million for taxes paid related to equity awards.

Contractual Obligations

There have been no material changes to our contractual obligations between the February 18, 2026, filing of our Annual Report on Form 10-K for the year ended December 31, 2025, and March 31, 2026, except for the changes in outstanding borrowings and interest rates as discussed in Note 12, "Credit Agreements," to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Estimates

As discussed in our Annual Report on Form 10-K for the year ended December 31, 2025, in preparing the financial statements in accordance with GAAP, management is required to make estimates and assumptions that have an impact on the asset, liability, revenue and expense amounts reported. These estimates can also affect supplemental information disclosures of the Company, including information about contingencies, risk and financial condition. The Company believes, given current facts and circumstances, its estimates and assumptions are reasonable, adhere to U.S. GAAP, and are consistently applied. Inherent in the nature of an estimate or assumption is the fact that actual results may differ from estimates, and estimates may vary as new facts and circumstances arise. The Company makes routine estimates and judgments in determining net realizable value of accounts receivable, inventories, property and equipment, prepaid expenses, product warranties and other reserves. Management believes our most critical accounting estimates and assumptions are in the following areas: goodwill and other indefinite-lived intangible asset impairment assessment; and income taxes.

Other than the changes described within Note 9, "Goodwill," to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q, there have been no material changes in our critical accounting policies since the February 18, 2026, filing of our Annual Report on Form 10-K for the year ended December 31, 2025.

Non-GAAP Measures

Adjusted EBITDA

To supplement our condensed consolidated financial statements presented in accordance with U.S. GAAP, the Company provides the computation of Adjusted EBITDA attributable to the Company, which is defined as net income before noncontrolling interests adjusted for the following items: interest expense, depreciation expense, amortization of intangible assets, income tax expense, certain non-cash gains and losses including certain purchase accounting adjustments and contingent consideration adjustments, share-based compensation expense, certain transaction costs and credit facility fees, business optimization expenses, provision for certain legal and regulatory charges, certain other specific provisions, mark-to-market gains and losses on a minority investment, and Adjusted EBITDA attributable to noncontrolling interests. The provision for legal and regulatory charges adjusts for matters that are not part of the ordinary routine litigation or regulatory matters incidental to the Company's business, including but not limited to class action lawsuits, government inquiries, and certain intellectual property litigation. The adjustments to net income in computing Adjusted EBITDA are set forth in the reconciliation table below. The computation of Adjusted EBITDA is based primarily on the definition included in our New and Prior Credit Agreements.

We view Adjusted EBITDA as a key measure of our performance. We present Adjusted EBITDA not only due to its importance for purposes of our credit agreements, but also because it assists us in comparing our performance across reporting periods on a consistent basis as it excludes certain items that we do not believe are indicative of our core operating performance. Our management uses Adjusted EBITDA:

- for planning purposes, including the preparation of our annual operating budget and developing and refining our internal projections for future periods;
- to allocate resources to enhance the financial performance of our business;
- as a target for the determination of the bonus component of compensation for our senior executives under our management incentive plan, as described further in our proxy statement;
- to evaluate the effectiveness of our business strategies and as a tool in evaluating our performance against our budget for each period; and
- in communications with our Board of Directors and investors concerning our financial performance.

We believe Adjusted EBITDA is used by securities analysts, investors and other interested parties in the evaluation of the Company. Management believes the disclosure of Adjusted EBITDA offers an additional financial metric that, when coupled with results prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and the reconciliation to U.S. GAAP results, provides a more complete understanding of our results of operations and the factors and trends affecting our business. We believe Adjusted EBITDA is useful to investors for the following reasons:

- Adjusted EBITDA and similar non-GAAP measures are widely used by investors to measure a company's operating performance without regard to items that can vary substantially from company to company depending upon financing and accounting methods, book values of assets, tax jurisdictions, capital structures and the methods by which assets were acquired;
- investors can use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of our Company, including our ability to service our debt and other cash needs; and
- by comparing our Adjusted EBITDA in different historical periods, our investors can evaluate our operating performance excluding the impact of items described below.

The adjustments included in the reconciliation table listed below are presented to illustrate the operating performance of our business in a manner consistent with the presentation used by our management and Board of Directors. These adjustments eliminate the impact of a number of items that:

- we do not consider indicative of our ongoing operating performance, such as non-cash write-downs and other charges, non-cash gains, write-offs relating to the retirement of debt, severance costs and other restructuring-related business optimization expenses, certain other specific provisions, and mark-to-market gains and losses on a minority investment;
- we believe to be akin to, or associated with, interest expense, such as administrative agent fees, revolving credit facility commitment fees and letter of credit fees;
- are non-cash in nature, such as share-based compensation; or
- the provision for legal and regulatory charges adjusts for matters that are significant and not part of the ordinary routine litigation or regulatory matters incidental to the Company's business, including but not limited to large suits and settlements, class action lawsuits, government inquiries, and certain intellectual property litigation.

We explain in more detail in the footnotes to the table below, why we believe these adjustments are useful in calculating Adjusted EBITDA as a measure of our operating performance.

Adjusted EBITDA does not represent, and should not be a substitute for, net income or cash flows from operations as determined in accordance with U.S. GAAP. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations are:

- Adjusted EBITDA does not reflect our capital expenditures, or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements;
- several of the adjustments that we use in calculating Adjusted EBITDA, such as non-cash write-downs and other charges, while not involving cash expense, do have a negative impact on the value of our assets as reflected in our consolidated balance sheet prepared in accordance with U.S. GAAP; and
- other companies may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Furthermore, as noted above, one of our uses of Adjusted EBITDA is as a target for determining elements of compensation for our senior executives. At the same time, some or all of these senior executives have responsibility for monitoring our financial results, generally including the adjustments in calculating Adjusted EBITDA (subject ultimately to review by our Board in the context of the Board's review of our financial statements). While many of the adjustments (for example, transaction costs and credit facility fees), involve mathematical application of items reflected in our financial statements, others involve a degree of judgment and discretion. While we believe all of these adjustments are appropriate, and while the calculations are subject to review by our Board in the context of the Board's review of our financial statements, and certification by our Chief Financial Officer in a compliance certificate provided to the lenders under our New and Prior Credit Agreements, this discretion may be viewed as an additional limitation on the use of Adjusted EBITDA as an analytical tool.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our U.S. GAAP results and using Adjusted EBITDA only supplementally.

The following table presents a reconciliation of net income to Adjusted EBITDA attributable to Generac Holdings Inc.:

(U.S. Dollars in thousands)	Three Months Ended March 31,	
	2026	2025
Net income attributable to Generac Holdings Inc.	\$ 73,253	\$ 43,840
Net (loss) income attributable to noncontrolling interests	(141)	438
Net income	73,112	44,278
Interest expense	15,376	17,110
Depreciation and amortization	55,974	46,141
Provision for income taxes	23,647	14,236
Non-cash write-down and other adjustments (a)	(1,443)	(13)
Non-cash share-based compensation expense (b)	13,442	11,608
Transaction costs and credit facility fees (c)	2,710	760
Business optimization and other charges (d)	1,153	1,575
Provision for legal, regulatory, and other costs (e)	3,206	3,751
Change in fair value of investments (f)	1,374	9,947
Other (g)	4,930	153
Adjusted EBITDA	193,481	149,546
Adjusted EBITDA attributable to noncontrolling interests	(146)	632
Adjusted EBITDA attributable to Generac Holdings Inc.	<u>\$ 193,627</u>	<u>\$ 148,914</u>

(a) Represents the following non-cash charges, gains, and other adjustments: gains/losses on the disposition of assets other than in the ordinary course of business, gains/losses on sales of certain investments, unrealized mark-to-market adjustments on commodity contracts, certain foreign currency related adjustments, and certain purchase accounting and contingent consideration adjustments. We believe that adjusting net income for these items is useful for the following reasons:

- The gains/losses on disposals of assets and sales of certain investments result from the sale of assets that are no longer useful in our business and therefore represent gains/losses that are not from our core operations;
- The adjustments for unrealized mark-to-market gains and losses on commodity contracts represent non-cash items to reflect changes in the fair value of forward contracts that have not been settled or terminated. We believe it is useful to adjust net income for these items because the charges do not represent a cash outlay in the period in which the charge is incurred, although Adjusted EBITDA must always be used together with our U.S. GAAP statements of comprehensive income and cash flows to capture the full effect of these contracts on our operating performance; and
- The purchase accounting adjustments represent non-cash items to reflect fair value of certain assets at the date of acquisition, and therefore do not reflect our ongoing operations. Fair value adjustments to contingent consideration obligations related to business acquisitions are added back as they are akin to purchase price.

