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

FORM 10-K

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

For the fiscal year ended December 31, 2022

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: 001-37908

CAMPING WORLD HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**81-1737145**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

250 Parkway Drive, Suite 270
Lincolnshire, IL 60069
(Address of principal executive offices) (Zip Code)

Telephone: (847) 808-3000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value per share	CWH	New York Stock Exchange

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

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

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See 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 ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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

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

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

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the Registrant, as of June 30, 2022, the last business day of the Registrant's most recently completed second fiscal quarter, was approximately $823,904,237. Solely for purposes of this disclosure, shares of common stock held by executive officers and directors of the Registrant as of such date have been excluded because such persons may be deemed to be affiliates.

As of February 17, 2023, the registrant had 44,466,636 shares of Class A common stock outstanding, 39,466,964 shares of Class B common stock outstanding, and one share of Class C common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement relating to its 2023 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year ended December 31, 2022 are incorporated herein by reference in Part III.

Camping World Holdings, Inc.
Form 10-K
For the Fiscal Year Ended December 31, 2022

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Summary of Principal Risk Factors

We operate in a rapidly changing environment that involves a number of risks, some of which are beyond our control. In evaluating our company, you should consider carefully this summary of risks and uncertainties described below together with the other information included in this Annual Report on Form 10-K ("Form 10-K"), including our consolidated financial statements and related notes included in Part II, Item 8, "Financial Statements and Supplementary Data" in this Form 10-K. The occurrence of any of the following risks may materially and adversely affect our business, financial condition, results of operations and future prospects:

- Our business model is impacted by general economic conditions in our markets, including inflation and interest rates, and ongoing economic and financial uncertainties could cause a decline in consumer spending that could adversely affect our business, financial condition and results of operations.
- Our business is affected by the availability of financing to us and our customers.
- Fuel shortages, or higher prices for fuel, could have a negative effect on our business.
- Our success depends to a significant extent on the well-being, as well as the continued popularity and reputation for quality, of our manufacturers, particularly Thor Industries, Inc. and Forest River, Inc.
- Changes in consumer preferences for our products or our failure to gauge those preferences could lead to reduced sales and increased cost of sales and selling, general and administrative expenses.
- Competition in the market for services, protection plans, products and resources targeting the RV lifestyle or RV enthusiast could reduce our revenue and profitability.
- Our expansion into new, unfamiliar markets, businesses, product lines or categories presents increased risks that may prevent us from being profitable in these new markets, businesses, product lines or categories. Delays in opening or acquiring new retail locations could have a material adverse effect on our business, financial condition and results of operations.
- Unforeseen expenses, difficulties, and delays encountered in connection with acquisitions and new store openings could inhibit our growth and negatively impact our profitability.
- Failure to maintain the strength and value of our brands could have a material adverse effect on our business, financial condition and results of operations.
- Our failure to successfully order and manage our inventory to reflect consumer demand in a volatile market and anticipate changing consumer preferences and buying trends has and may continue to have an adverse effect on our business, financial condition and results of operations.
- Our same store revenue may fluctuate and may not be a meaningful indicator of future performance.
- Our business is seasonal and this leads to fluctuations in revenues.
- Disruptions or breaches involving our or our third-party providers' information technology systems or network security, such as the cybersecurity incident disclosed in February 2022, could interrupt our operations, compromise our reputation, expose us to litigation, government enforcement actions and costly response measures and could have a material adverse effect on our business, financial condition and results of operations.
- Our ability to operate and expand our business and to respond to changing business and economic conditions will depend on the availability of adequate capital.
- Our Senior Secured Credit Facilities and our Floor Plan Facility contain restrictive covenants that may impair our ability to access sufficient capital and operate our business.

- The COVID-19 pandemic has had, and could have in the future, certain negative impacts on our business, and such impacts may have a material adverse effect on our results of operations, financial condition and cash flows.
- We may not successfully execute or achieve the expected benefits of our 2019 Strategic Shift (as defined below) or cost cutting or restructuring initiatives. The 2019 Strategic Shift may result in further asset impairment charges and adversely affect the Company's business.
- We primarily rely on our fulfillment and distribution centers for our retail, e-commerce and catalog businesses, and, if there is a natural disaster or other serious disruption at any such facility, we may be unable to deliver merchandise effectively to our stores or customers.
- Natural disasters, whether or not caused by climate change, unusual weather conditions, epidemic outbreaks, terrorist acts or political events could disrupt our business and result in lower sales and otherwise adversely affect our financial performance.
- Our operations are subject to a series of risks related to climate change and other environmental, social, and governance ("ESG") matters.
- We depend on our relationships with third-party providers of services, protection plans, products and resources and a disruption of these relationships or these providers' operations could have an adverse effect on our business and results of operations.
- Because certain of the products that we sell are manufactured abroad, we may face delays, new or increased tariffs, increased cost or quality control deficiencies in the importation of these products, which could reduce our net sales and profitability.
- A portion of our net income is from financing, insurance and extended service contracts, which depend on third-party lenders and insurance companies. We cannot assure you that third-party lending institutions will continue to provide financing for RV purchases.
- If we are unable to retain senior executives and attract and retain other qualified employees, our business might be adversely affected.
- We are subject to risks associated with leasing substantial amounts of space.
- Our private brand offerings expose us to various risks.
- We could incur impairment charges for goodwill, intangible assets or other long-lived assets.
- Our business is subject to numerous federal, state and local regulations and litigation risks.
- We are subject to risks associated with our organizational structure.
- There are risks associated with ownership of our Class A common stock.

BASIS OF PRESENTATION

As used in this Form 10-K, unless the context otherwise requires, references to:

- "we," "us," "our," the "Company," "Camping World," "Good Sam" and similar references refer to Camping World Holdings, Inc., and, unless otherwise stated, all of its subsidiaries, including

CWGS Enterprises, LLC, which we refer to as "CWGS, LLC" and, unless otherwise stated, all of its subsidiaries.

- "Active Customer" refers to a customer who has transacted with us in any of the eight most recently completed fiscal quarters prior to the date of measurement. Unless otherwise indicated, the date of measurement is December 31, 2022, our most recently completed fiscal quarter.
- "Continuing Equity Owners" refers collectively to ML Acquisition, funds controlled by Crestview Partners II GP, L.P. and the Former Profits Unit Holders and each of their permitted transferees that own common units in CWGS, LLC and who may redeem at each of their options their common units for, at our election (determined solely by our independent directors within the meaning of the rules of the New York Stock Exchange who are disinterested), cash or newly-issued shares of our Class A common stock. Direct exchanges of common units in CWGS, LLC by the Continuing Equity Owners with CWH for Class A common stock are included in the reference to "redemptions" in relation to common units in CWGS, LLC.
- "Crestview" refers to Crestview Advisors, L.L.C., a registered investment adviser to private equity funds, including funds affiliated with Crestview Partners II GP, L.P.
- "CWGS LLC Agreement" refers to CWGS, LLC's amended and restated limited liability company agreement, as amended.
- "Former Equity Owners" refers to those Original Equity Owners controlled by Crestview Partners II GP, L.P. that have exchanged their direct or indirect ownership interests in CWGS, LLC for shares of our Class A common stock in connection with the consummation of our initial public offering ("IPO").
- "Former Profits Unit Holders" refers collectively to our named executive officers (excluding Marcus Lemonis and Matthew Wagner), Andris A. Baltins and K. Dillon Schickli, who are members of our Board of Directors, and certain other current and former non-executive employees and former directors, in each case, who held common units of CWGS, LLC pursuant to CWGS, LLC's equity incentive plan that was in existence prior to our IPO and received common units of CWGS, LLC in exchange for their profits units in CWGS, LLC.
- "ML Acquisition" refers to ML Acquisition Company, LLC, a Delaware limited liability company, indirectly owned by each of Stephen Adams and our Chairman and Chief Executive Officer, Marcus Lemonis.
- "ML Related Parties" refers to ML Acquisition and its permitted transferees of common units.
- "ML RV Group" refers to ML RV Group, LLC, a Delaware limited liability company, wholly-owned by our Chairman and Chief Executive Officer, Marcus Lemonis.
- "Original Equity Owners" refers to the direct and certain indirect owners of interests in CWGS, LLC, collectively, prior to the Reorganization Transactions and Recapitalization (as defined in Note 1 – Summary of Significant Accounting Policies and Note 18 – Stockholders' Equity to our consolidated financial statements included in Part II, Item 8 of this Form 10-K, respectively) conducted in conjunction with our IPO, including ML Acquisition, funds controlled by Crestview Partners II GP, L.P. and the Former Profits Unit Holders.
- "RV" refers to recreational vehicles.
- "Tax Receivable Agreement" refers to the tax receivable agreement that the Company entered into with CWGS, LLC, each of the Continuing Equity Owners and Crestview Partners II GP, L.P. in connection with the Company's IPO.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical facts contained in this Form 10-K may be forward-looking statements. Statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including, among others, statements regarding the timeline for and benefits of our 2019 Strategic Shift; expected new retail location openings and closures, including greenfield locations and acquired locations; the impact of the COVID-19 pandemic on our business; the expected impact of the February 2022 cybersecurity incident; sufficiency of our sources of liquidity and capital and potential need for additional financing; our stock repurchase program; future capital expenditures and debt service obligations; refinancing, retirement or exchange of outstanding debt; expectations regarding industry trends and consumer behavior and growth; our ability to capture positive industry trends and pursue growth; our product offerings and strategy; inventory management; volatility in sales and potential impact of miscalculating the demand for our products or our product mix; expectations regarding increase of certain expenses in connection with our growth; cost reduction initiatives and expected cost savings; enhancements of wages and benefits of employees; expectations regarding our pending litigation, and our plans related to dividend payments, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “anticipate,” “believe,” “can,” “continue,” “could,” “designed,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” or the negative of these terms or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including the important factors described in this Form 10-K under Item 1A. Risk Factors and in our other filings with the Securities and Exchange Commission (“SEC”), that may cause our actual results, performance or achievements to differ materially and adversely from those expressed or implied by the forward-looking statements.

Any forward-looking statements made herein speak only as of the date of this Form 10-K, and you should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance, or achievements reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this Form 10-K or to conform these statements to actual results or revised expectations.

PART I

ITEM 1. BUSINESS

Overview

Camping World Holdings, Inc. (together with its subsidiaries) is America's largest retailer of recreational vehicles ("RVs") and related products and services. Our vision is to build a long-term legacy business that makes RVing fun and easy, and our Camping World and Good Sam brands have been serving RV consumers since 1966. We strive to build long-term value for our customers, employees, and shareholders by combining a unique and comprehensive assortment of RV products and services with a national network of RV dealerships, service centers and customer support centers along with the industry's most extensive online presence and a highly-trained and knowledgeable team of associates serving our customers, the RV lifestyle, and the communities in which we operate. We also believe that our Good Sam organization and family of programs and services uniquely enables us to connect with our customers as stewards of the RV lifestyle. On December 31, 2022, we operated a total of 197 retail locations, with 196 of these selling and/or servicing RVs.

Business Strategy

Key elements of our business strategy are:

Offer a Unique and Comprehensive Assortment of RV Products and Services. We believe our product and service offerings represent the best and most comprehensive assortment of services, protection plans, products and resources in the RV industry. We also believe our used RV offering and reconditioning program are best in class and provide us with a unique strategic advantage in the market. Many of our offerings, including our Good Sam services and plans, our private label RVs, our digital retail experience through RVs.com, and our private label accessories, are unique to us and have been developed in collaboration with leading industry suppliers and RV enthusiasts. With more than 50 years of RV industry experience, 196 retail locations selling and/or servicing RVs, and 5.3 million Active Customers, we believe our size and scale allows us to deliver exceptional value to our customers.

Operate a National Network of RV Dealerships and Service Centers. As of December 31, 2022, we operated a national network of 196 RV dealerships and/or service centers. The majority of these RV dealerships and service centers are conveniently located off major highways and interstates in key RV markets, staffed with knowledgeable local team members offering expert advice and a comprehensive assortment of RV-related products and services. Our RV dealerships and service centers are a one-stop-shop for everything RV and give RV consumers peace of mind that they can find what they need when they need it in their local market or while traveling throughout the country.

Focus on Customer Service. We believe customer service is a critical component of our business. Our dealerships and service centers are staffed with knowledgeable local team members offering expert advice and a wide assortment of products and services. We currently operate call centers in Denver, CO, Bowling Green, KY, Greenville, NC, and Island Lake, IL. All associates at our call centers have been cross trained, and the call centers have redundant services and systems in place in the event of a power or connectivity disruption at one of our call center locations. Our goal is that every call – whether to one of our call centers or to a store – will be answered promptly by a live person. Our call center specialists are extensively trained to assist customers with complex orders and provide a level of service that leads to exceptional customer service and long-term customer relationships. In 2022, our call centers handled more than 2.3 million calls and responded to over 450,000 emails and social media communications.