(b) Represents share-based compensation expense to account for stock options, restricted stock, and other stock awards over their respective vesting periods.

(c) Represents transaction costs incurred directly in connection with any investment, as defined in our credit agreement, equity issuance or debt issuance or refinancing, together with certain fees relating to our senior secured credit facilities, such as administrative agent fees and credit facility commitment fees under our Prior and New Credit Agreement.

(d) Represents severance and other restructuring charges related to the consolidation of certain operating facilities and organizational functions.

(e) Represents the following significant litigation, regulatory, and other matters that are not indicative of our ongoing operations:

	Three Months Ended March 31,	
	2026	2025
Legal expenses, judgements and settlements related to certain patent lawsuits	\$ 2,447	\$ 1,492
Legal expenses, judgements and settlements related to certain class action lawsuits	1,026	1,343
Legal expenses related to certain government inquiries and other significant matters	862	916
Release of warranty provision recorded in 2022 to address clean energy warranty-related matters	(1,129)	-
Total provision for legal, regulatory and other matters	<u>\$ 3,206</u>	<u>\$ 3,751</u>

(f) Represents non-cash gains and losses primarily from changes in the fair value of the Company's investment in Wallbox N.V. warrants and equity securities.

(g) The current year loss relates primarily to two immaterial business dispositions that closed in the first quarter of 2026.

Adjusted Net Income

To further supplement our condensed consolidated financial statements in accordance with U.S. GAAP, we provide the computation of Adjusted Net Income attributable to the Company, which is defined as net income before noncontrolling interests adjusted for the following items: amortization of intangible assets, amortization of deferred financing costs and original issue discount related to the Company's debt, intangible impairment charges, certain transaction costs and other purchase accounting adjustments, business optimization expenses, provision for certain legal and regulatory charges, certain other specific provisions, mark-to-market gains and losses on a minority investment, other non-cash gains and losses, and adjusted net income attributable to non-controlling interests, as set forth in the reconciliation table below.

We believe Adjusted Net Income is used by securities analysts, investors and other interested parties in the evaluation of our company's operations. Management believes the disclosure of Adjusted Net Income offers an additional financial metric that, when used in conjunction with U.S. GAAP results and the reconciliation to U.S. GAAP results, provides a more complete understanding of our ongoing results of operations, and the factors and trends affecting our business.

The adjustments included in the reconciliation table listed below are presented to illustrate the operating performance of our business in a manner consistent with the presentation used by investors and securities analysts. Similar to the Adjusted EBITDA reconciliation, these adjustments eliminate the impact of a number of items we do not consider indicative of our ongoing operating performance or cash flows, such as amortization costs, transaction costs and write-offs relating to the retirement of debt.

Similar to Adjusted EBITDA, Adjusted Net Income does not represent, and should not be a substitute for, net income or cash flows from operations as determined in accordance with U.S. GAAP. Adjusted Net Income has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations are:

- Adjusted Net Income does not reflect changes in, or cash requirements for, our working capital needs;
- although amortization is a non-cash charge, the assets being amortized may have to be replaced in the future, and Adjusted Net Income does not reflect any cash requirements for such replacements; and
- other companies may calculate Adjusted Net Income differently than we do, limiting its usefulness as a comparative measure.

The following table presents a reconciliation of net income to Adjusted Net Income attributable to Generac Holdings Inc.:

(U.S. Dollars in thousands, except share and per share data)	Three Months Ended March 31,	
	2026	2025
Net income attributable to Generac Holdings Inc.	\$ 73,253	\$ 43,840
Net income attributable to noncontrolling interests	(141)	438
Net income	73,112	44,278
Amortization of intangible assets	30,380	25,489
Amortization of deferred financing costs and original issue discount	535	636
Transaction costs and other purchase accounting adjustments (a)	2,548	107
Loss attributable to business or asset dispositions (c)	4,782	390
Business optimization and other charges (b)	1,153	1,575
Provision for legal, regulatory, and other costs (b)	3,206	3,751
Change in fair value of investments (b)	1,374	9,947
Tax effect of add backs	(10,885)	(10,369)
Adjusted net income	106,205	75,804
Adjusted net income attributable to noncontrolling interests	(141)	438
Adjusted net income attributable to Generac Holdings Inc.	\$ 106,346	\$ 75,366
Adjusted net income per common share attributable to Generac Holdings Inc. - diluted:	\$ 1.80	\$ 1.26
Weighted average common shares outstanding - diluted:	59,233,144	59,747,589

(a) Represents transaction costs incurred directly in connection with any investment, as defined in our credit agreement, equity issuance or debt issuance or refinancing, and certain purchase accounting and contingent consideration adjustments.

(b) See reconciliation of net income to Adjusted EBITDA attributable to Generac Holdings Inc. above.

(c) The current year loss relates primarily to two immaterial business dispositions that closed in the first quarter of 2026.

New Accounting Standards

Refer to Note 1, “Description of Business and Basis of Presentation,” to the condensed consolidated financial statements for further information on the new accounting standards applicable to the Company.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Refer to Note 4, “Derivative Instruments and Hedging Activities,” to the condensed consolidated financial statements for a discussion of the Wallbox warrant derivative instruments, changes in commodity, currency and interest rate related risks, and other hedging activities. Otherwise, there have been no material changes in market risk from the information provided in Item 7A (Quantitative and Qualitative Disclosures About Market Risk) of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. Controls and Procedures**Disclosure Controls and Procedures**

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) or 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

There have been no changes during the three months ended March 31, 2026 in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION**Item 1. Legal Proceedings**

See Note 16, “Commitments and Contingencies,” to the condensed consolidated financial statements for further information on the Company’s legal proceedings.

Item 1A. Risk Factors

There have been no material changes in our risk factors since the February 18, 2026, filing of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes the stock repurchase activity for the three months ended March 31, 2026, which consisted of the withholding of shares upon the vesting of restricted stock awards to pay related withholding taxes on behalf of the recipient:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number Of Shares Purchased As Part Of Publicly Announced Plans Or Programs	Approximate Dollar Value Of Shares That May Yet Be Purchased Under The Plans Or Programs
01/01/2026 – 01/31/2026	-	\$ -	-	\$ 500,000,000
02/01/2026 – 02/28/2026	-	\$ -	-	\$ 500,000,000
03/01/2026 – 03/31/2026	90,537	\$ 228.12	-	\$ 500,000,000
Total	<u>90,537</u>	<u>\$ 228.12</u>	<u>-</u>	

For equity compensation plan information, please refer to our Annual Report on Form 10-K for the year ended December 31, 2025. For information on the Company’s stock repurchase plans, refer to Note 13, “Stock Repurchase Program,” to the condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

On March 5, 2026, Raj Kanuru, Executive Vice President, General Counsel & Secretary, adopted a Rule 10b5-1 trading plan that is intended to satisfy the affirmative defense in Rule 10b5-1(c) for the (i) sale of up to 2,165 shares of the Company's common stock, and (ii) exercise and sale of up to 4,514 stock options, until February 12, 2027.

On March 6, 2026, Norm Taffe, President, Generac Home, adopted a Rule 10b5-1 trading plan that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the (i) sale of up to 3,000 shares of the Company's common stock, and (ii) exercise and sale of up to 2,500 stock options, until March 8, 2027.

Item 6. Exhibits

Exhibits Number	Description
10.1*	Amended Form of Restricted Stock Award Agreement pursuant to the Generac Holdings Inc. 2019 Equity Incentive Plan.
10.2*	Amended Form of Performance Share Unit Award Agreement pursuant to the Generac Holdings Inc. 2019 Equity Incentive Plan.
10.3*	Amended Form of Nonqualified Stock Option Award Agreement pursuant to the Generac Holdings Inc. 2019 Equity Incentive Plan.
31.1*	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 formatted in Inline eXtensible Business Reporting Language (iXBRL): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Comprehensive Income, (iii) the Condensed Consolidated Statements of Stockholders' Equity, (iv) the Condensed Consolidated Statements of Cash Flows, and (v) related Notes to Condensed Consolidated Financial Statements.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 formatted as inline XBRL (included in Exhibit 101).

* Filed herewith.

** Furnished herewith

**Generac Holdings Inc.
Amended and Restated
2019 Equity Incentive Plan**

RESTRICTED STOCK UNIT AWARD AGREEMENT

Upon acceptance by you through the online acceptance procedures of the Third Party Stock Plan Administrator ("**Administrator**"), this Restricted Stock Unit Award Agreement (this "**Agreement**") is made effective as of the date set forth on your online award acceptance page of the Administrator ("**Grant Date**"), which is incorporated by reference herein, between Generac Holdings Inc., a Delaware corporation (the "**Company**") and you (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted and its stockholders have approved the Generac Holdings Inc. [Amended and Restated] 2019 Equity Incentive Plan (the "**Plan**"), which Plan is incorporated herein by reference and made a part of this Agreement. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, the Company has adopted the Generac Power Systems, Inc. Executive Change in Control Policy (the "**CIC Policy**"); and

WHEREAS, the Compensation Committee (the "**Committee**") has determined that it would be in the best interests of the Company and its stockholders to grant the restricted stock unit award provided for herein to the Participant pursuant to the Plan and the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Restricted Stock Unit Award. The Company hereby confirms the grant to the Participant, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of an award of Restricted Stock Units (the "**Units**") in an amount as set forth on the Notice of Award page attached hereto ("**Notice of Award**"), which is incorporated herein by reference and made a part of this Agreement. Each Unit represents the right to receive one Share of the Company's common stock upon vesting and settlement in accordance with the terms of this Agreement. Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to the Participant will be credited to a share unit account in the Participant's name maintained by the Company. This account will be unfunded and maintained for bookkeeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

2. Vesting of Units.

a. Scheduled Vesting. If the Participant remains in Service to the Company or any of its subsidiaries continuously from the Grant Date, then the Units will vest in the number(s) and on the date(s) specified on the Notice of Award, ("**Scheduled Vesting Date**").

b. Termination of Service for Normal Retirement. Notwithstanding Section 2(a) hereof, upon a termination of the Participant's Service by reason of Normal Retirement, any Units, to the extent not then-vested, shall continue to vest during the period beginning on the last date of employment and ending on the date that is one (1) year (two (2) years if at least six (6) months' notice of Normal Retirement is provided) following such last date of employment, subject to the Participant's execution and non-revocation of no later than forty-five (45) days following the last date of employment an effective general release and waiver of all claims against the Company, its Affiliates and their respective officers and directors in the form provided by the Company ("**Release**"). However, any Units, to the extent not then-vested, issued within six (6) months of this Agreement, as of the Participant's last date of employment, shall be forfeited. "**Normal Retirement**" shall mean a voluntary termination of Service by a Participant who has attained at least sixty (60) years of age and has at least fifteen (15) years of Service to the Company or any of its Affiliates.

c. Termination of Service in Connection with a Change of Control. Notwithstanding Section 2(a) hereof, (i) in the event of a Change in Control the provisions of Section 12 of the Plan shall apply except as specifically provided herein; and (ii) in the event of Participant's Qualifying Termination within the Protection Period (as both terms are defined under the CIC Policy), the Units shall vest as of the date of such Qualifying Termination, subject to the Participant's execution and non-revocation, no later than thirty (30) days following the termination date, of a Release.

d. Termination of Service for death or Disability. Upon a termination of the Participant's Service by reason of death or Disability, any Units, to the extent not then-vested, shall vest as of the date of such termination of Service.

e. Other Terminations of Service. Upon a termination of the Participant's Service for any reason, other than as contemplated by Sections 2(b) and 2(c) and 2(d) above, the Units, to the extent not then-vested, shall immediately be forfeited by the Participant without consideration.

3. Delivery of Shares. Subject to Section 25 below, as soon as administratively practicable, but not later than sixty (60) days following the vesting of the Units (as described in Section 2 hereof), or such later date as may be required under Section 16(g) of the Plan, if applicable, the Company shall cause to be issued and delivered to the Participant (or to his or her personal representative or designated beneficiary or estate in the event of the Participant's death, as applicable) one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to the Participant, by an appropriate entry in the stock register maintained by the Company's transfer agent with a notice of issuance provided to the Participant, or by the electronic delivery of the Shares to Participant's brokerage account with the Administrator, and shall be subject to the tax withholding provisions of Section 13(a) and compliance with all applicable legal requirements as provided in Section 11 hereof and Section 16(c) of the Plan, and shall be in complete satisfaction and settlement of such vested Units.

4. Rights as a Stockholder. Except as provided in Section 5, Participant shall have none of the rights of a stockholder of the Company in connection with the Units unless and until Shares are issued to him or her in settlement of vested Units as provided in Section 3.



5. Dividend Equivalents. If the Company pays cash dividends on its Shares while any Units subject to this Agreement are outstanding, then on the date any portion of the Units vest pursuant to Section 2 above, a total Dividend Equivalent amount will be credited to the Participant's share unit account and shall be deemed reinvested in additional Units ("**Dividend Equivalent Units**"). The total Dividend Equivalent amount will be determined by multiplying the number of underlying Units determined to have vested as of such determination by the per share amount of each cash dividend paid on the Company's common stock with a record date and payment date occurring between the Grant Date and the applicable vesting date, and adding those products together. Each of those products is referred to as a "**Dividend Equivalent Amount**." The number of Dividend Equivalent Units to be credited to the Participant's share unit account pursuant to this deemed reinvestment will be determined by dividing each Dividend Equivalent Amount by the Fair Market Value of a share of the Company's common stock on the applicable dividend payment date, and adding those quotients together. Any Dividend Equivalent Units so credited will be fully vested and subject to settlement with the underlying Units as provided in Section 3 above.

6. Restrictive Covenant Agreement. The Participant and the Company may have previously entered into a restrictive covenant agreement ("**Restrictive Covenant Agreement**"). If applicable, Participant hereby reaffirms his or her obligations under such Restrictive Covenant Agreement and nothing contained in this Agreement shall cancel, change or modify Participant's obligations thereunder.

7. Non-Disparagement. The Participant, while providing Services to the Company and thereafter to the fullest extent permitted by law, shall not make any oral or written communication to any person or entity that disparages, or has the effect of damaging the reputation of, the Company, the Affiliates or their respective directors, officers, agents, employees, former employees, representatives or stockholders; provided, that, nothing in the foregoing shall preclude the Participant from disclosing any information to Participant's attorney, or from responding truthfully to any inquiry from a governmental entity, and/or engaging in any protected activities and/or from communicating with the Company's CEO and/or those employees or directors with a need to know about personnel issues involving Company officers, directors and/or employees; and provided further that nothing in this Section 7 prevents the Participant from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful.

8. Adjustment of Shares. In the event of any corporate event or transaction (as described in Section 12(a) of the Plan), the terms of this Agreement (including, without limitation, the number and kind of Units subject to this Agreement and the shares of stock deliverable with respect to such Units) may be adjusted as set forth in Section 12(a) of the Plan.