Leverage Our Resources and Synergies. Our unique and comprehensive assortment of RV products and services, our national network of RV dealerships and service centers, our network of customer service and contact centers, and our online and e-commerce platforms all work together to service our customers and make RVing fun and easy. When a new customer transacts with us across any of our business areas, the new customer enters our database and we leverage customized customer relationship management ("CRM") tools and pricing tools, such as the Good Sam RV Valuator, to actively and intelligently engage, service and promote other offerings and the RV lifestyle. We believe our size and scale allows us to deliver exceptional value to our customers.

Stewards of the RV Lifestyle. We believe that our Good Sam organization and family of programs and services uniquely enables us to connect with our customers as stewards of the RV lifestyle. Good Sam programs such as extended vehicle warranty programs, roadside assistance plans, vehicle and home insurance programs, and Good Sam TravelAssist travel protection plans help to ensure our customers' health and safety while traveling, and our Good Sam Club, co-branded credit card and vehicle protection plans provide great value to keep our customers' RVs in top shape while providing a host of discounts and services all designed to enhance the overall customer RV experience. By providing unique programs that promote the health, safety and protection of the RV community, the Company drives an unparalleled opportunity to build a large, loyal, and growing community of RV enthusiasts to whom we can provide our basket of products and services for years to come.

Background, Restructuring and Recent Developments

Founded in 1966, our Good Sam and Camping World brands have been serving RV owners and outdoor enthusiasts for more than 50 years. Good Sam combined with Camping World in 1997, when the Good Sam Club had approximately 911,000 members and Camping World had 26 retail locations. In 2011, Camping World Good Sam combined with FreedomRoads, a successful RV dealership business founded in 2003, to form the largest provider of products and services for RVs in North America. From 2011 to date, we have continued to expand our footprint of RV dealerships through new store openings and acquisitions.

In 2019, we made a strategic decision to refocus our business around our core RV competencies (the "2019 Strategic Shift"). This included the closure or divestiture of certain locations that did not have the ability or where it was not feasible to sell and/or service RVs. Additionally, the 2019 Strategic Shift included the exit of certain non-RV product categories. As of December 31, 2022, the activities under the 2019 Strategic Shift have been completed with the exception of certain lease termination costs and other associated costs relating to the leases of previously closed locations under the 2019 Strategic Shift. For more information on the impact to our 2022, 2021 and 2020 financial results, please see Note 5 – Restructuring and Long-lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Segments and Offerings

We operate two reportable segments: (i) Good Sam Services and Plans and (ii) RV and Outdoor Retail. See Note 22 — Segment Information to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for further information regarding our reportable segments.

The following table presents revenue and gross profit details for our product and service offerings for the year ended December 31, 2022:

	Year Ended December 31, 2022				
($ in thousands)	Revenue[(1)]	Percent of Revenue	Gross Profit[(2)]	Percent of Gross Profit	Gross Margin
Good Sam Services and Plans	$ 192,128	2.8%	$ 120,162	5.3%	62.5%
New vehicles	3,228,077	46.3%	651,801	28.8%	20.2%
Used vehicles	1,877,601	26.9%	459,548	20.3%	24.5%
Products, service and other	999,214	14.3%	368,204	16.3%	36.8%
Finance and insurance, net	623,456	8.9%	623,456	27.6%	100.0%
Good Sam Club	46,537	0.7%	39,113	1.7%	84.0%
Total	$ 6,967,013	100.0%	$ 2,262,284	100.0%	32.5%

(1) Components of revenue are presented after intersegment eliminations.
(2) Gross profit is presented exclusive of depreciation and amortization, which is presented separately in operating expenses.

Our broad product offerings allow us to target our customers' needs with products and services focused towards recurring revenue, our installed base, and first-time buyers. Our recurring revenues are also marketed to customers outside of purchasers of our new and used RVs and are often annual or multi-year plans, so these recurring revenues do not necessarily correlate to sales of new and used RVs.

Good Sam Services and Plans

Our Good Sam Services and Plans segment consists of programs, plans and services that are geared towards protecting, insuring and promoting the RV lifestyle, and include services such as extended vehicle service contracts, vehicle roadside assistance, property and casualty insurance, travel protection, travel planning and directories, and consumer shows and publications. Because our Good Sam protection plans and programs are often purchased to cover a multiple-year period and are renewable in nature, this area of our business tends to generate high-margin, recurring revenue that is driven both by vehicle purchases and the installed base of RV owners in the United States.

Our Good Sam Services and Plans segment offerings include:

- ***Good Sam extended vehicle service contracts.*** We offer mechanical breakdown insurance underwritten and insured by a third party to members of the Good Sam Club. The contracts cover the cost of parts, labor and repairs to motorized and towable RVs as well as autos, pick-up trucks and sport utility vehicles. The third party assumes full underwriting risk associated with the contracts and we are compensated on a commission basis. As of December 31, 2022, we had approximately 62,000 contracts in force underwritten by the third party.

- ***Good Sam roadside assistance plans.*** We offer roadside assistance plans for services such as towing, jump starting, tire changing, mobile mechanics and others. We contract with a third party to handle dispatch calls through its network of tow providers and we pay a fee per incident or call. As of December 31, 2022, we had approximately 814,000 contracts in force under our emergency roadside assistance plan.

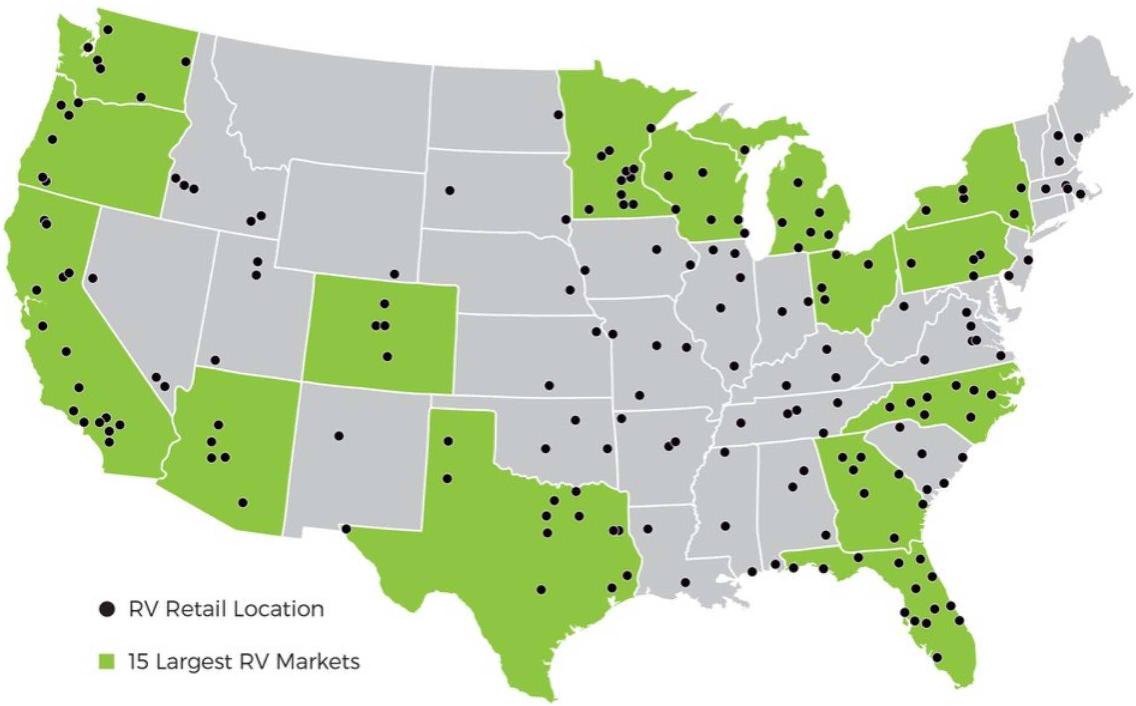
- ***Good Sam property and casualty insurance programs.*** We offer property and casualty insurance for RVs and other types of vehicles as well as home insurance underwritten by various insurance providers. We do not share the underwriting risk of the insurance programs and we receive a marketing fee based on the amount of premium paid to the insurance providers. For the year ended December 31, 2022, we sold, through third-party insurance providers, insurance policies with an aggregate net written premium of $319 million for which we earn a marketing fee.

- ***Good Sam TravelAssist travel protection.*** We offer travel protection plans designed to assist travelers with medical emergency situations. The plans provide 24/7 coverage for emergency medical evacuation, return-home services, emergency medical monitoring, as well as other travel assistance services. We contract with a third party to offer travel protection plans through Good Sam TravelAssist, where the third party assumes the underwriting risk through third-party underwriters. As of December 31, 2022, we had approximately 275,000 contracts in force primarily underwritten by a third party.

- ***Other activities.*** We produce certain monthly and annual RV focused consumer magazines, travel and planning directories and field guides. We also operate the Coast to Coast Club which provides access to and savings at private membership campgrounds, and our Good Sam Campground Solutions campground reservation platform.

RV and Outdoor Retail

Our RV and Outdoor Retail segment consists of all aspects of our RV dealership operations, which includes selling new and used RVs, assisting with the financing of new and used RVs, selling protection and insurance related services and plans for RVs, servicing and repairing new and used RVs, installing RV parts and accessories, and selling RV and outdoor related products, parts and accessories. Within our RV and Outdoor Retail business, we also operate the Good Sam Club, which we believe is the largest membership-based RV organization in the world, with approximately 2.0 million members as of December 31, 2022. Membership benefits include a variety of discounts, exclusive benefits, specialty publications and other membership benefits, all of which we believe enhance the RV experience, drive customer engagement and loyalty, and provide cross-selling opportunities for our other products and services. A map depicting our national network of 196 RV dealerships and service centers as of December 31, 2022 is provided below:



Source: Statistical Surveys, Inc. (15 largest RV markets)

RV and Outdoor Retail segment offerings include:

- ***New and Used Vehicles***. A wide selection of new and used RVs across a range of price points, classes and floor plans. The table below contains a breakdown of our new RV unit sales and average selling price by RV class for 2022. Sales of new vehicles represented 46.3%, 47.7% and 51.8% of total revenue for 2022, 2021 and 2020, respectively. Sales of used vehicles represented 26.9%, 24.4% and 18.1% of total revenue for 2022, 2021, and 2020, respectively.

Towables		Average New Unit Price	% New Unit 2022 Sales	Motorhomes		Average New Unit Price	% New Unit 2022 Sales
Travel Trailer		$ 33,000	75.6%	Class C		$ 116,000	3.7%
Fifth Wheels		$ 74,000	16.4%	Class A Gas		$ 154,000	1.8%
Fold Downs		$ 18,000	< 1.0%	Class B		$ 117,000	1.1%
Truck Camper		$ 40,000	< 1.0%	Class A Diesel		$ 282,000	< 1.0%

- ***Vehicle financing.*** Through arrangements with third-party lenders we are able to facilitate financing for most of the new and used RVs we sell through our retail locations. Generally, our financing transactions are structured through long-term retail installment sales contracts with terms of up to 20 years, which we enter into with our customers on behalf of our third-party lenders. The retail installment sales contracts are then assigned on a non-recourse basis, with the third-party lender assuming underwriting and credit risk. In 2022, we facilitated financing transactions for approximately 79.9% of our total new units sold and 72.1% of our total used units sold for which we earn a commission from the third-party lender.

- ***Protection Plans.*** We offer and sell a variety of protection plans and services to the purchasers of our RVs as part of the delivery process, as well as gap, tire and wheel, extended service, and paint and fabric protection plans. These products are primarily underwritten and administered by independent third parties, and we are primarily compensated on a commission basis.

- ***Repair and Maintenance.*** We offer RV repair and maintenance services at the majority of our retail locations. With approximately 2,693 RV service bays across our national footprint, we are equipped to offer comprehensive repair and maintenance services for most RV components.

- ***RV parts, accessories and installation services.*** We offer a wide range of RV parts, equipment, supplies and accessories, including towing and hitching products, satellite and GPS systems, electrical and lighting products, appliances and furniture, and other products for inside the RV, at the campsite, and around the campground. Our full-service repair facilities enable us to install all parts and accessories that we sell in our retail locations. We believe our ability to both sell and install parts and accessories affords us a competitive advantage over online and big box retailers, that do not have service centers designed to accommodate RVs, and over RV dealerships that do not offer a comprehensive selection of parts and accessories. While we do continue to offer some non-RV outdoor products and accessories, our focus is on providing products and services that are targeted toward RV enthusiasts and owners.

- ***Collision repair and restoration.*** We offer collision repair services, including fiberglass front and rear cap replacement, windshield replacement, interior remodel solutions, and paint and body work, at many of our retail locations, and 63 of our retail locations are equipped with full body paint booths. We perform collision repair services for a number of insurance carriers.

- ***Good Sam Club.*** The Good Sam Club is a membership organization that offers savings on a variety of products and services, including products purchased at any of our retail and online stores, discounts on nightly rates at affiliated Good Sam RV parks and other benefits related to the RV lifestyle. We believe the Good Sam Club is the largest membership-based RV enthusiast organization in the world. As of December 31, 2022, there were approximately 2.0 million members in our Good Sam Club.