9. No Right to Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE UNITS PURSUANT TO THE VESTING SCHEDULE HEREOF IS OBTAINED ONLY BY CONTINUING AS A SERVICE PROVIDER, WHICH UNLESS PROVIDED OTHERWISE UNDER APPLICABLE LAWS IS AT THE WILL OF THE COMPANY AND ITS AFFILIATES (THE "**COMPANY GROUP**") AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY GROUP TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER, SUBJECT TO APPLICABLE LAW, WHICH TERMINATION, UNLESS PROVIDED OTHERWISE UNDER APPLICABLE LAW, MAY BE AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Nature of Grant. In accepting this Award of Units, Participant acknowledges, understands and agrees that:

- a. the grant of the Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Units, or benefits in lieu of Units, even if Units have been granted in the past;
 - b. all decisions with respect to future Units or other grants, if any, will be at the sole discretion of the Committee;
 - c. Participant is voluntarily participating in the Plan;
 - d. the Units and the Shares subject to the Units are not intended to replace any pension rights or compensation;
 - e. the Units and the Shares subject to the Units, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;
 - f. the future value of the Shares underlying the Units is unknown, indeterminable and cannot be predicted;
 - g. for purposes of the Units, Participant's status as a Service Provider will be considered terminated as of the date Participant is no longer actively providing services to the Company or any Parent or Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Agreement (including by reference in the Notice of Grant to other arrangements or contracts) or determined by the Committee, Participant's right to vest in the Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any, unless Participant is providing bona fide services during such time); the Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of this Award of Units (including whether Participant may still be considered to be providing services while on a leave of absence and consistent with local law);
-

h. unless otherwise provided in the Plan or by the Committee in its discretion, the Units and the benefits evidenced by this Agreement do not create any entitlement to have the Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

i. the following provisions apply only if Participant is providing services outside the United States:

(A) the Units and the Shares subject to the Units are not part of normal or expected compensation or salary for any purpose;

(B) Participant acknowledges and agrees that the Company Group shall not be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Units or of any amounts due to Participant pursuant to the settlement of the Units or the subsequent sale of any Shares acquired upon settlement; and

(C) no claim or entitlement to compensation or damages shall arise from forfeiture of the Units resulting from the termination of Participant's status as a Service Provider (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and in consideration of the grant of the Units to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company Group, waives his or her ability, if any, to bring any such claim, and releases the Company Group from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

11. Securities Laws/Restrictions. The issuance and delivery of Shares pursuant to this Agreement shall comply with Section 16(c) of the Plan as well as comply with (or be exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, non- U.S. law, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. The Company shall not be obligated to file any registration statement under any applicable securities laws to permit the purchase or issuance of any shares of common stock under the Plan or Awards, and accordingly any certificates or other indicia of ownership for shares of common stock may have an appropriate legend or statement of applicable restrictions endorsed thereon. If the Company deems it necessary to ensure that the issuance of shares of common stock under the Plan is not required to be registered under any applicable securities laws, each Participant to whom such shares of common stock would be issued shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company may reasonably request which satisfies such requirements.

12. Transferability. Unless otherwise provided by the Committee, the Units may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Units to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

13. Taxes.

a. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold for any applicable taxes and/or social insurance liability obligations and requirements in connection with the Units, including, without limitation, (i) all federal, state, local, and foreign taxes (including Participant's Federal Insurance Contributions Act (FICA) or other social insurance obligations) that are required to be withheld by the Company Group or other payment of tax-related items related to Participant's participation in the Plan, and legally applicable to Participant, (ii) Participant's and, to the extent required by the Company Group, the Company Group's fringe benefit tax liability, if any, associated with the grant, vesting, or settlement of the Units or sale of Shares, and (iii) any other Company Group taxes the responsibility for which Participant has, or has agreed to bear, with respect to the Units (or settlement thereof or issuance of Shares thereunder) (collectively, the "**Tax Obligations**"), and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes. Participant acknowledges that, regardless of any action taken by the Company Group, the ultimate liability for any Tax-Related Obligations is and remains Participant's sole responsibility and may exceed the amount actually withheld by the Company Group.

b. Tax Consequences. Participant has reviewed with his or her own tax advisers the U.S. federal, state, local and non-U.S. tax consequences of this investment and the transactions contemplated by this Agreement. With respect to such matters, Participant relies solely on such advisers and not on any statements or representations of the Company or any of its agents, written or oral. Participant understands that Participant (and not the Company) shall be responsible for Participant's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

c. No Guarantees Regarding Tax Treatment. The Participant (or the Participant's beneficiaries) shall be responsible for all taxes with respect to the Units and related Shares, if any, that are vested and settled. The Committee and the Company make no guarantees regarding the tax treatment of this Award. Neither the Committee nor the Company has any obligation to take any action to prevent the assessment of any tax under Section 409A of the Code or Section 457A of the Code or otherwise and none of the Company Group nor or any of its employees or representatives shall have any liability to a Participant with respect thereto. ***Participant further acknowledges that the Company Group does not (A) make any representations or undertakings regarding the treatment of any Tax Obligations in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends or other distributions, or (B) make any commitment to or is under any obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate Participant's liability for Tax Obligations or achieve any particular tax result. Further, if Participant is subject to Tax Obligations in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that Company Group may be required to withhold or account for Tax Obligations in more than one jurisdiction.***

14. Notices. Any notification required by the terms of this Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

15. Entire Agreement. This Agreement, the details of the award on the Participant's online award acceptance page of the Administrator, the terms of the Mandatory Clawback Policy and Supplemental Clawback policy, as amended from time to time, if applicable, and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof; however if any term in either the Mandatory Clawback Policy or Supplemental Clawback Policy are contrary to any term contained herein, the terms of such policies shall prevail.

16. Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

17. Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

18. Country Addendum. Notwithstanding any provisions in this Agreement, the Award shall be subject to any special terms and conditions set forth in an appendix (if any) to this Agreement for any country whose laws are applicable to the Participant and this Award of Units (as determined by the Committee in its sole discretion) (the "**Country Addendum**"). Moreover, if Participant relocates to one of the countries included in the Country Addendum (if any), the special terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Country Addendum constitutes part of this Agreement.

19. Data Privacy. *Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other Unit grant materials by and among, as applicable, the members of the Company Group for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.*

Participant understands that the Company Group may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data may be transferred to the Administrator, or such other provider as may be selected by the Company in the future, assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country of operation (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes the Company, the Administrator and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan.

Participant understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her status as a Service Provider and career with the Company Group will not be adversely affected. The only adverse consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant Units or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

20. Choice of Law. Except as required by applicable local law, this Agreement shall be governed by the law of the State of Delaware (regardless of the laws that might otherwise govern under applicable Delaware principles of conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

21. Units Subject to Plan. By entering into this Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Units are subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

22. Amendment. The Committee may amend or alter this Agreement and the Units granted hereunder at any time, subject to the terms of the Plan.

23. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

24. Signature. The Agreement is subject to Participant's acceptance of the terms and conditions of this Agreement. By clicking the acknowledgment button, Participant indicates he or she (1) has been provided access to a copy of the Plan, (2) has had the opportunity to obtain independent legal advice prior to accepting the grant, (3) has read this Agreement and, if applicable, the relevant Country Addendum, (4) agrees fully to the terms of the Agreement and (5) consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator. The Participant also acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan, this Agreement and the Units shall be final and conclusive.

25. Compensation Recovery. In addition to those provisions in Sections 6 and 7, to the extent that this Award and any compensation associated therewith is considered "incentive-based compensation" within the meaning and subject to the requirements of Section 10D of the Exchange Act, this Award and any compensation associated therewith shall be subject to potential forfeiture or recovery by the Company in accordance with any compensation recovery policy adopted by the Board or the Committee in response to the requirements of Section 10D of the Exchange Act and any implementing rules and regulations thereunder adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's Shares are then listed. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

26. Forfeiture. Notwithstanding anything to the contrary in this Agreement, if the Participant's Service is terminated for Cause, or if, during the term of the Participant's Service with the Company and its Affiliates and for one year after such Service ends (or such longer period as specified in the Participant's Restrictive Covenant Agreement, if applicable, or following the Participant's Normal Retirement and prior to the Scheduled Vesting Date) (the "**Restricted Period**"), the Participant breaches any of the restrictive covenants contained in Section 6 or Section 7, then (i) the Participant shall immediately forfeit this Award and any right to receive Shares that have not yet been issued pursuant to Section 3, and (ii) with respect to Shares that have been issued pursuant to this Award, either (A) the Participant shall return such Shares to the Company, or (B) the Participant shall pay to the Company in cash an amount equal to the Fair Market Value of such Shares as of the respective vesting date of the underlying Units.

27. Language. If Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

**Generac Holdings Inc.
Amended and Restated
2019 Equity Incentive Plan**

PERFORMANCE SHARE UNIT AWARD AGREEMENT

Upon acceptance by you through the online acceptance procedures of the Third Party Stock Plan Administrator ("**Administrator**"), this Performance Share Unit Award Agreement (this "**Agreement**") is made effective as of the date set forth on your online award acceptance page of the Administrator ("**Grant Date**"), which is incorporated by reference herein, between Generac Holdings Inc., a Delaware corporation (the "**Company**") and you (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted and its stockholders have approved the Generac Holdings Inc. 2019 Equity Incentive Plan (the "**Plan**"), which Plan is incorporated herein by reference and made a part of this Agreement. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, the Company has adopted the Generac Power Systems, Inc. Executive Change in Control Policy (the "**CIC Policy**");
and

WHEREAS, the Compensation Committee (the "**Committee**") has determined that it would be in the best interests of the Company and its stockholders to grant the performance share unit award provided for herein to the Participant pursuant to the Plan and the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. **Performance Share Award.** The Company hereby confirms the grant to the Participant, as of the Grant Date and subject to the terms and conditions of this Agreement and the Plan, of an award of Performance Share Units (the "**Units**") in an amount initially equal to the Target Number of Performance Share Units specified on the Participant's online award acceptance page of the Administrator ("**Target Number of Units**"). The number of Units that may actually be achieved and become eligible to vest pursuant to this Award can be between 0% and 200% of the Target Number of Units. Each Unit that is achieved as a result of the performance goals specified in Exhibit B to this Agreement having been satisfied and which thereafter vests represents the right to receive one Share of the Company's common stock. Prior to their settlement or forfeiture in accordance with the terms of this Agreement, the Units granted to the Participant will be credited to a performance share unit account in the Participant's name maintained by the Company. This account will be unfunded and maintained for book-keeping purposes only, with the Units simply representing an unfunded and unsecured contingent obligation of the Company.

2. **Vesting.**

- a. **Scheduled Vesting Date.** The number of Units that have been achieved during the Performance Period, as determined by the Committee in accordance with Exhibit B, will vest on the Scheduled Vesting Date, so long as the Participant's Service has been continuous from the Grant Date to the Scheduled Vesting Date. For these purposes, the "**Scheduled Vesting Date**" means the date the Committee certifies (i) the degree to which the applicable performance goals for the Performance Period have been satisfied, and (ii) the number of Units that have been earned based on achievement during the Performance Period specified on the Participant's online award acceptance page of the Administrator ("**Performance Period**") as determined in accordance Exhibit B, which certification shall occur no later than March 10 of the calendar year immediately following the calendar year during which the Performance Period ended.
- b. **Termination of Service.** Notwithstanding Section 2(a) hereof, upon a termination of the Participant's Service for any reason (except as set forth in Section 2(c), Section 2(d) and Section 2(e)), the Units, to the extent not then vested, shall immediately be forfeited by the Participant without consideration.
- c. **Termination of Service for Normal Retirement.** Notwithstanding Section 2(a) hereof, upon a termination of the Participant's Service by reason of Normal Retirement, as defined below, prior to the Scheduled Vesting Date, the Participant will be entitled to have vest on the Scheduled Vesting Date a pro rata portion (as determined below) of the Units that are achieved during the Performance Period in accordance with Exhibit B, subject to the Participant's execution and non-revocation on or within the 45-day period after the Award payment date of an effective general release and waiver of all claims against the Company, its Affiliates and their respective officers and directors, in the form provided by the Company ("**Release**"). The pro rata portion shall be determined by multiplying the number of Units that would otherwise have been determined to have been achieved by a fraction whose numerator is the number of days during the Performance Period prior to the Participant's employment termination date and whose denominator is the number of days in the Performance Period. For purposes of this Section 2(c), "Normal Retirement" shall mean a voluntary termination of employment by a Participant who has attained at least sixty (60) years of age and has at least fifteen (15) years of service to the Company or any of its Affiliates.
- d. **Termination of Service for Death.** Notwithstanding Section 2(a) hereof, upon a termination of the Participant's Service by reason of his or her death prior to the Scheduled Vesting Date, a pro rata portion of the Target Number of Units shall vest as of the date of Participant's death and shall be paid to the beneficiary designated by the Participant or, in the absence of any such designation, to the Participant's estate. The pro rata portion shall be determined utilizing a fraction determined in the same manner as provided in Section 2(c) above.
- e. **Termination of Service for Disability.** Notwithstanding Section 2(a) hereof, upon a termination of the Participant's Service by reason of his or her Disability prior to the Scheduled Vesting Date, a pro rata portion of the Target Number of Units shall vest as of the date of such termination of Service, subject to the Participant's execution and non-revocation on or within the 45-day period after the termination of Service date of a Release. The pro rata portion shall be determined utilizing a fraction determined in the same manner as provided in Section 2(c) above.

f. Termination of Service in Connection with a Change in Control. Notwithstanding Section 2(a) hereof, (i) in the event of a Change in Control the provisions of Section 12 of the Plan shall apply except as specifically provided herein, (ii) in the event of the Participant's Qualifying Termination (as defined under the CIC Policy) within the two (2) year period following a Change in Control and prior to the last day of the Performance Period, the Target Number of Units shall vest as of the date of such Qualifying Termination, and (iii) in the event of a Qualifying Termination within 120 days prior to the occurrence of a Change in Control and prior to the last day of the Performance Period, the Target Number of Units will vest upon the Change in Control. In all cases the vesting of Units pursuant to this Section 2(f) shall be subject to the Participant's execution on or after the termination of Service date of an effective general release and waiver of all claims against the Company, its Affiliates and their respective officers and directors.

g. Modifications to Vesting Schedule. In the event that the Participant takes an authorized leave of absence ("LOA") prior to the Scheduled Vesting Date, the Units subject to this Agreement that are scheduled to vest shall be modified as follows:

(i) if the duration of the Participant's LOA is sixty (60) days or less, the vesting schedule set forth in Section 2(a) shall not be affected by the Participant's LOA.

(ii) if the duration of the Participant's LOA is greater than sixty (60) days, the scheduled vesting of any Units awarded by this Agreement that are not then vested shall be deferred for a period of time equal to the duration of the Participant's LOA.

3. Delivery of Shares. Subject to Section 23 below, as soon as administratively practicable, but not later than sixty (60) days (thirty (30) days in the case of vesting pursuant to Section 2(c), Section 2(d), Section 2(e) or Section 2(f)) following the vesting of the Units (as described in Section 2 hereof), the Company shall cause to be issued and delivered to the Participant (or to his or her personal representative or designated beneficiary or estate in the event of the Participant's death, as applicable) one Share in payment and settlement of each vested Unit. Delivery of the Shares shall be effected by the issuance of a stock certificate to the Participant, by an appropriate entry in the stock register maintained by the Company's transfer agent with a notice of issuance provided to the Participant, or by the electronic delivery of the Shares to Participant's brokerage account with the Administrator, and shall be subject to the tax withholding provisions of Section 12 and compliance with all applicable legal requirements as provided in Section 10 hereof and Section 16(c) of the Plan, and shall be in complete satisfaction and settlement of such vested Units.

4. Rights as a Stockholder. Except as provided in Section 5, the Participant shall have none of the rights of a stockholder of the Company in connection with the Units unless and until Shares are issued to him or her in settlement of earned and vested Units as provided in Section 3.

5. Dividend Equivalents. If the Company pays cash dividends on its Shares while any Units subject to this Agreement are outstanding, then on the date this Award vests pursuant to Section 2 above, a total Dividend Equivalent amount will be credited to the Participant's performance share unit account and shall be deemed reinvested in additional Units ("**Dividend Equivalent Units**"). The total Dividend Equivalent amount will be determined by multiplying the number of underlying Units determined to have vested by the per share amount of each cash dividend paid on the Company's common stock with a record date and payment date occurring between the Grant Date and the applicable vesting date, and adding those products together. Each of those products is referred to as a "**Dividend Equivalent Amount**." The number of Dividend Equivalent Units to be credited to the Participant's performance share unit account pursuant to this deemed reinvestment will be determined by dividing each Dividend Equivalent Amount by the Fair Market Value of a share of the Company's common stock on the applicable dividend payment date, and adding those quotients together. Any Dividend Equivalent Units so credited will be fully vested and subject to settlement with the underlying Units as provided in Section 3 above.