- ***Co-branded credit cards.*** We contract with Visa and Comenity Capital Bank to offer a Good Sam Rewards Visa® branded credit card, as well as Good Sam private label credit card. Cardholders receive enhanced rewards points, which are referred to as Good Sam Rewards, for money spent at our retail locations, on our e-commerce platforms, at gas stations and at private campgrounds across the U.S. and Canada. As of December 31, 2022, we had approximately 257,000 issued and open Good Sam co-branded credit card accounts.

- ***Other activities.*** CW Design & Supply designs, manufactures, and distributes RV and camping furniture including our exclusive Thomasville Recreation brand, which features high-style designs that follow both classic and modern trends. We offer a variety of outdoor products and accessories through our the-house.com e-commerce business. Good Sam RV Rental provides a peer-to-peer RV rental marketplace.

Vehicle Sourcing and Dealer Agreements

We acquire new RVs for retail sale directly from the original equipment manufacturer. Our strategy is to partner with financially sound manufacturers that make high quality products, have adequate manufacturing capacity and distribution, and maintain an appropriate product mix. We have strategic relationships with leading RV manufacturers, including Thor Industries, Inc. and Forest River, Inc. As of December 31, 2022, Thor Industries and Forest River accounted for approximately 74.7% and 21.0%, respectively, of our new RV inventory. In certain instances, our manufacturing partners produce private label products exclusively available at our RV dealerships and through our e-commerce platforms.

Our supply arrangements with manufacturers are typically governed by dealer agreements, which are customary in the RV industry, made on a location-by-location basis, and each retail location typically enters into multiple dealer agreements with multiple manufacturers. Dealer agreements generally give us the right to sell certain RV makes and models within an exclusive designated area. The terms of these dealer agreements typically require us to, among other things, meet all the requirements and conditions of the manufacturer's applicable programs, maintain certain minimum inventory requirements and meet certain retail sales objectives, perform services and repairs for all owners of the manufacturer's RVs (regardless from whom the RV was purchased) that are still under warranty, stock certain of the manufacturer's parts and accessories needed to service and repair the manufacturer's RVs, actively advertise and promote the manufacturer's RVs, and indemnify the manufacturer under certain circumstances.

We primarily acquire used RVs through customer trade-ins, as well as private party purchases and consignments, and we generally recondition used RVs acquired for retail sale in our parts and service departments. Historically, used RVs that we have not sold at our RV-centric retail locations generally have been sold through other channels at wholesale prices.

We finance the purchase of substantially all of our new RV inventory from manufacturers through our Floor Plan Facility. Used vehicles may also be financed from time to time through our Floor Plan Facility. For more information on our Floor Plan Facility, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Description of Senior Secured Credit Facilities and Floor Plan Facility" included in Part II, Item 7 of this Form 10-K and Note 4 — Inventories and Floor Plan Payables to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Marketing and Advertising

The lifestyle element of the RV industry and the multi-year nature of many of our products and services provides the opportunity to build long-term relationships with our customers. Our marketing strategies are focused on developing awareness around our brands, products and services, and driving traffic to our stores and websites, and we utilize a combination of digital, social, email, direct mail, print materials, and traditional media, as well as online inventory listings to accomplish this. As part of our marketing efforts, we maintain a proprietary database of individuals and customer purchasing data that we utilize for direct mail, email, text messaging and telemarketing campaigns. As of December 31, 2022, this database contained over 28 million unique contacts. In addition, we are a title sponsor of the National Hot Rod Association ("NHRA") Camping World Drag Racing Series and the naming rights sponsor of Camping World Stadium in Orlando, Florida. In 2020, we introduced our first ever virtual consumer show with a five-day online event called the Ultimate RV Show. In 2022 and 2021, the Ultimate RV Show evolved to be a multi-channel experience that is both online and in store locations. These shows provide a strategic opportunity to expose first-time buyers and existing RV and outdoor sports enthusiasts to our product and services.

Trademarks and Other Intellectual Property

We own a variety of registered trademarks and service marks related to our brands and our services, protection plans, products and resources, including Good Sam, Camping World, and Overton's. We also own the copyrights to certain articles in our publications and numerous domain names, including www.goodsamclub.com, www.campingworld.com, www.rv.com, www.rvs.com, www.rvrentals.com, www.highways.com, www.overtons.com, www.skis.com, www.snowboards.com, and www.the-house.com, among others. We believe that our trademarks and other intellectual property have significant value and are important to our marketing efforts. We do not know of any material pending claims of infringement or other challenges to our right to use our intellectual property in the United States or elsewhere. For additional information regarding our intellectual property, see Note 7 – Goodwill and Intangible Assets to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Human Capital Resources

Our Talent

As of December 31, 2022, we had 12,942 full-time and 469 part-time or seasonal employees. None of our employees are represented by a labor union or are party to a collective bargaining agreement, and we have had no labor-related work stoppages. We believe that our employee relations are generally good.

Development

In November 2020, we launched an entity-wide online training platform with a curriculum that is tailored to each associate's job function. This program includes interactive courses such as COVID-19 safety, communication, management, critical thinking, software skills, and workplace harassment and discrimination. Our learning and development team continues to create proprietary content for this training library. We have also invested in learning labs at the majority of our locations that provide for a dedicated space with the appropriate technology for employees to engage in their training programs.

Our service technicians are critical to providing the high-quality installation and repair services that our customers expect. Our Camping World Technical Institute ("CWTI") includes full-time instructors at three dedicated campuses and one part-time campus as of December 31, 2022. The CWTI offers monthly 10-day training sessions to our service technicians. In 2022 and 2021, we provided Level 1 training to 470 and 357 service technicians through CWTI, respectively, and, despite the challenges faced with social distancing limitations as a result of COVID-19 safety precautions, we were able to train 101 new technicians on our Level 1 course in 2020.

Diversity, Equity, and Inclusion

We strive to make diversity, equity, and inclusion ("DE&I") a top priority in all areas of our Company. These areas include but are not limited to our Board of Directors, senior management, field operations, and the creation of campaigns, products and services. We believe that our Company and our brand should reflect the increasingly diverse audience of outdoor enthusiasts and our culture should promote respect and dignity of all humans.

Community Engagement

Since 2013, we have operated the Project Good Samaritan initiative, which encourages our associates to perform eight hours of volunteer work per quarter for a cause that is meaningful to that associate, such as local soup kitchens, food pantries, home building, meal distribution, recycling programs, homeless shelters, veteran programs, and nursing homes. Associates receive paid time off for these volunteer hours. In 2019, prior to the COVID-19 pandemic, 3,364 associates volunteered 51,680 hours in their communities under the program. During January and February of 2020, 840 associates volunteered 6,268 hours in their communities under the program, before the program was suspended as a safety precaution as a result of the COVID-19 pandemic. We plan to reactivate the program in 2023.

Health and Safety

We maintain a safety program to provide a safe and healthful workplace for our associates. We strive to comply with all health and safety standards that pertain to our operations. We have created and implemented processes to identify, reduce or eliminate physical hazards from the work environment, improve safety communication and train employees on safe work practices.

Competition

We face competition in all areas of our business. We believe that the principal competitive factors in the RV industry are breadth and depth of products and services, quality, pricing, availability, convenience, and customer service. Our competitors vary in size and breadth of their product offerings.

We compete directly or indirectly with the following types of companies:

- other RV dealers selling new and used RVs;
- major national insurance and warranty companies, providers of roadside assistance and providers of extended vehicle service contracts;
- multi-channel retailers and mass merchandisers, warehouse clubs, discount stores, department stores and other retailers, such as Wal-Mart, Target and Amazon;
- distributors of RV furniture and accessories;
- online retailers; and
- independent, local specialty stores.

Additional competitors may enter the businesses in which we currently operate. Moreover, some of our mass merchandising competitors do not currently compete in many of the product categories we offer but may choose to offer a broader array of competing products in the future.

Seasonality

Historically, our business has been seasonal. Since recreational vehicles are primarily used by vacationers and campers during times of warmer weather, demand for our products and services tends to be highest in the spring and summer months and lowest in the winter months. As a result, our revenue and profitability has historically been higher in the second and third quarters than in the first and fourth quarters. On average over the last three years ended December 31, 2022, we generated 31.0% and 29.0% of our annual revenue in the second and third quarters, respectively, and 19.9% and 20.1% in the first and fourth quarters, respectively. For further discussion, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Seasonality" in Item 7 of Part II of this Form 10-K.

Laws and Regulations

See "Risk Factors — Risks Related to Our Business — Our business is subject to numerous federal, state and local regulations," "— Our failure to comply with certain environmental regulations could adversely affect our business, financial condition and results of operations," and "— Climate change legislation or regulations restricting emission of "greenhouse gases" could result in increased operating costs and reduced demand for RVs we sell" in Item 1A of Part I of this Form 10-K. Although we incur costs to comply with applicable laws and regulations in the ordinary course of our business, we do not presently anticipate that such costs will have a material effect on our capital expenditures, earnings and competitive position.

Environmental, Health and Safety Regulations

Our operations involve the use, handling, storage and contracting for recycling and/or disposal of materials such as motor oil and filters, transmission fluids, antifreeze, refrigerants, paints, thinners, batteries, cleaning products, lubricants, degreasing agents, tires and propane. Consequently, our business is subject to a complex variety of federal, state and local requirements that regulate the environment and public health and safety. We do not have any material known environmental commitments or contingencies.

Additional Information

We were incorporated in the State of Delaware in 2016. Our principal executive offices are located at 250 Parkway Drive, Suite 270, Lincolnshire, IL 60069 and our telephone number is (847) 808-3000. We make available our public filings, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports with the SEC free of charge through our website at www.campingworld.com in the "Investor Relations" section under "Financial Info" as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the SEC. The information contained in, or accessible through, our website does not constitute a part of this Form 10-K.

We intend to use our official Facebook, Twitter, and Instagram accounts, each at the handle @CampingWorld, as a distribution channel of material information about the Company and for complying with our disclosure obligations under Regulation FD. The information we post through these social media channels may be deemed material. Accordingly, investors should subscribe to these accounts, in addition to following our press releases, SEC filings and public conference calls and webcasts. These social media channels may be updated from time to time. The information we post through these channels is not a part of this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with the other information included in this Form 10-K. The occurrence of any of the following risks may materially and adversely affect our business, financial condition, results of operations and future prospects. In these circumstances, the market price of our Class A common *stock could decline. Other events that we do not currently anticipate or that we currently deem immaterial may also affect our business, prospects, financial condition and results of operations.*

Risks Related to Our Business

Our business model is impacted by general economic conditions in our markets, including inflation and interest rates, and ongoing economic and financial uncertainties could cause a decline in consumer spending that could adversely affect our business, financial condition and results of operations.

As a business that relies on consumer discretionary spending, we have in the past and may in the future be adversely affected if our customers reduce, delay or forego their purchases of our services, protection plans, products and resources as a result of:

- job losses, lower income levels or other population and employment trends;
- bankruptcies;
- higher consumer debt and interest rates;
- reduced access to credit;
- higher energy and fuel costs;
- relative or perceived cost, availability and comfort of RV use versus other modes of travel, such as air travel and rail;
- falling home prices;
- lower consumer confidence or discretional consumer spending;
- higher inflation rates;
- uncertainty or changes in tax policies and tax rates;
- uncertainty due to national or international security concerns; or
- other general economic conditions, including deflation and recessions.

We also rely on our retail locations to attract and retain customers and to build our customer database. If we close retail locations, are unable to open or acquire new retail locations due to general economic conditions or otherwise, or experience declines in customer transactions in our existing retail locations due to general economic conditions or otherwise, our ability to maintain and grow our customer database and our Active Customers will be limited, which could have a material adverse effect on our business, financial condition and results of operations.

Decreases in Active Customers, average spend per customer, or retention and renewal rates for our Good Sam services and plans would negatively affect our financial performance, and a prolonged period of depressed consumer spending could have a material adverse effect on our business. For instance, our Active Customers declined in 2022, at least in part as a result of the retail locations that were closed in 2020 relating to our 2019 Strategic Shift. In prior years, promotional activities and decreased demand for consumer products affected our profitability and margins, and this negative impact could return or worsen in future periods. In addition, adverse economic conditions may result in an increase in our operating expenses due to, among other things, higher costs of labor, energy, equipment and facilities, as well as higher tariffs. Due to fluctuations in the U.S. economy, our sales, operating and financial results for a particular period are difficult to predict, making it difficult to forecast results for future periods. Additionally, we are subject to economic fluctuations in local markets that may not reflect the economic conditions of the U.S. economy. Any of the foregoing factors could have a material adverse effect on our business, financial condition and results of operations.

In addition, the success of our recurring Good Sam services and plans depends, in part, on our customers' use of certain RV websites and/or the purchase of services, protection plans, products and resources through participating merchants, as well as the health of the RV industry generally.