6. Restrictive Covenant Agreement. The Participant and the Company may have previously entered into a restrictive covenant agreement ("**Restrictive Covenant Agreement**"). If applicable, Participant hereby reaffirms their obligations under such Restrictive Covenant Agreement and nothing contained in this Agreement shall cancel, change or modify Participant's obligations thereunder.

7. Non-Disparagement. The Participant, while providing Services to the Company and thereafter to the fullest extent permitted by law, shall not make any oral or written communication to any person or entity that disparages, or has the effect of damaging the reputation of, the Company, the Affiliates or their respective directors, officers, agents, employees, former employees, representatives or stockholders; provided, that, nothing in the foregoing shall preclude the Participant from disclosing any information to Participant's attorney, or from responding truthfully to any inquiry from a governmental entity, and/or engaging in any protected activities and/or from communicating with the Company's CEO and/or those employees or directors with a need to know about personnel issues involving Company officers, directors and/or employees; and provided further that nothing in this Section 7 prevents the Participant from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful.

8. Adjustment of Shares. In the event of any corporate event or transaction (as described in Section 12(a) of the Plan), the terms of this Agreement (including, without limitation, the number and kind of Units subject to this Agreement and the shares of stock deliverable with respect to such Units) may be adjusted as set forth in Section 12(a) of the Plan.

9. No Right to Continued Service. The granting of the Units evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to continue the Service of the Participant and shall not lessen or affect any right that the Company or any Affiliate may have to terminate the Service of such Participant.

10. Securities Laws/Restrictions. The issuance and delivery of Shares pursuant to this Agreement shall comply with Section 16(c) of the Plan as well as comply with (or be exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. The Company shall not be obligated to file any registration statement under any applicable securities laws to permit the purchase or issuance of any shares of common stock under the Plan or Awards, and accordingly any certificates or other indicia of ownership for shares of common stock may have an appropriate legend or statement of applicable restrictions endorsed thereon. If the Company deems it necessary to ensure that the issuance of shares of common stock under the Plan is not required to be registered under any applicable securities laws, each Participant to whom such shares of common stock would be issued shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company may reasonably request which satisfies such requirements.

11. Transferability. Unless otherwise provided by the Committee, the Units may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Units to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

12. Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold, any applicable withholding taxes in respect of the transfer of Shares and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes.

13. Notices. Any notification required by the terms of this Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

14. Entire Agreement. This Agreement, the details of the award on the Participant's online award acceptance page of the Administrator, the terms of the Mandatory Clawback Policy and Supplemental Clawback policy, as amended from time to time, if applicable, and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof; however if any term in either the Mandatory Clawback Policy or Supplemental Clawback Policy are contrary to any term contained herein, the terms of such policies shall prevail

15. Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

16. Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

17. Choice of Law. This Agreement shall be governed by the law of the State of Delaware (regardless of the laws that might otherwise govern under applicable Delaware principles of conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

18. Units Subject to Plan. By entering into this Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Units are subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

19. No Guarantees Regarding Tax Treatment. Participants (or their beneficiaries) shall be responsible for all taxes with respect to the Units and related Shares, if any, that are vested. The Committee and the Company make no guarantees regarding the tax treatment of this Award. Neither the Committee nor the Company has any obligation to take any action to prevent the assessment of any tax under Section 409A of the Code or Section 457A of the Code or otherwise and none of the Company, any Subsidiary or Affiliate, or any of their employees or representatives shall have any liability to a Participant with respect thereto. If the delivery of Shares pursuant to the vesting of the Units is conditioned upon the execution of a release by the Participant and the combined time period for the execution of the release and the delivery of such shares overlaps the end of a calendar year, the shares of common stock shall be delivered in the second calendar year.

20. Amendment. The Committee, or the CEO, may amend or alter this Agreement and the Units granted hereunder at any time, subject to the terms of the Plan.

21. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

22. Signature. The Agreement is subject to Participant's acceptance of the terms and conditions of this Agreement. By clicking the acknowledgment button, Participant indicates he or she (1) has been provided access to a copy of the Plan, (2) has had the opportunity to obtain independent legal advice prior to accepting the grant, (3) has read this Agreement, (4) agrees fully to the terms of the Agreement and (5) consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator. The Participant also acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan, this Agreement and the Units shall be final and conclusive.

23. Compensation Recovery. In addition to those provisions in Sections 6 and 7, to the extent that this Award and any compensation associated therewith is considered "incentive-based compensation" within the meaning and subject to the requirements of Section 10D of the Exchange Act, this Award and any compensation associated therewith shall be subject to potential forfeiture or recovery by the Company in accordance with any compensation recovery policy adopted by the Board or the Committee in response to the requirements of Section 10D of the Exchange Act and any implementing rules and regulations thereunder adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's Shares are then listed. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

24. Forfeiture. Notwithstanding anything to the contrary in this Agreement, if the Participant's Service is terminated for Cause, or if, during the term of the Participant's Service with the Company and its Affiliates and for one year after such Service ends (or such longer period as specified in the Participant's Restrictive Covenant Agreement, if applicable, or following the Participant's Normal Retirement and prior to the Scheduled Vesting Date) (the "Restricted Period"), the Participant breaches any of the restrictive covenants contained in Section 6 or Section 7, then (i) the Participant shall immediately forfeit this Award and any right to receive Shares that have not yet been issued pursuant to Section 3, and (ii) with respect to Shares that have been issued pursuant to this Award, either (A) the Participant shall return such Shares to the Company, or (B) the Participant shall pay to the Company in cash an amount equal to the Fair Market Value of such Shares as of the respective vesting date of the underlying Units.

**Generac Holdings Inc.
Amended and Restated
2019 Equity Incentive Plan**

NONQUALIFIED STOCK OPTION AWARD AGREEMENT

Upon acceptance by you through the online acceptance procedures of the Third Party Stock Plan Administrator ("**Administrator**"), this Nonqualified Stock Option Award Agreement (this "**Agreement**") is made effective as of the date set forth on your online award acceptance page of the Administrator ("**Grant Date**"), which is incorporated by reference herein, between Generac Holdings Inc., a Delaware corporation (the "**Company**") and you (the "**Participant**").

R E C I T A L S:

WHEREAS, the Company has adopted and the stockholders have approved the Generac Holdings Inc. Amended and Restated 2019 Equity Incentive Plan (the "**Plan**"), which Plan is incorporated herein by reference and made a part of this Agreement. Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, the Company has adopted the Generac Power Systems, Inc. Executive Change in Control Policy (the "**CIC Policy**"); and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the option provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Option. The Company hereby grants to the Participant the right and option (the "**Option**") to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate a certain number of Shares as set forth on the Participant's Notice of Award attached hereto, which is incorporated herein by reference and made a part of this Agreement. The Option is intended to be a Non-Qualified Stock Option.

2. Option Exercise Price. The purchase price of the Shares subject to the Option shall equal the exercise price as defined and calculated pursuant to Section 7 of the Plan, and which corresponds to the Grant Date set forth on your online award acceptance page of the Administrator and denoted as the award exercise price (the "**Exercise Price**").

3. Option Term. The term of the Option shall be ten (10) years, commencing on the Date of Grant, unless terminated at an earlier time pursuant to Section 6 (the "**Option Term**"). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.

4. Scheduled Vesting of the Option. Subject to the Participant's continued Service to the Company through the applicable vesting date, the Option shall vest in equal installments on each of the first four (4) anniversaries of the Date of Grant, such that twenty-five percent (25%) of the Option vests on each such anniversary. At any time, the portion of the Option which has become vested in accordance with the terms hereof shall be called the "**Vested Portion**". To the extent the Option has not already been exercised and has not expired or been terminated or cancelled, the Participant or the person otherwise entitled to exercise the Option as provided in this Agreement may at any time during the Option Term purchase all or any portion of the Shares subject to the Vested Portion.

5. Acceleration of Vesting Upon Termination in Connection with a Change in Control. Notwithstanding Section 4 hereof, (i) in the event of a Change in Control, the provisions of Section 12 of the Plan shall apply except as specifically provided herein, and (ii) in the event of (1) Participant's Qualifying Termination (as defined under the CIC Policy) or (2) a termination of Participant's Service by the Company or any Affiliate without Cause within the one (1) year period following a Change in Control, the Option shall immediately vest and become exercisable in full as of the date of such Qualifying Termination or termination of Participant's Service, as applicable, and shall remain exercisable until the earlier of (x) one (1) year following such Qualifying Termination or termination of Service, as applicable, and (y) the expiration of the Option Term. In addition, vesting and exercisability of this Option may be accelerated during the term of the Option under the circumstances described in Section 12(b)(2) of the Plan.

6. Termination of Service.

(a) Termination of Service for Cause. Upon a termination of the Participant's Service by the Company for Cause, the Option, including the Vested Portion, shall immediately terminate and be forfeited without consideration.

(b) Termination of Service for Normal Retirement. Upon a termination of the Participant's Service by reason of Normal Retirement, any unvested portion of the Option shall continue to vest during the period beginning on the last date of the Participant's employment with the Company and ending on the earlier of (i) one year (two years, if at least six (6) months' notice of Normal Retirement is provided) following such last date of employment and (ii) the expiration of the Option Term, and any portion so vested shall remain exercisable until the earlier of (i) the end of such one (or two) year period following the last date of employment and (ii) the expiration of the Option Term. However, any unvested portion of an Option issued within six (6) months of this Agreement, as of the Participant's last date of employment, shall be forfeited. Any Vested Portion as of the last date of employment as contemplated by this Section 6(b) shall remain exercisable until the earlier of (i) one year following such termination of Service and (ii) the expiration of the Option Term. "**Normal Retirement**" shall mean a voluntary termination of employment or service by a Participant who has attained at least sixty (60) years of age and has at least fifteen (15) years of service to the Company or any of its Affiliates.

(c) Termination of Service for Death or Disability. Upon a termination of the Participant's Service by reason of death or Disability, any unvested portion of the Option shall vest as of the termination of Service and the Option shall remain exercisable until the earlier of (i) one year following such termination of Service and (ii) the expiration of the Option Term.

(d) Other Terminations of Service. Upon a termination of the Participant's Service for any reason, other than as contemplated by Sections 5, 6(b), and 6(c), above, any unvested portion of the Option shall immediately terminate and be forfeited without consideration. Any Vested Portion as of the date of a termination of Service contemplated by this Section 6(d) shall remain exercisable until the earlier of (i) ninety (90) days following such termination of Service and (ii) the expiration of the Option Term.

7. Exercise Procedures.

(a) Notice of Exercise. Except as set forth in Section 6, the Participant or the Participant's representative may exercise the Vested Portion or any part thereof prior to the expiration of the Option Term via the Participant's online award account with the Administrator (the "**Notice of Exercise**"). The Notice of Exercise shall be signed by the person exercising such Option. In the event that such Option is being exercised by the Participant's representative, the Notice of Exercise shall be accompanied by proof (satisfactory to the Company) of such representative's right to exercise such Option. In the event the Option is being exercised following the termination of the Participant's Service, exercise shall be subject to the Participant's execution within forty-five (45) days after the termination date, and non-revocation of, of an effective general release and waiver of all claims against the Company, its Affiliates and their respective officers and directors, in the form provided by the Company ("**Release**").

(b) Method of Exercise. The Participant or the Participant's representative shall deliver to the Company, at the time the Notice of Exercise is given, payment in a form permissible under Section 7 of the Plan for the full amount of the aggregate Exercise Price for the exercised Option.

(c) Issuance of Shares. Provided the Company receives a properly completed and executed Notice of Exercise and has determined that all other conditions to exercise, including satisfaction of withholding tax obligations and compliance with applicable laws as provided in Section 16(c) of the Plan, have been satisfied, payment for the full amount of the aggregate Exercise Price, and, if applicable, an effective Release as required by Section 7(a), the Company shall promptly cause to be issued certificates for the Shares underlying the exercised Option, registered in the name of the Person exercising the applicable Option, as evidenced by issuance of a stock certificate or certificates, electronic delivery of such Shares to a brokerage account of such person, or book-entry registration of such Shares with the Company's transfer agent. The Company shall pay any original issue or transfer taxes with respect to the issue or transfer of the Shares and all fees and expenses incurred by it in connection therewith. All Shares so issued shall be fully paid and nonassessable.

8. Restrictive Covenant Agreement. The Participant and the Company may have previously entered into a restrictive covenant agreement. If applicable, Participant hereby reaffirms their obligations under such restrictive covenant agreement and nothing contained in this Agreement shall cancel, change or modify Participant's obligations thereunder.

9. Non-Disparagement. The Participant, while providing Service to the Company and thereafter, shall not make any oral or written communication to any Person that disparages, or has the effect of damaging the reputation of, the Company, the Affiliates or their respective directors, officers, agents, employees, former employees, representatives or stockholders; provided, that, nothing in the foregoing shall preclude the Participant from disclosing any information to Participant's attorney or in response to a lawful subpoena or court order requiring disclosure of information; and provided further that nothing in this Section 9 prevents the Participant from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful.

10. Adjustment of Shares. In the event of any corporate event or transaction (as described in Section 12(a) of the Plan), the terms of this Agreement (including, without limitation, the number and kind of Shares subject to this Agreement and the Exercise Price) may be adjusted as set forth in Section 12(a) of the Plan.

11. No Right to Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE OPTIONS PURSUANT TO THE VESTING SCHEDULE HEREOF IS OBTAINED ONLY BY CONTINUING AS A SERVICE PROVIDER, WHICH UNLESS PROVIDED OTHERWISE UNDER APPLICABLE LAWS IS AT THE WILL OF THE COMPANY AND ITS AFFILIATES (THE "COMPANY GROUP") AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OR ACQUIRING OPTIONS OR SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY GROUP TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER, SUBJECT TO APPLICABLE LAW, WHICH TERMINATION, UNLESS PROVIDED OTHERWISE UNDER APPLICABLE LAW, MAY BE AT ANY TIME, WITH OR WITHOUT CAUSE.

12. Nature of Grant. In accepting this Award of Options, Participant acknowledges, understands and agrees that:

- (a) the grant of the Options is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options, even if Options have been granted in the past;
 - (b) all decisions with respect to future Options or other grants, if any, will be at the sole discretion of the Committee;
 - (c) Participant is voluntarily participating in the Plan;
 - (d) the Options and the Shares obtained upon exercise of the Options are not intended to replace any pension rights or compensation;
 - (e) the Options and the Shares obtained upon exercise of the Options, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;
 - (f) the future value of the Shares obtained upon exercise of the Options is unknown, indeterminable and cannot be predicted;
 - (g) for purposes of the Options, Participant's status as a Service Provider will be considered terminated as of the date Participant is no longer actively providing services to the Company or any Parent or Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Agreement (including by reference in the Notice of Grant to other arrangements or contracts) or determined by the Committee, Participant's right to vest in the Options under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any, unless Participant is providing bona fide services during such time); the Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of this Award of Options (including whether Participant may still be considered to be providing services while on a leave of absence and consistent with local law);
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(h) unless otherwise provided in the Plan or by the Committee in its discretion, the Options and the benefits evidenced by this Agreement do not create any entitlement to have the Options or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(i) the following provisions apply if Participant is providing services outside the United States:

(A) the Options and the Shares subject to the Options are not part of normal or expected compensation or salary for any purpose;

(B) Participant acknowledges and agrees that the Company Group shall not be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Options or of Shares obtained upon exercise of the Options or the subsequent sale of any Shares acquired upon exercise; and

(C) no claim or entitlement to compensation or damages shall arise from forfeiture of the Options resulting from the termination of Participant's status as a Service Provider (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and in consideration of the grant of the Options to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company Group, waives his or her ability, if any, to bring any such claim, and releases the Company Group from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

13. Securities Laws/Legend on Certificates. The issuance and delivery of Shares upon exercise of vested Options shall comply with Section 16(c) of the Plan (or be exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, non-U.S. law, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. The Company shall not be obligated to file any registration statement under any applicable securities laws to permit the purchase or issuance of any Shares under the Plan or Awards, and accordingly any certificates for Shares or documents granting Awards may have an appropriate legend or statement of applicable restrictions endorsed thereon. If the Company deems it necessary to ensure that the issuance of Shares under the Plan is not required to be registered under any applicable securities laws, each Participant to whom such Shares would be issued shall deliver to the Company an agreement or certificate containing such representations, warranties and covenants as the Company may reasonably request which satisfies such requirements.