In addition, during recent periods we have faced, and may continue to face, increased competition from other businesses with similar product and service offerings. For example, our competitors have listed RVs at or below cost and we have had little visibility into our competitors or manufacturers' inventories. As a result, we have responded and may need to further respond by establishing pricing, marketing and other programs or by seeking out additional strategic alliances or acquisitions that may be less favorable to us than we could otherwise establish or obtain in more favorable economic environments. Such programs have adversely impacted our gross margin, operating margin and selling, general and administrative expenses. In addition, declines in the national economy could cause merchants who participate in our programs to go out of business. Should the number of merchants entering bankruptcy rise, it is likely that the number of uncollectible accounts would also rise. These factors could have a material adverse effect on our business, financial condition and results of operations.

Our business is affected by the availability and cost of financing to us and our customers.

Our business is affected by the availability of financing to us and our customers. Generally, RV dealers, including us, finance their purchases of inventory with financing provided by lending institutions. As of December 31, 2022, we had up to $1.7 billion in maximum borrowing capacity under our Eighth Amended and Restated Credit Agreement for floor plan financing (the "Floor Plan Facility") (see Note 4 — Inventories and Floor Plan Payables to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). A decrease in the availability of this type of wholesale financing or an increase in the cost of such wholesale financing could prevent us from carrying adequate levels of inventory, which may limit product offerings and could lead to reduced revenues.

Furthermore, many of our customers finance their RV purchases. Consumer credit market conditions continue to influence demand, especially for RVs, and may continue to do so. There continue to be fewer lenders, more stringent underwriting and loan approval criteria, and greater down payment requirements than in the past. Deteriorating economic conditions as a result of federal government action to control inflation, such as higher interest rates, increased unemployment, financial market uncertainty, decreases in disposable income, declines in consumer confidence, economic slowdowns or recessions may negatively impact credit conditions or credit worthiness of our customers, and adversely affect the ability of consumers to finance potential purchases at acceptable terms and interest rates. This could result in a decrease in sales of our products and have a material adverse effect on our business, financial condition and results of operations.

Fuel shortages, or high prices for fuel, could have a negative effect on our business.

Gasoline or diesel fuel is required for the operation of RVs. There can be no assurance that the supply of these petroleum products will continue uninterrupted, that rationing will not be imposed or that the price of or tax on these petroleum products will not significantly increase in the future. Shortages of gasoline and diesel fuel have had a material adverse effect on the RV industry as a whole in the past and any such shortages or substantial increases in the price of fuel could have a material adverse effect on our business, financial condition or results of operations.

Our success depends to a significant extent on the well-being, as well as the continued popularity and reputation for quality, of our manufacturers, particularly Thor Industries, Inc. and Forest River, Inc.

Thor Industries, Inc. and Forest River, Inc. supplied approximately 74.7% and 21.0%, respectively, of our new RV inventory as of December 31, 2022. We depend on our manufacturers to provide us with products that compare favorably with competing products in terms of quality, performance, safety and advanced features. Any adverse change in the production efficiency, product development efforts, technological advancement, marketplace acceptance, reputation, marketing capabilities or financial condition of our manufacturers, particularly Thor Industries, Inc. and Forest River, Inc., could have a substantial adverse impact on our business. Any difficulties encountered by any of these manufacturers, resulting from economic, financial, or other factors, could adversely affect the quality and amount of products that they are able to supply to us, and the services and support they provide to us.

The interruption or discontinuance of the operations of Thor Industries, Inc. and Forest River, Inc. or other manufacturers could cause us to experience shortfalls, disruptions, or delays with respect to needed inventory. Although we believe that adequate alternate sources would be available that could replace any manufacturer as a product source, those alternate sources may not be available at the time of any interruption, and alternative products may not be available at comparable quality and prices.

Our supply arrangements with manufacturers are typically governed by dealer agreements, which are customary in the RV industry. Our dealer agreements with manufacturers are generally made on a location-by-location basis, and each retail location typically enters into multiple dealer agreements with multiple manufacturers. These dealer agreements may contain affirmative obligations that we must comply with. Our dealer agreements also generally provide for a one-year term, which is typically renewed annually. For more information on our dealer arrangements, see “Item 1. Business ─ Vehicle Sourcing and Dealer Arrangements” under Part I of this Form 10-K.

In addition, certain of our dealer agreements contain stocking level requirements and certain of our dealer agreements contain contractual provisions concerning minimum advertised product pricing for current model year units. Wholesale pricing is generally established on a model year basis and is subject to change at the manufacturer’s sole discretion. In certain cases, manufacturers have, and may continue to establish a suggested retail price, below which we cannot advertise that manufacturer’s RVs. Any change, non-renewal, unfavorable renegotiation or termination of these arrangements for any reason could adversely affect product availability and cost and our financial performance.

Changes in consumer preferences for our products or our failure to gauge those preferences could lead to reduced sales and increased cost of sales and selling, general and administrative expenses.

We cannot be certain that historical consumer preferences for RVs in general, and any related products, will remain unchanged. RVs are generally used for recreational purposes, and demand for our products may be adversely affected by competition from other activities that occupy consumers’ leisure time and by changes in consumer lifestyle, usage pattern, or taste. Similarly, an overall decrease in consumer leisure time may reduce consumers’ willingness to purchase our products. During the COVID-19 pandemic, we experienced significant acceleration in our in-store traffic and revenue trends in May 2020 continuing into the quarter ended June 30, 2021 and demand in new and used vehicles remained elevated through the remainder of 2021 and into the beginning of 2022. The industry saw an influx of new first-time participants because RVs allow people to travel in a safe and socially distant manner during the COVID-19 crisis. These trends have slowed and may not continue in the future. Over the past several years, we have seen a shift in our overall sales mix towards new travel trailer vehicles, which, prior to the COVID-19 pandemic, had led to declines in our average selling price of a new vehicle unit. From 2015 to 2022, new vehicle travel trailer units as a percent of total new vehicles increased from 62% to 76% of total new vehicle unit sales but from 2015 to 2022 our average selling price of a new vehicle unit increased from $39,853 to $45,834. As a result of the lower industry supply of travel trailers and motorhomes for much of 2021, both average cost and average sales price have increased. If supply chain costs decline over the next twelve months, average sales price may again decline and impact our same store revenue.

Competition in the market for services, protection plans, products and resources targeting the RV lifestyle or RV enthusiast could reduce our revenues and profitability.

The markets for services, protection plans, products and resources targeting RV owners and enthusiasts are highly fragmented and competitive. Major competitive factors that drive the RV, outdoor and active sports markets are price, product and service features, technology, performance, reliability, quality, availability, variety, delivery and customer service. We compete directly or indirectly with the following types of companies:

- other RV dealers selling new and used RVs;
- major national insurance and warranty companies, providers of roadside assistance and providers of extended vehicle service contracts;
- multi-channel retailers and mass merchandisers, warehouse clubs, discount stores, department stores and other retailers, such as Wal-Mart, Target and Amazon;
- distributors of RV furniture and accessories;
- online retailers; and
- independent, local specialty stores.

Additional competitors may enter the businesses in which we currently operate. Moreover, some of our mass merchandising competitors do not currently compete in many of the product categories we offer, but may choose to offer a broader array of competing products in the future. Some of our competitors may build new stores in or near our existing locations and certain RV and accessory manufacturers may choose to expand their direct to consumer offerings. In addition, an increase in the number of aggregator and price comparison sites for insurance products may negatively impact our sales of these products. If any of our competitors successfully provides a broader, more efficient or attractive combination of services, protection plans, products and resources to our target customers, our business results could be materially adversely affected. Our inability to compete effectively with existing or potential competitors could have a material adverse effect on our business, financial condition and results of operations.

Our expansion into new, unfamiliar markets, businesses, product lines or categories presents increased risks that may prevent us from being profitable in these new markets, businesses, product lines or categories. Delays in opening or acquiring new retail locations could have a material adverse effect on our business, financial condition and results of operations.

As a result of any future expansion into new, unfamiliar markets, businesses, product lines or categories, we may have less familiarity with local consumer preferences and less business, product or category knowledge with respect to new businesses, product lines or categories, and could encounter difficulties in attracting customers due to a reduced level of consumer familiarity with our brands or reduced product or category knowledge. Other factors that may impact our ability to open or acquire new retail locations in new markets and to operate them profitably or acquire new businesses, product lines or categories, many of which are beyond our control, include:

- our ability to identify suitable acquisition opportunities or new locations, including our ability to gather and assess demographic and marketing data to determine consumer demand for our products in the locations we select or accurately assess profitability;
- our ability to negotiate favorable lease agreements;
- our ability to secure product lines;
- delays in the entitlement process, the availability of construction materials and labor for new retail locations and significant construction delays or cost overruns;
- our ability to secure required third-party or governmental permits and approvals;
- our ability to hire and train skilled store operating personnel, especially management personnel;

- our ability to provide a satisfactory mix of merchandise that is responsive to the needs of our customers living in the geographic areas where new retail locations are built or acquired;

- our ability to supply new retail locations with inventory in a timely manner;

- our competitors building or leasing retail locations near our retail locations or in locations we have identified as targets; and

- regional economic and other factors in the geographic areas where we expand.

Our expansion into new markets, businesses, products or categories may not be supported adequately by our current resources, personnel and systems, and may also create new distribution and merchandising challenges, including additional strain on our distribution centers, an increase in information to be processed by our management information systems and diversion of management attention from existing operations. To the extent that we are not able to meet these additional challenges, our sales could decrease, and our operating expenses could increase, which could have a material adverse effect on our business, financial condition and results of operations.

Finally, the size, timing, and integration of any future new retail location openings or acquisitions or the acquisition of new businesses, product lines or categories may cause substantial fluctuations in our results of operations from quarter to quarter. Consequently, our results of operations for any quarter may not be indicative of the results that may be achieved for any subsequent quarter or for a full fiscal year. These fluctuations could adversely affect the market price of our common stock.

As a result of the above factors, we cannot assure you that we will be successful in operating our retail locations in new markets or acquiring new businesses, product lines or categories on a profitable basis, and our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

Unforeseen expenses, difficulties, and delays encountered in connection with acquisitions could inhibit our growth and negatively impact our profitability

Our ability to continue to grow through the acquisition of additional retail locations will depend upon various factors, including the following:

- the availability of suitable acquisition candidates at attractive purchase prices;

- the ability to compete effectively for available acquisition opportunities;

- the availability of cash on hand, borrowed funds or Class A common stock with a sufficient market price to finance the acquisitions;

- the ability to obtain any requisite third-party or governmental approvals; and

- the absence of one or more third parties attempting to impose unsatisfactory restrictions on us in connection with their approval of acquisitions.

As a part of our strategy, we occasionally engage in discussions with various dealerships and other outdoor lifestyle businesses regarding their potential acquisition by us. In connection with these discussions, we and each potential acquisition candidate exchange confidential operational and financial information, conduct due diligence inquiries, and consider the structure, terms, and conditions of the potential acquisition. Potential acquisition discussions frequently take place over a long period of time and involve difficult business integration and other issues, including in some cases, management succession and related matters. As a result of these and other factors, a number of potential acquisitions that from time to time appear likely to occur do not result in binding legal agreements and are not consummated. In addition, we may have disagreements with potential acquisition targets, which could lead to litigation. Any of these factors or outcomes could result in a material adverse effect on our business, financial condition and results of operations.

Failure to maintain the strength and value of our brands could have a material adverse effect on our business, financial condition and results of operations.

Our success depends on the value and strength of our key brands, including Good Sam and Camping World. These brands are integral to our business as well as to the implementation of our strategies for expanding our business. Maintaining, enhancing, promoting and positioning our brands, particularly in new markets where we have limited brand recognition, will depend largely on the success of our marketing and merchandising efforts and our ability to provide high quality services, protection plans, products and resources and a consistent, high quality customer experience. Our brands could be adversely affected if we fail to achieve these objectives, if we fail to comply with local laws and regulations, if we are subject to publicized litigation or if our public image or reputation were to be tarnished by negative publicity. Some of these risks may be beyond our ability to control, such as the effects of negative publicity regarding our manufacturers, suppliers or third-party providers of services or negative publicity related to members of management. Any of these events could result in decreases in revenues. Further, maintaining, enhancing, promoting and positioning our brands' image may require us to make substantial investments, which could adversely affect our cash flow, and which may ultimately be unsuccessful. These factors could have a material adverse effect on our business, financial condition and results of operations.

Our failure to successfully order and manage our inventory to reflect consumer demand in a volatile market and anticipate changing consumer preferences and buying trends has and may continue to have an adverse effect on our business, financial condition and results of operations.

Our success depends upon our ability to successfully manage our inventory and to anticipate and respond to merchandise trends and consumer demands in a timely manner. Our products are intended to appeal to consumers who are, or could become, RV owners and enthusiasts across North America. The preferences of these consumers cannot be predicted with certainty and are subject to change. Further, the retail consumer industry, by its nature, is volatile and sensitive to numerous economic factors, including consumer preferences, competition, market conditions, general economic conditions and other factors outside of our control. We typically order merchandise well in advance of the following selling season making it difficult for us to respond rapidly to new or changing product trends, increases or decreases in consumer demand or changes in prices. If we misjudge either the market for our merchandise or our consumers' purchasing habits in the future, our revenues may decline significantly, and we may not have sufficient quantities of merchandise to satisfy consumer demand or sales orders, or we may be required to discount excess inventory, either of which could have a material adverse effect on our business, financial condition and results of operations. For example, in the normal course of business, we periodically will implement discounting to reduce our excess RV inventory and, during the fourth quarter of 2022, we used clearance and discounted pricing on certain categories within our products, services, and other offerings to reduce our retail inventory levels. In addition, we have exited certain non-RV retail categories because we felt those categories did not have sufficient demand or sales margins to justify our inventory levels. These activities have negatively impacted our gross margin, operating margin and selling, general and administrative expenses.

Our same store revenue may fluctuate and may not be a meaningful indicator of future performance.

Our same store revenue may vary from quarter to quarter. In addition to the above risk factors a number of additional factors have historically affected, and will continue to affect, our same store revenue results, including:

- changes or anticipated changes to regulations related to some of the products we sell or to the localities in which we operate, such as the regulations passed in December 2021 by the California Air Resources Board that will prohibit the sale of gas-powered generators in California beginning in 2028;
- our ability to provide quality customer service that will increase our conversion of shoppers into paying customers;

- atypical weather patterns;
- changes in our product mix;
- changes in sales of Good Sam services and plans and retention and renewal rates for our annually renewing Good Sam services and plans; and
- changes in pricing and average unit sales.

An unanticipated decline in revenues or same store revenue may cause the price of our Class A common stock to fluctuate significantly.

Our business is seasonal and this leads to fluctuations in revenues.

We have experienced, and expect to continue to experience, variability in revenue, net income and cash flows as a result of annual seasonality in our business. The RV outdoor and active sports specialty retail industries are cyclical and, because RVs are used primarily by vacationers and campers, demand for services, protection plans, products and resources generally declines during the winter season, while sales and profits are generally highest during the spring and summer months. In addition, unusually severe weather conditions in some geographic areas may impact demand.

On average, over the three years ended December 31, 2022, we have generated 31.0% and 29.0% of our annual revenue in the second and third fiscal quarters, respectively, which include the spring and summer months. We have historically incurred additional expenses in the second and third fiscal quarters due to higher purchase volumes, increased staffing in our retail locations and program costs. If, for any reason, we miscalculate the demand for our products or our product mix during the second and third fiscal quarters, our sales in these quarters could decline, resulting in higher labor costs as a percentage of sales, lower margins and excess inventory, which could have a material adverse effect on our business, financial condition and results of operations.

Additionally, SG&A expenses as a percentage of gross profit tend to be higher in the first and fourth quarters due to the timing of acquisitions and the seasonality of our business. We prefer to acquire new retail locations in the first and fourth quarters of each year in order to provide time for the location to be re-modeled and to ramp up operations ahead of the spring and summer months.

Due to our seasonality, the possible adverse impact from other risks associated with our business, including atypical weather, consumer spending levels and general business conditions, is potentially greater if any such risks occur during our peak sales seasons.

Our ability to operate and expand our business and to respond to changing business and economic conditions will depend on the availability of adequate capital.

The operation of our business, the rate of our expansion and our ability to respond to changing business and economic conditions depend on the availability of adequate capital, which in turn depends on cash flow generated by our business and, if necessary, the availability of equity or debt capital. We also require sufficient cash flow to meet our obligations under our existing debt agreements. (See “Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Description of Senior Secured Credit Facilities and Floor Plan Facility” in Item 7 of Part II of this Form 10-K). We cannot assure you that our cash flow from operations or cash available under our financing agreements, including our $65.0 million revolving credit facility (the “Revolving Credit Facility”) or our floor plan financing through the Floor Plan Facility, will be sufficient to meet our needs. If we are unable to generate sufficient cash flows from operations in the future, and if availability under our Revolving Credit Facility or our Floor Plan Facility is not sufficient, or if additional borrowings under our Real Estate Facilities (as defined in Note 9 — Long-Term Debt to our consolidated financial statements included in Item 8 of Part II of this Form 10-K) are unavailable, we may have to obtain additional financing. If we obtain additional capital by issuing equity, the interests of our existing stockholders will be diluted. If we incur additional indebtedness, that indebtedness may contain significant financial and other covenants that may significantly restrict our operations.

Certain of our indebtedness, such as our Senior Secured Credit Facilities (as defined below) bears interest at variable interest rates based on the London Inter-bank Offered Rate ("LIBOR"). Although we expect that the capital and debt markets will cease to use LIBOR as a benchmark in the near future and the administrator of LIBOR announced its intention to extend the publication of most tenors of LIBOR for U.S. dollars through June 30, 2023, we cannot predict whether or when all tenors of U.S. dollar LIBOR will actually cease to be available, at which point the Secured Overnight Funding Rate, or SOFR, will become the market benchmark in its place or what impact such a transition may have on our interest rates, business, financial condition and results of operations.

Our Senior Secured Credit Facilities and our Floor Plan Facility contain restrictive covenants that may impair our ability to access sufficient capital and operate our business.

Our senior secured credit facilities, comprised of our Revolving Credit Facility and our $1.4 billion term loan facility (the "Term Loan Facility" and together with the Revolving Credit Facility, the "Senior Secured Credit Facilities") and our Floor Plan Facility contain various provisions that limit our ability to, among other things:

- incur additional indebtedness;
- incur certain liens;
- consolidate or merge;
- alter the business conducted by us and our subsidiaries;
- make investments, loans, advances, guarantees and acquisitions;
- sell assets, including capital stock of our subsidiaries;
- pay dividends on capital stock or redeem, repurchase or retire capital stock or certain other indebtedness;
- engage in transactions with affiliates; and
- enter into agreements restricting our subsidiaries' ability to pay dividends.

In addition, the restrictive covenants in our Senior Secured Credit Facilities and our Floor Plan Facility require us to maintain specified financial ratios and provide for acceleration of the indebtedness thereunder in the case of certain events of default, which could have a material adverse effect on our business, financial condition and results of operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Description of Senior Secured Credit Facilities and Floor Plan Facility" in Item 7 of Part II of this Form 10-K and Note 9 — Long-Term Debt to our consolidated financial statements included in Item 8 of Part II of this Form 10-K. Our ability to comply with those financial ratios may be affected by events beyond our control, and our failure to comply with these ratios could result in an event of default. In an event of default, we may not have sufficient funds available, or we may not have access to sufficient capital from other sources, to repay any accelerated debt and our lenders could foreclose on liens which cover substantially all of our assets.

The COVID-19 pandemic has had, and could have in the future, certain negative impacts on our business, and such impacts may have a material adverse effect on our results of operations, financial condition and cash flows. Other future pandemics or health crises may have similar material adverse impacts on our business.

The public health crisis caused by the COVID-19 pandemic and the measures taken by governments, businesses, including us and our vendors, and the public at large to limit the impact of COVID-19 had, and could again have in the future, certain negative impacts on our business including, without limitation, the following:

- delays in the delivery of certain products from our vendors as a result of shipping delays;
- temporary facility closures, production slowdowns and disruption to operations;
- increased product costs or shortages;
- traffic at our retail locations or reduced demand for our products and services;
- labor shortages including for key positions;
- financial impacts that could cause one or more of our counterparty financial institutions to fail or default on their obligations to us or for us to default on one or more of our credit agreements;
- potential significant impairment charges with respect to noncurrent assets, including goodwill, other intangible assets, and other long-lived assets, as well as inventory whose fair values may be negatively affected ; and
- heightened cybersecurity risks during periods of increased remote working.

Other future pandemics or health crises may have similar material adverse impacts on our business.

We may not successfully execute or achieve the expected benefits of our 2019 Strategic Shift or cost cutting or restructuring initiatives. The 2019 Strategic Shift may result in further asset impairment charges and adversely affect the Company's business.

In the third fiscal quarter of 2019, we announced the 2019 Strategic Shift. As of December 31, 2022, the activities under the 2019 Strategic Shift have been completed with the exception of certain lease termination costs and other associated costs relating to the leases of previously closed locations under the 2019 Strategic Shift. The process of identifying subtenants and negotiating lease terminations had been delayed in part due to the COVID-19 pandemic and is expected to continue. The timing of these negotiations will vary as both subleases and terminations are contingent on landlord approvals and the costs may be greater than expected. In addition, the Company may need to incur further impairment charges to its long-lived assets, including its operating lease assets, as a result of the 2019 Strategic Shift. As of December 31, 2022, the Company had 11 leases relating to the 2019 Strategic Shift that had not been terminated or sublet.

In addition, from time to time, we engage in cost cutting or restructuring initiatives to try to streamline our organizational footprint. These initiatives may not have the intended benefits and may result in unintended consequences and costs, such as the loss of institutional knowledge and expertise, attrition beyond the intended number of employees impacted by any reduction in force, and decreased morale among our remaining employees. If we are unable to realize the anticipated benefits from our cost cutting or restructuring initiatives, or if we experience significant adverse consequences from such initiatives, our business, financial condition, and results of operations may be materially adversely affected.

We primarily rely on our fulfillment and distribution centers for our retail, e-commerce and catalog businesses, and, if there is a natural disaster or other serious disruption at any such facility, we may be unable to deliver merchandise effectively to our stores or customers.

We handle almost all of our e-commerce and catalog orders and distribution to our retail stores through fulfillment and distribution facilities (see “Item 2. Properties” under Part I of this Form 10-K). We closed one of these fulfillment and distribution facilities in January 2023. Any natural disaster or other serious disruption at any such facility due to fire, tornado, earthquake, flood or any other cause could damage our on-site inventory or impair our ability to use such distribution and fulfillment center. While we maintain business interruption insurance, as well as general property insurance, the amount of insurance coverage may not be sufficient to cover our losses in such an event. Any of these occurrences could impair our ability to adequately stock our stores or fulfill customer orders and harm our results of operations.

Natural disasters, whether or not caused by climate change, unusual weather conditions, epidemic outbreaks, terrorist acts and political events could disrupt business and result in lower sales and otherwise adversely affect our financial performance.

The occurrence of one or more natural disasters, such as tornadoes, hurricanes, fires, droughts, floods, hail storms and earthquakes, unusual weather conditions, epidemic outbreaks such as Ebola, Zika virus, novel coronavirus or measles, terrorist attacks or disruptive political events in certain regions where our stores are located could adversely affect our business and result in lower sales. Severe weather, such as heavy snowfall or extreme temperatures, may discourage or restrict customers in a particular region from traveling to our stores or utilizing our products, thereby reducing our sales and profitability. Natural disasters including tornadoes, hurricanes, droughts, floods, hailstorms and earthquakes may damage our stores or other operations, which may materially adversely affect our consolidated financial results. The public health crisis caused by the COVID-19 pandemic and the measures taken by governments, businesses, including us and our vendors, and the public at large to limit COVID-19's spread have had, and could again have in the future, certain negative impacts on our business including product shortages and reduced customer demand for our products. In addition to business interruption, our retail business is subject to substantial risk of property loss due to the concentration of property at our retail locations. Climate change may impact the frequency and/or intensity of such events as well as cause chronic changes, such as changes in temperature or precipitation patterns or sea-level rise, that may also have an adverse impact on our operations, including but not limited to a change in consumer behavior. To the extent these events also impact one or more of our key suppliers or result in the closure of one or more of our distribution centers or our corporate headquarters, we may be unable to maintain inventory balances, maintain delivery schedules or provide other support functions to our stores. Our insurance coverage may also be insufficient to cover all losses related to such events, or changing climatic conditions may make it so that we are not able to obtain sufficient insurance coverage on terms that we find acceptable. Any of these events could have a material adverse effect on our business, financial condition and results of operations.

We depend on our relationships with third-party providers of services, protection plans, products and resources and a disruption of these relationships or of these providers' operations could have an adverse effect on our business and results of operations.

Our business depends in part on developing and maintaining productive relationships with third-party providers of services, protection plans, products and resources that we market to our customers. During the year ended December 31, 2022, we sourced our products from over 2,800 domestic and international vendors. Additionally, we rely on certain third-party providers to support our services, protection plans, products and resources, including insurance carriers for our property and casualty insurance and extended service contracts, banks and captive financing companies for vehicle financing and refinancing, Comenity Capital Bank as the issuer of our co-branded credit card, and a tow provider network for our roadside assistance programs. We cannot accurately predict when, or the extent to which, we will experience any disruption in the supply of products from our vendors or services from our third-party providers. Any such disruption could negatively impact our ability to market and sell our services, protection plans, products and resources, which could have a material adverse effect on our business, financial condition and results of operations. In addition, Comenity Capital Bank could decline to renew our services agreement or become insolvent and unable to perform our contract, and we may be unable to timely find a replacement bank to provide these services.

We depend on merchandise purchased from our vendors to obtain products for our retail locations. We have no contractual arrangements providing for continued supply from our key vendors, and our vendors may discontinue selling to us at any time. Changes in commercial practices of our key vendors or manufacturers, such as changes in vendor support and incentives or changes in credit or payment terms, could also negatively impact our results. If we lose one or more key vendors or are unable to promptly replace a vendor that is unwilling or unable to satisfy our requirements with a vendor providing equally appealing products at comparable prices, we may not be able to offer products that are important to our merchandise assortment.