14. Transferability. Unless otherwise provided by the Committee, the Option may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that, the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance. No such permitted transfer of the Option to heirs or legatees of the Participant shall be effective to bind the Company unless the Committee shall have been furnished with written notice thereof and a copy of such evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof. During the Participant's lifetime, the Option is exercisable only by the Participant.

15. Taxes.

(a) Withholding. The Participant may be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold for any applicable taxes and/or social insurance liability obligations and requirements in connection with the Options, including, without limitation, (i) all federal, state, local, and foreign taxes (including Participant's Federal Insurance Contributions Act (FICA) or other social insurance obligations) that are required to be withheld by the Company Group or other payment of tax-related items related to Participant's participation in the Plan, and legally applicable to Participant, (ii) Participant's and, to the extent required by the Company Group, the Company Group's fringe benefit tax liability, if any, associated with the grant, vesting, or settlement of the Units or sale of Shares, and (iii) any other Company Group taxes the responsibility for which Participant has, or has agreed to bear, with respect to the Options (or exercise thereof or issuance of Shares thereunder) (collectively, the "Tax Obligations"), and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes. Participant acknowledges that, regardless of any action taken by the Company Group, the ultimate liability for any Tax-Related Obligations is and remains Participant's sole responsibility and may exceed the amount actually withheld by the Company Group.

(b) Tax Consequences. Participant has reviewed with his or her own tax advisers the U.S. federal, state, local and non-U.S. tax consequences of this investment and the transactions contemplated by this Agreement. With respect to such matters, Participant relies solely on such advisers and not on any statements or representations of the Company or any of its agents, written or oral. Participant understands that Participant (and not the Company) shall be responsible for Participant's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

(c) No Guarantees Regarding Tax Treatment. The Participant (or the Participant's beneficiaries) shall be responsible for all taxes with respect to the Options and Shares obtained upon exercise of such Options, if any. The Committee and the Company make no guarantees regarding the tax treatment of this Award. Neither the Committee nor the Company has any obligation to take any action to prevent the assessment of any tax under Section 409A of the Code or Section 457A of the Code or otherwise and none of the Company Group nor or any of its employees or representatives shall have any liability to a Participant with respect thereto. ***Participant further acknowledges that the Company Group does not (A) make any representations or undertakings regarding the treatment of any Tax Obligations in connection with any aspect of the Options, including, but not limited to, the grant, vesting or exercise of the Options, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends or other distributions, or (B) make any commitment to or is under any obligation to structure the terms of the grant or any aspect of the Options to reduce or eliminate Participant's liability for Tax Obligations or achieve any particular tax result. Further, if Participant is subject to Tax Obligations in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that Company Group may be required to withhold or account for Tax Obligations in more than one jurisdiction.***

16. Notices. Any notification required by the terms of this Award Agreement shall be given in writing and shall be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. A notice shall be addressed to the Company, Attention: General Counsel, at its principal executive office and to the Participant at the address that he or she most recently provided to the Company.

17. Entire Agreement. This Agreement, the details of the award on the Participant's online award acceptance page of the Administrator, the terms of the Mandatory Clawback Policy and Supplemental Clawback policy, as amended from time to time, if applicable, and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof; however if any term in either the Mandatory Clawback Policy or Supplemental Clawback Policy are contrary to any term contained herein, the terms of such policies shall prevail

18. Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

19. Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

20. Country Addendum. Notwithstanding any provisions in this Agreement, the Award shall be subject to any special terms and conditions set forth in an appendix (if any) to this Agreement for any country whose laws are applicable to the Participant and this Award of Units (as determined by the Committee in its sole discretion) (the "**Country Addendum**"). Moreover, if Participant relocates to one of the countries included in the Country Addendum (if any), the special terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Country Addendum constitutes part of this Agreement.

21. Data Privacy. *Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other Option grant materials by and among, as applicable, the members of the Company Group for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.*

Participant understands that the Company Group may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data may be transferred to the Administrator, or such other provider as may be selected by the Company in the future, assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country of operation (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes the Company, the Administrator and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan.

Participant understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her status as a Service Provider and career with the Company Group will not be adversely affected. The only adverse consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant Units or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

22. Choice of Law. Except as required by applicable local law, this Agreement shall be governed by the law of the State of Delaware (regardless of the laws that might otherwise govern under applicable Delaware principles of conflicts of law) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

23. Option Subject to Plan. By entering into this Agreement, the Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Option is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

24. Amendment. The Committee, or the CEO, if delegated such authority, may amend or alter this Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

25. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

26. Signature in Counterparts. The grant of Options is subject to Participant's acceptance of the terms and conditions of this Agreement. By clicking the acknowledgment button, Participant indicates he or she (1) has been provided access to a copy of the Plan, (2) has had the opportunity to obtain independent legal advice prior to accepting the grant, (3) has read this Agreement and, if applicable, the relevant Country Addendum, (4) agrees fully to the terms of the Agreement and (5) has consented to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line (and/or voice activated) system established and maintained by the Company or the Company's third-party stock plan administrator. The Participant also acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan, this Agreement and the Options shall be final and conclusive.

26. Compensation Recovery. In addition to those provisions in Sections 8 and 9, to the extent that this Award and any compensation associated therewith is considered "incentive- based compensation" within the meaning and subject to the requirements of Section 10D of the Exchange Act, this Award and any compensation associated therewith shall be subject to potential forfeiture or recovery by the Company in accordance with any compensation recovery policy adopted by the Board or the Committee in response to the requirements of Section 10D of the Exchange Act and any implementing rules and regulations thereunder adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's Shares are then listed. This Agreement may be unilaterally amended by the Committee to comply with any such compensation recovery policy.

27. Forfeiture. Notwithstanding anything to the contrary in this Agreement, if the Participant's Service is terminated for Cause, or if, during the term of the Participant's Service with the Company and its Affiliates and for one year after such Service ends (or such longer period as specified in the Participant's Restrictive Covenant Agreement, if applicable, or following the Participant's Normal Retirement and prior to the Scheduled Vesting Date) (the "**Restricted Period**"), the Participant breaches any of the restrictive covenants contained in Section 8 or Section 9, then (i) the Participant shall immediately forfeit this Award and any right to receive Options that have not yet been issued pursuant to Section 4, (ii) all outstanding but not-yet-exercised Options shall be canceled, and (iii) with respect to Shares that have been issued pursuant to this Award, either (A) the Participant shall return such Shares to the Company, or (B) the Participant shall pay to the Company in cash an amount equal to the Fair Market Value of such Shares as of their date of issuance pursuant to this Agreement.

28. Language. If Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Aaron Jagdfeld, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Generac Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2026

/s/ Aaron Jagdfeld

Name: Aaron Jagdfeld
Title: Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, York A. Ragen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Generac Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2026

/s/ York A. Ragen

Name: York A. Ragen
Title: Chief Financial Officer

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Executive Officer of Generac Holdings Inc. (the "Company"), does hereby certify that to my knowledge:

1. the Company's quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Company's quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2026 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

/s/ Aaron Jagdfeld

Name: Aaron Jagdfeld
Title: *Chief Executive Officer*

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Financial Officer of Generac Holdings Inc. (the "Company"), does hereby certify that to my knowledge:

1. the Company's quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Company's quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2026 fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

/s/ York A. Ragen

Name: York A. Ragen
Title: Chief Financial Officer