We also are subject to risks, such as the price and availability of raw materials, shipping delays, labor disputes, union organizing activity, strikes, inclement weather, natural disasters, war and terrorism and adverse general economic and political conditions that might limit our vendors' ability to provide us with quality merchandise on a timely and cost-efficient basis. We may not be able to develop relationships with new vendors, and products from alternative sources, if any, may be of a lesser quality and more expensive than those we currently purchase. Any delay or failure in offering quality products and services to our customers could have a material adverse effect on our business, financial condition and results of operations.

We offer emergency roadside assistance to our customers at a fixed price per year and we pay our tow provider network based on usage. If the amount of emergency roadside claims substantially exceeds our estimates or if our tow provider is unable to adequately respond to calls, it could have a material adverse effect on our business, financial condition or results of operations.

With respect to the insurance programs that we offer, we are dependent on the insurance carriers that underwrite the insurance to obtain appropriate regulatory approvals and maintain compliance with insurance regulations. If such carriers are out of compliance, we may be required to use an alternative carrier or products or cease marketing certain products in certain states, which could have a material adverse effect on our business, financial condition and results of operations. If we are required to use an alternative carrier or change our products, it may materially increase the time required to bring an insurance related product to market. Any disruption in our service offerings could harm our reputation and result in customer dissatisfaction.

Additionally, we provide financing to qualified customers through a number of third-party financing providers. If one or more of these third-party providers ceases to provide financing to our customers, provides financing to fewer customers or no longer provides financing on competitive terms, or if we were unable to replace the current third-party providers upon the occurrence of one or more of the foregoing events, it could have a material adverse effect on our business, financial condition and results of operations.

Because certain of the products that we sell are manufactured abroad, we may face delays, new or increased tariffs, increased cost or quality control deficiencies in the importation of these products, which could reduce our net sales and profitability.

A portion of the products that we purchase for resale, including those purchased from domestic suppliers, is manufactured abroad in China and other countries. In addition, we believe most of our private label merchandise is manufactured abroad. Trade tensions between the United States and China, Russia and other countries has escalated in recent years. We may not be able to mitigate the impacts of any future tariffs, and our business, results of operations and financial position would be materially adversely affected. As a result, our foreign imports, in particular imports from China, subject us to the risks of changes in, or the imposition of new import tariffs, duties or quotas, new restrictions on imports, loss of “most favored nation” status with the United States for a particular foreign country, antidumping or countervailing duty orders, retaliatory actions in response to illegal trade practices, work stoppages, delays in shipment, freight expense increases, product cost increases due to foreign currency fluctuations or revaluations and economic uncertainties. If any of these or other factors were to cause a disruption of trade from the countries in which the suppliers of our vendors are located or impose additional costs in connection with the purchase of our products, we may be unable to obtain sufficient quantities of products to satisfy our requirements and our results of operations could be adversely affected.

Additionally, there are increasing expectations that companies monitor the environmental and/or social performance of their suppliers, including compliance with a variety of labor practices. There is also increased attention regarding the end of life considerations for products like ours, and we could experience increased expectations and regulations that effect our ability to manufacture and sell our products. Compliance with emerging expectations and regulations can be costly, require us to establish or augment programs to diligence or monitor our suppliers, or, in the case of legislation such as the Uyghur Forced Labor Prevention Act, to design supply chains to avoid certain regions altogether. To the extent that any foreign manufacturers which supply products to us directly or indirectly utilize quality control standards, labor practices or other practices that vary from those legally mandated or commonly accepted in the United States, we could be hurt by a variety of adverse impacts, including but not limited to any resulting negative publicity or, in some cases, face potential liability or a denial of import for our products.

A portion of our net income is from financing, insurance and extended service contracts, which depend on third-party lenders and insurance companies. We cannot assure you that third-party lending institutions will continue to provide financing for RV purchases.

A portion of our net income comes from the fees we receive from lending institutions and insurance companies for arranging financing and insurance coverage for our customers unless customers prepay the financing within a specified period (generally within six months of making the loan), in which case we are required to rebate (or "chargeback") all or a portion of the commissions paid to us by the lending institution. Our revenues from financing fees and vehicle service contract fees are recorded net of a reserve for estimated future chargebacks based on historical operating results. Lending institutions may change the criteria or terms they use to make loan decisions, which could reduce the number of customers for whom we can arrange financing, or may elect to not continue to provide these products with respect to RVs. Our customers may also use the internet or other electronic methods to find financing alternatives. If any of these events occur, we could lose a significant portion of our income and profit. Our arrangements with lending institutions are typically governed by retail dealer agreements, which are customary in the RV industry. Our retail dealer agreements with lenders are generally made on a location by location basis, and each retail location typically enters into multiple retail dealer agreements with multiple lending institutions. These retail dealer agreements may contain affirmative obligations that we must comply with.

Furthermore, new and used vehicles may be sold and financed through retail installment sales contracts entered into between us and third-party purchasers. Prior to entering into a retail installment sales contract with a third-party purchaser, we typically have a commitment from a third-party lender for the assignment of such retail installment sales contract, subject to final review, approval and verification of the retail installment sales contract, related documentation and the information contained therein. Retail installment sales contracts are typically assigned by us to third-party lenders simultaneously with the execution of the retail installment sales contracts. Contracts in transit represent amounts due from third-party lenders from whom pre-arranged assignment agreements have been determined, and to whom the retail installment sales contracts have been assigned. We recognize revenue from the sale of new and used vehicles upon completion of the sale to the customer. Conditions to completing a sale include having an agreement with the customer, including pricing, whereby the sales price must be reasonably expected to be collected and having control transferred to the customer. Funding from the third-party lender is provided upon receipt, final review, approval and verification of the retail installment sales contract, related documentation and the information contained therein. Retail installment sales contracts are typically funded within ten days of the initial approval of the retail installment sales contract by the third-party lender. Contracts in transit are included in current assets in our consolidated financial statements included in Item 8 of Part II of this Form 10-K and totaled $50.3 million and $57.7 million as of December 31, 2022 and December 31, 2021, respectively. Any defaults on these retail installment sales contracts could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to retain senior executives and attract and retain other qualified employees, our business might be adversely affected.

Our success depends in part on our ability to attract, hire, train and retain qualified managerial, sales, marketing, and service personnel. Competition for these types of personnel is high. We may be unsuccessful in attracting and retaining the personnel we require to conduct our operations successfully and, in such an event, our business could be materially and adversely affected. Our success also depends to a significant extent on the continued service and performance of our senior management team, including our Chairman and Chief Executive Officer, Marcus Lemonis. The loss of any member of our senior management team could impair our ability to execute our business plan and could therefore have a material adverse effect on our business, results of operations and financial condition. Additionally, certain members of our management team, including Mr. Lemonis, currently pursue and may continue to pursue other business ventures, which could divert their attention from executing on our business plan and objectives. We do not currently maintain key-man life insurance policies on any member of our senior management team or other key employees.

We are subject to risks associated with leasing substantial amounts of space.

We lease the majority of the real properties where we have retail operations as well as certain corporate offices and distribution centers. Our leases generally provide for fixed monthly rentals with escalation clauses and range from five to twenty years. The profitability of our business is in part dependent on renewing leases for stores in desirable locations and, if necessary, identifying and closing underperforming stores or relocating these stores to alternative locations in a cost-effective manner. Typically, a large portion of a store's operating expense is the cost associated with leasing the location.

Additionally, over time our current store locations may not continue to be desirable because of changes in demographics within the surrounding area or a decline in shopping traffic, including traffic generated by other nearby stores. Although we have the right to terminate some of our leases under specified conditions by making certain payments, we may not be able to terminate a particular lease if or when we would like to do so. If we decide to close stores, we are generally required to either continue to pay rent and operating expenses for the balance of the lease term or, for certain locations, pay exercise rights to terminate, which in either case could be expensive. Even if we are able to assign or sublease vacated locations where our lease cannot be terminated, we may remain liable on the lease obligations if the assignee or sublessee does not perform.

If we are unable to service our lease expenses or are unable to, on favorable terms, negotiate renewals of leases at desirable locations or identify and close underperforming locations, we may be forced to seek alternative sites in our target markets, which may be difficult and have a material adverse effect on our business, financial condition and results of operations.

Our private brand offerings expose us to various risks.

We expect to continue to grow our exclusive private brand offerings through a combination of brands that we own and brands that we license from third parties. We have invested in our development and procurement resources and marketing efforts relating to these private brand offerings. Although we believe that our private brand products offer value to our customers at each price point and provide us with higher gross margins than comparable third-party branded products we sell, the expansion of our private brand offerings also subjects us to certain specific risks in addition to those discussed elsewhere in this section, such as:

- potential mandatory or voluntary product recalls;
- our ability to successfully protect our proprietary rights (including defending against counterfeit, knock offs, grey-market, infringing or otherwise unauthorized goods);
- our ability to successfully navigate and avoid claims related to the proprietary rights of third parties;
- our ability to successfully administer and comply with obligations under license agreements that we have with the licensors of brands, including, in some instances, certain minimum sales requirements that, if not met, could cause us to lose the licensing rights or pay damages; and
- other risks generally encountered by entities that source, sell and market exclusive branded offerings for retail.

An increase in sales of our private brands may also adversely affect sales of our vendors' products, which may, in turn, adversely affect our relationship with our vendors. Our failure to adequately address some or all of these risks could have a material adverse effect on our business, results of operations and financial condition.

We could incur asset impairment charges for goodwill, intangible assets or other long-lived assets.

We have a significant amount of goodwill, intangible assets and other long-lived assets. At least annually, we review goodwill for impairment. Long-lived assets, operating lease assets, identifiable intangible assets and goodwill are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. If the carrying value of a long-lived asset is considered impaired, an impairment charge is recorded for the amount by which the carrying value of the long-lived asset exceeds its fair value. Our determination of future cash flows, future recoverability and fair value of our long-lived assets as well as the reporting unit fair value used in our goodwill analysis include significant estimates and assumptions. Changes in those estimates or assumptions or lower than anticipated future financial performance may result in the identification of an impaired asset and a non-cash impairment charge, which could be material. See Note 5 — Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Item 8 of Part II of this Form 10-K for a discussion of impairment charges for the year ended December 31, 2022. We may in the future identify additional impairment charges and any such charges could adversely affect our business, financial condition and results of operations.

If we redeem or repurchase shares of our stock in the future, we could be subject to a newly enacted excise tax.

The Inflation Reduction Act of 2022 was recently signed into law, which, among other things, imposed a new 1% excise tax on the fair market value of stock redeemed or repurchased by publicly traded corporations on or after January 1, 2023, subject to certain exceptions. The Company maintains a stock repurchase program. If we redeem or repurchase shares of our stock in the future, under our current stock repurchase program or otherwise, we could be subject to this excise tax, unless the redemptions or repurchases qualify for any of the exceptions that are provided in the Inflation Reduction Act or in future regulations or rules. Any such excise tax would be a liability of the Company and could increase the amount of tax that we are required to pay.

Risks related to Regulation and Litigation

Our business is subject to numerous federal, state and local regulations.

Our operations are subject to varying degrees of federal, state and local regulation, including our RV sales, RV financing, outbound telemarketing, direct mail, roadside assistance programs, insurance activities, and the sale of extended service contracts. New regulatory efforts may be proposed from time to time that have a material adverse effect on our ability to operate our businesses or our results of operations. For example, in the past a principal source of leads for our direct response marketing efforts was new vehicle registrations provided by motor vehicle departments in various states. Currently, all states restrict access to motor vehicle registration information.

We are subject to a number of laws and regulations relating to consumer protection, information security, data protection and privacy. Many of these laws and regulations are still evolving and could be interpreted in ways that could harm our business or limit the services we are able to offer. In the area of information security and data protection, the laws in several states in the United States and most countries require companies to implement specific privacy and information security controls and legal protections to protect certain types of personally identifiable information and to collect or use it subject to disclosures and certain consent-based requirements. Likewise, most states in the United States and most countries have laws in place requiring companies to notify users if there is a security breach that compromises certain categories of their personally identifiable information. Any failure on our part to comply with these laws may subject us to significant liabilities. For example, the California Consumer Privacy Act ("CCPA") establishes a new privacy framework that expands the definition of personal information, establishes new data privacy rights for consumers residing in the State of California, imposes special rules on the collection of consumer data from minors, creates new notice obligations and new limits on the sale of personal information, and creates a new and potentially severe statutory damages framework for (i) violations of the CCPA and (ii) businesses that experience certain types of data breaches. Additionally, as of January 1, 2023, the majority of the provisions in the California Privacy Rights Act ("CPRA"), went into effect in California. The CPRA imposes additional data protection obligations on companies doing business in California, including additional consumer rights processes, limitations on data uses, new audit requirements for higher risk data, and opt outs for certain uses of sensitive data. It also creates a new California data protection agency authorized to issue substantive regulations and could result in increased privacy and information security enforcement. Additional compliance investment and potential business process changes may continue to be required as additional provisions of the CPRA go into effect. Several other states, including Colorado and Virginia, have enacted or are in the process of proposing legislation that mirrors may aspects of the CCPA and CPRA.

We are also subject to federal and numerous state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles, including so-called “lemon laws.” Federal, state and local laws and regulations also impose upon vehicle operators various restrictions on the length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions. Federal and state authorities also have various environmental control standards relating to air, water, noise pollution and hazardous waste generation and disposal which affect our business and operations.

Areas of our business also affected by laws and regulations include, but are not limited to, labor (including federal and state minimum wage increases), advertising, consumer protection, real estate, promotions, quality of services, intellectual property, tax, import and export, anti-corruption, anti-competition, environmental, health and safety. Compliance with these laws and others may be onerous and costly, at times, and may be inconsistent from jurisdiction to jurisdiction which further complicates compliance efforts.

Furthermore, our property and casualty insurance programs, and our extended service contracts that we offer through third-party insurance carriers are subject to various federal and state laws and regulations governing the business of insurance, including, without limitation, laws and regulations governing the administration, underwriting, marketing, solicitation, liability obligations or sale of insurance programs. Any failure by us or our third-party insurance providers to comply with current licensing and approval requirements could result in such regulators denying their initial or renewal applications for such licenses, modifying the terms of licenses or revoking licenses that they currently possess, which could severely inhibit our ability to market these products. Additionally, certain state laws and regulations govern the form and content of certain disclosures that must be made in connection with the sale, advertising or offer of any insurance program to a consumer. If we fail to comply with these regulations, we may be ordered to pay fines or penalties by regulators or to discontinue certain products.

We offer extended service contracts and gap insurance that may be purchased as a supplement to the original purchaser’s warranty. These products are subject to complex federal and state laws and regulations. There can be no assurance that regulatory authorities in the jurisdictions in which these products are offered will not seek to regulate or restrict these products. Failure to comply with applicable laws and regulations, including with respect to the transfer of administration and liability obligations associated with these extended service contracts to a third party upon purchase by the customer, could result in fines or other penalties including orders by state regulators to discontinue sales of the warranty products in one or more jurisdictions. Such a result could materially and adversely affect our business, results of operations and financial condition.

State dealer laws generally provide that a manufacturer may not terminate or refuse to renew a dealer agreement unless it has first provided the dealer with written notice setting forth good cause and stating the grounds for termination or non-renewal. If such dealer laws are repealed in the states in which we operate, manufacturers may be able to terminate our dealer agreements without providing advance notice, an opportunity to cure or a showing of good cause. Without the protection of state dealer laws, it may also be more difficult for our dealerships to renew their dealer agreements upon expiration.

Several states currently have laws in effect that are similar to, and in certain cases, more restrictive than, these federal laws. Compliance with all of these regulations is costly and time-consuming. Inadvertent violation of any of these regulations could cause us to incur fines and penalties and may also lead to restrictions on our ability to manufacture and sell our products and services and to import or export the products we sell.

We have instituted various and comprehensive policies and procedures to address compliance. However, there can be no assurance that employees, contractors, vendors or our agents will not violate such laws and regulations or our policies and procedures. For more information on the various regulations applicable to our business, see “Item I. Business—Laws and Regulations” under Part I of this Form 10-K.

Our failure to comply with certain environmental regulations could adversely affect our business, financial condition and results of operations.

Our operations involve the use, handling, storage and contracting for recycling and/or disposal/discharge of materials such as motor oil and filters, transmission fluids, antifreeze, refrigerants, paints, thinners, batteries, cleaning products, lubricants, degreasing agents, tires and propane. Consequently, our business is subject to a complex variety of federal, state and local requirements that regulate the environment, public health and safety, and we may incur significant costs to comply with such requirements, which costs may increase if existing laws and regulations are revised or reinterpreted or if new laws and regulations become applicable to our operations. Certain of our operations may also require permits or other approvals, which may delay our ability to execute on portions of our business strategy. Our failure to comply with these regulations could cause us to become subject to fines and penalties or otherwise have an adverse impact on our business. In addition, we have indemnified certain of our landlords for any hazardous waste which may be found on or about property we lease. Certain environmental laws may prescribe liability to us for environmental contamination without regard to fault or legality of the action at the time of its occurrence. If any such hazardous waste were to be found on property that we occupy, a significant claim giving rise to our indemnity obligation could have a negative effect on our business, financial condition and results of operations.

Our operations are subject to a series of risks related to climate change and other environmental, social, and governance ("ESG") matters.

Regulatory, market, and other changes to respond to climate change may adversely impact our business, financial condition, or results of operations. The United States Environmental Protection Agency has adopted rules under existing provisions of the federal Clean Air Act that require a reduction in emissions of greenhouse gases from motor vehicles. The adoption of any laws or regulations requiring significant increases in fuel economy requirements or new federal or state restrictions on vehicles and automotive fuels in the United States could adversely affect demand for those vehicles and could have a material adverse effect on our business, financial condition and results of operations.

Additionally, there is increasing environmental consciousness among consumers, which may result in decreased demand for certain of our current product or service offerings. Developing alternatives that satisfy the market's evolving expectations of, among other things, vehicle emissions profiles may require us to incur significant costs. Additionally, there are several competing alternatives to replace petroleum-based fuels for vehicles, including but not limited to: electricity, hydrogen, and compressed and/or renewable gas. To the extent potential customers prefer technologies different from those used in the vehicles we offer for sale, then demand for such vehicles may not develop as quickly as we expect, or at all.

Reporting expectations for various ESG topics are also increasing, with a variety of customers, capital providers, and regulators seeking increased information on ESG-related risks. For example, the Securities and Exchange Commission has proposed a rule that, if finalized, may require us to incur significant costs to assess and disclose on a range of climate-related data and risks. Increased scrutiny from various parties may also result in increased compliance costs and increased legal risks, whether through enforcement actions or litigation, whether or not such claims have any merit.

While we may at times engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) or commitments to improve the ESG profile of our company and/or products, such initiatives or achievements of such commitments may be costly and may not have the desired effect. Expectations around company's management of ESG matters continues to evolve rapidly, in many instances due to factors that are out of our control. If we do not, or are perceived to not, take sufficient action to address ESG matters and related stakeholder expectations, we may suffer reputational damage and may be subject to investor or regulator engagement, even if our efforts are currently voluntary. All of these risks may also impact our suppliers or customers, which may indirectly impact our business, financial condition, or results of operations.

A failure in our e-commerce operations, security breaches and cybersecurity risks could disrupt our business and lead to reduced sales and growth prospects and reputational damage.

Consumers are increasingly embracing shopping online and through mobile commerce applications. As a result, a growing portion of total consumer expenditures with retailers is occurring online and through mobile commerce applications and a declining portion of total consumer expenditures is occurring at brick and mortar retail locations. Our e-commerce business is an important element of our brands and relationship with our customers, and we expect it to continue to grow. In addition to changing consumer preferences and shifting traffic patterns and buying trends in e-commerce, we are vulnerable to additional risks and uncertainties associated with e-commerce sales, including rapid changes in technology, website downtime and other technical failures, security breaches, cyber-attacks, consumer privacy concerns, changes in state tax regimes and government regulation of internet activities. Our failure to successfully respond to these risks and uncertainties could reduce our e-commerce sales, increase our costs, diminish our growth prospects and damage our brands, which could negatively impact our results of operations and stock price.

In addition, there is no guarantee that we will be able to expand our e-commerce business. Our competitors may have e-commerce businesses that are substantially larger and more developed than ours, which places us at a competitive disadvantage. Although we continually update our websites, we may not be successful in implementing improved website features and there is no guarantee that such improvements will expand our e-commerce business. If we are unable to expand our e-commerce business, our growth plans will suffer, and the price of our common stock could decline.

We may be unable to enforce our intellectual property rights and we may be accused of infringing the intellectual property rights of third parties which could have a material adverse effect on our business, financial condition and results of operations.

We own a variety of registered trademarks and service marks for the names of our clubs, magazines and other publications. We also own the copyrights to certain articles in our publications. We believe that our trademarks and copyrights have significant value and are important to our marketing efforts. If we are unable to continue to protect the trademarks and service marks for our proprietary brands, if such marks become generic or if third parties adopt marks similar to our marks, our ability to differentiate our products and services may be diminished. In the event that our trademarks or service marks are successfully challenged by third parties, we could lose brand recognition and be forced to devote additional resources to advertising and marketing new brands for our products.

From time to time, we may be compelled to protect our intellectual property, which may involve litigation. Such litigation may be time-consuming, expensive and distract our management from running the day-to-day operations of our business, and could result in the impairment or loss of the involved intellectual property. There is no guarantee that the steps we take to protect our intellectual property, including litigation when necessary, will be successful. The loss or reduction of any of our significant intellectual property rights could diminish our ability to distinguish our products from competitors' products and retain our market share for our proprietary products. Our inability to effectively protect our proprietary intellectual property rights could have a material adverse effect on our business, results of operations and financial condition.

Other parties also may claim that we infringe their proprietary rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, injunctions against us or the payment of damages. These claims could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to maintain or upgrade our information technology systems or if we are unable to convert to alternate systems in an efficient and timely manner, our operations may be disrupted or become less efficient.

We depend on a variety of information technology systems for the efficient functioning of our business. We rely on certain hardware, telecommunications and software vendors to maintain and periodically upgrade many of these systems so that we can continue to support our business. Various components of our information technology systems, including hardware, networks, and software, are licensed to us by third-party vendors. We rely extensively on our information technology systems to process transactions, summarize results and manage our business. Additionally, because we accept debit and credit cards for payment, we are subject to the Payment Card Industry Data Security Standard (the “PCI Standard”), issued by the Payment Card Industry Security Standards Council. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology such as those necessary to maintain compliance with the PCI Standard or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment-related systems could have a material adverse effect on our business, financial condition and results of operations.

Disruptions or breaches involving our or our third-party providers’ information technology systems or network security could interrupt our operations, compromise our reputation, expose us to litigation, government enforcement actions and costly response measures and could have a material adverse effect on our business, financial condition and results of operations.

We rely on the integrity, security and successful functioning of our information technology systems and network infrastructure (collectively, “IT Systems”) across our operations. While we own and operate certain parts of our IT Systems, we also rely on critical third-party service providers for an array of software, technologies, tools and services. We use IT Systems for external and internal functions, such as to support product sales, our Good Sam services and plans, manage procurement and our supply chain, track inventory information at our retail locations, communicate customer information and aggregate daily sales, margin and promotional information. We also use IT Systems to report and audit our operational results.

In addition, we and our third-party providers have access to, collect, process and maintain private or confidential information regarding our customers, club members, associates and suppliers, as well as our business. For example, we have over 28 million unique contacts in our database as of December 31, 2022. This customer database includes information about our approximately 2.0 million club members and our 5.3 million Active Customers as of December 31, 2022.

We and our third-party providers experience cyberattacks and security incidents from time to time. For example, in February 2022, we announced the occurrence of a cybersecurity incident that resulted in the encryption of certain IT Systems and theft of certain data and information (the “Cybersecurity Incident”). The Cybersecurity Incident resulted in our temporary inability to access certain of our IT Systems, caused by the disabling of some of our IT Systems by the threat actor and our temporarily taking certain other IT Systems offline as a precautionary measure. We engaged leading outside forensics and cybersecurity experts, launched containment and remediation efforts and a forensic investigation, which was completed as of September 30, 2022. We are continuing to take measures to enhance our IT Systems. Through our investigation, we identified that personal information of approximately 30,000 individuals was acquired without authorization, including, depending on the individual, dates of birth, Social Security numbers, and driver’s license numbers. We complied with notification obligations in accordance with relevant law and are continuing to cooperate with law enforcement.

We have incurred costs related to investigation, containment, and remediation and expect to continue to incur incremental costs for the remediation of the Cybersecurity Incident, including legal and other professional fees, and investments to enhance the security of our IT Systems. Other actual and potential consequences include, but are not limited to, negative publicity, reputational damage, lost trust with customers, and regulatory enforcement action. In December 2022, three putative class action complaints were filed against us and certain of our subsidiaries arising out of the Cybersecurity Incident. This litigation could result in financial judgments or the payment of settlement amounts and disputes with insurance carriers concerning coverage.

Despite our security controls and measures, we are vulnerable to threats resulting from malware (for example, ransomware), viruses, misconduct by external or inside actors, social engineering, human error by associates and contractors, as well as from bugs, misconfigurations and vulnerabilities in our software code. We are also vulnerable to further successful cyberattacks, security breaches and disruptions to our IT Systems and our electronic data and information assets, in addition to damage or interruption from earthquakes, acts of war or terrorist attacks, floods, fires, tornadoes, hurricanes, power loss and outages, computer and telecommunications failures and similar incidents. Some of our systems are not fully redundant, and our disaster recovery planning cannot account for all eventualities. The COVID-19 pandemic also presented additional operational and cybersecurity risks due to the prevalence of work-from-home arrangements.

We expect cyberattacks to accelerate going forward. Threat actors are becoming more sophisticated and difficult to anticipate or deflect as they increasingly use tools and techniques designed to circumvent security controls, to avoid detection, and to remove forensic evidence that may be needed to effectively identify, investigate and remediate attacks. Any errors or vulnerabilities in our IT Systems, damage to or failure of our IT Systems, or significant breach of club member, customer, employee, supplier, or company data, could result in interruptions in our services, noncompliance with certain regulations, substantial negative media attention, damage to our club member, customer and supplier relationships and our reputation, exposure to litigation (including class actions), regulatory investigations, and lost sales, fines, penalties, lawsuits, and increased remediation costs, any or all of which could have a material adverse effect on our business, financial condition and results of operations. Any remediation measures that we have taken or that we may undertake in the future in response to the Cybersecurity Incident or other security breaches may be insufficient to prevent future attacks.

In addition, the regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements across our business. For example, recent amendments to the Safeguards Rule of the Gramm-Leach-Bliley Act will require covered financial institutions to adopt specific data security measures effective as of June 9, 2023. In addition, customers have a high expectation that we will adequately protect their personal information from cyberattack or other security breaches. A significant breach of club member, customer, employee, supplier, or company data could attract a substantial amount of negative media attention, damage our club member, customer and supplier relationships and our reputation, and result in lost sales, fines and/or lawsuits, and new laws such as the CCPA impose statutory damages for certain types of data breaches that affect the personal information of consumers.

We maintain insurance to cover costs in the event of a breach, interruption of service, or other cyber-security event. Our insurance coverage may be insufficient to cover all losses.

We may be subject to product liability claims if people or property are harmed by the products we sell.

Some of the products we sell may expose us to product liability claims relating to personal injury, death, or environmental or property damage, and may require product recalls or other actions. Although we maintain liability insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. In addition, some of our agreements with our vendors and sellers do not indemnify us from product liability. Even if a product liability claim is not successful or is not fully pursued, the negative publicity surrounding a product recall or any assertion that our products caused property damage or personal injury could damage our brand identity and our reputation with existing and potential consumers and have a material adverse effect on our business, financial condition and results of operations.

Any increase in the frequency and size of these claims, as compared to our experience in prior years, may cause the premium that we are required to pay for insurance to increase significantly and may negatively impact future insurance costs. It may also increase the amounts we pay in punitive damages, not all of which may be covered by our insurance.

We have been named in litigation, which has resulted in substantial costs and may result in reputational harm and divert management's attention and resources.

We face legal risks in our business, including claims from disputes with our employees and our former employees and claims associated with general commercial disputes, product liability and other matters. Risks associated with legal liability often are difficult to assess or quantify and their existence and magnitude can remain unknown for significant periods of time.

We have been named in the past, are currently named and may be named in the future as defendants of class action lawsuits. We have been subject to securities class action litigation and may be subject to similar or other litigation in the future. For information regarding these lawsuits, refer to Note 13, Commitments and Contingencies – Litigation of our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

The results of the securities class action lawsuits, shareholder derivative lawsuits, and any other future legal proceedings cannot be predicted with certainty. Regardless of their subject matter or merits, such legal proceedings have resulted in and are likely to continue to result in significant cost to us, which may not be covered by insurance, may divert the attention of management or may otherwise have an adverse effect on our business, financial condition and results of operations. Negative publicity from litigation, whether or not resulting in a substantial cost, could materially damage our reputation and could have a material adverse effect on our business, financial condition, results of operations, and the price of our Class A common stock. In addition, such legal proceedings may make it more difficult to finance our operations.

Risks Relating to Our Organizational Structure

Marcus Lemonis, through his beneficial ownership of our shares directly or indirectly held by ML Acquisition and ML RV Group, has substantial control over us, including over decisions that require the approval of stockholders, and his interests, along with the interests of our other Continuing Equity Owners, in our business may conflict with yours.

As discussed in Note 18 ─ Stockholders' Equity to our consolidated financial statements included in Item 8 of Part II of this Form 10-K, we entered into a voting agreement in connection with our IPO with ML Acquisition Company, LLC, a Delaware limited liability company, which is indirectly owned by each of Stephen Adams and our Chairman and Chief Executive Officer, Marcus Lemonis ("ML Acquisition"), ML RV Group, LLC, a Delaware limited liability company, wholly owned by our Chairman and Chief Executive Officer, Marcus Lemonis ("ML RV Group"), CVRV Acquisition LLC and CVRV Acquisition II LLC (the "Voting Agreement"). Subject to the Voting Agreement, Marcus Lemonis, through his beneficial ownership of our shares directly or indirectly held by ML Acquisition and ML RV Group, may approve or disapprove substantially all transactions and other matters requiring approval by our stockholders, such as a merger, consolidation, dissolution or sale of all or substantially all of our assets, the issuance or redemption of certain additional equity interests, and the election of directors including transactions that may not be in the best interests of holders of our Class A common stock or, conversely, prevent the consummation of transactions that may be in the best interests of holders of our Class A common stock.

In addition, pursuant to the Voting Agreement, Crestview Advisors, L.L.C., a registered investment adviser to private equity funds, including funds affiliated with Crestview Partners II GP, L.P. ("Crestview") currently has the right to designate one of our directors (the "Crestview Director"). Each of ML Acquisition and ML RV Group has agreed to vote, or cause to vote, all of their outstanding shares of our Class A common stock, Class B common stock and Class C common stock at any annual or special meeting of stockholders in which directors are elected, so as to cause the election of the Crestview Director. In addition, the ML Related Parties also currently have the right to designate four of our directors (the "ML Acquisition Directors"). Moreover, ML RV Group has the right to designate one director for as long as it holds our one share of Class C common stock (the "ML RV Director"). As described in the Voting Agreement, these designation rights are subject to change based on the relevant parties' ownership of Class A common stock. Funds controlled by Crestview Partners II GP, L.P. have agreed to vote, or cause to vote, all of their outstanding shares of our Class A common stock and Class B common stock at any annual or special meeting of stockholders in which directors are elected, so as to cause the election of the ML Acquisition Directors and the ML RV Director. Additionally, pursuant to the Voting Agreement, we are required to take commercially reasonable action to cause (i) the Board of Directors to be comprised at least of nine directors absent an appropriate waiver or approval to increase or decrease the size of the Board (which the Company obtained to set the Board at eight directors); (ii) the individuals designated in accordance with the terms of the Voting Agreement to be included in the slate of nominees to be elected to the Board of Directors at the next annual or special meeting of stockholders of the Company at which directors are to be elected and at each annual meeting of stockholders of the Company thereafter at which a director's term expires; (iii) the individuals designated in accordance with the terms of the Voting Agreement to fill the applicable vacancies on the Board of Directors; and (iv) a ML Acquisition Director or the ML RV Director to be the chairperson of the Board of Directors (as defined in our amended and restated bylaws). The Voting Agreement allows for the Board of Directors to reject the nomination, appointment or election of a particular director if such nomination, appointment or election would constitute a breach of the

Board of Directors' fiduciary duties to the Company's stockholders or does not otherwise comply with any requirements of our amended and restated certificate of incorporation or our amended and restated bylaws or the charter for, or related guidelines of, the Board of Directors' Nominating and Corporate Governance Committee.

The Voting Agreement further provides that, for so long as the ML Related Parties, directly or indirectly, beneficially own, in the aggregate, 22.5% or more of our Class A common stock (assuming that all outstanding common units in CWGS, LLC are redeemed for newly-issued shares of our Class A common stock on a one-for-one basis), the approval of the ML Related Parties will be required for certain corporate actions. These actions include: (1) a change of control; (2) acquisitions or dispositions of assets above $100 million; (3) the issuance of securities of Camping World Holdings, Inc. or any of its subsidiaries (other than under equity incentive plans that have received the prior approval of our Board of Directors); (4) material amendments to our certificate of incorporation or bylaws; and (5) any change in the size of the Board of Directors. The Voting Agreement also provides that, for so long as the ML Related Parties, directly or indirectly, beneficially own, in the aggregate, 28% or more of our Class A common stock (assuming that all outstanding common units of CWGS, LLC are redeemed for newly-issued shares of our Class A common stock, on a one-for-one basis), the approval of the ML Related Parties, as applicable, will be required for the hiring and termination of our Chief Executive Officer; provided, however, that the approval of the ML Related Parties is only required at such time as Marcus Lemonis no longer serves as our Chief Executive Officer. These rights may prevent the consummation of transactions that may be in the best interests of holders of our Class A common stock.

Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" does not apply with respect to any director or stockholder who is not employed by us or our affiliates.

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our amended and restated certificate of incorporation provides that the doctrine of "corporate opportunity" does not apply with respect to any director or stockholder who is not employed by us or our affiliates. Any director or stockholder who is not employed by us or our affiliates therefore has no duty to communicate or present corporate opportunities to us, and has the right to either hold any corporate opportunity for their (and their affiliates') own account and benefit or to recommend, assign or otherwise transfer such corporate opportunity to persons other than us, including to any director or stockholder who is not employed by us or our affiliates.

As a result, certain of our stockholders, directors and their respective affiliates are not prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with certain of our stockholders, directors or their respective affiliates, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business or prospects.

We are a "controlled company" within the meaning of the NYSE listing requirements and, as a result, qualify for, and rely on, exemptions from certain corporate governance requirements. Our stockholders do not have the same protections afforded to stockholders of companies that are subject to such corporate governance requirements.

Pursuant to the terms of the Voting Agreement, Marcus Lemonis, through his beneficial ownership of our shares directly or indirectly held by ML Acquisition and ML RV Group, and certain funds controlled by Crestview Partners II GP, L.P., in the aggregate, have more than 50% of the voting power for the election of directors, and, as a result, we are considered a "controlled company" for the purposes of the New York Stock Exchange (the "NYSE") listing requirements. As such, we qualify for, and rely on, exemptions from certain corporate governance requirements, including the requirements to have a majority of independent directors on our Board of Directors, an entirely independent Nominating and Corporate Governance Committee, an entirely independent Compensation Committee or to perform an annual performance evaluation of the Nominating and Corporate Governance and Compensation Committees.

The corporate governance requirements and specifically the independence standards are intended to ensure that directors who are considered independent are free of any conflicting interest that could influence their actions as directors. We have utilized, and intend to continue to utilize, certain exemptions afforded to a “controlled company.” As a result, we are not subject to certain corporate governance requirements, including that a majority of our Board of Directors consists of “independent directors,” as defined under the rules of the NYSE. In addition, we are not required to have a Nominating and Corporate Governance Committee or Compensation Committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities or to conduct annual performance evaluations of the Nominating and Corporate Governance and Compensation Committees and currently we do not have an entirely independent Nominating and Corporate Governance Committee. Accordingly, our stockholders do not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

Our principal asset is our interest in CWGS, LLC, and accordingly, we depend on distributions from CWGS, LLC to pay dividends, taxes and expenses, including payments under the Tax Receivable Agreement. CWGS, LLC’s ability to make such distributions may be subject to various limitations and restrictions.

We are a holding company and had no material assets as of December 31, 2022, other than our ownership of 42,440,940 common units, representing a 50.2% economic interest in the business of CWGS, LLC, and cash of $70.3 million. We have no independent means of generating revenue or cash flow, and our ability to pay dividends in the future, if any, will be dependent upon the financial results and cash flows of CWGS, LLC and its subsidiaries and distributions we receive from CWGS, LLC. There can be no assurance that our subsidiaries will generate sufficient cash flow to dividend or distribute funds to us or that applicable state law and contractual restrictions, including negative covenants in our debt instruments, will permit such dividends or distributions.

CWGS, LLC is treated as a partnership for U.S. federal income tax purposes and, as such, is not subject to any entity-level U.S. federal income tax. Instead, taxable income is allocated to holders of its common units, including us. As a result, we incur income taxes on our allocable share of any net taxable income of CWGS, LLC. Under the terms of the CWGS LLC Agreement, CWGS, LLC is obligated to make tax distributions to holders of its common units, including us, except to the extent such distributions would render CWGS, LLC insolvent or are otherwise prohibited by law or our Senior Secured Credit Facilities, our Floor Plan Facility or any of our future debt agreements. In addition to tax expenses, we will also incur expenses related to our operations, our interests in CWGS, LLC and related party agreements, including payment obligations under the Tax Receivable Agreement, and expenses and costs of being a public company, all of which could be significant. We intend, as its managing member, to cause CWGS, LLC to make distributions in an amount sufficient to allow us to pay our taxes and operating expenses, including any ordinary course payments due under the Tax Receivable Agreement. However, CWGS, LLC’s ability to make such distributions may be subject to various limitations and restrictions including, but not limited to, restrictions on distributions that would either violate any contract or agreement to which CWGS, LLC is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering CWGS, LLC insolvent. If CWGS, LLC does not have sufficient funds to pay tax distributions or other liabilities to fund our operations, we may have to borrow funds, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, such payments will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore may accelerate payments due under the Tax Receivable Agreement. If CWGS, LLC does not have sufficient funds to make distributions, our ability to declare and pay cash dividends may also be restricted or impaired. See “— Risks Relating to Ownership of Our Class A Common Stock.”

Our Tax Receivable Agreement with the Continuing Equity Owners and Crestview Partners II GP, L.P. requires us to make cash payments to them in respect of certain tax benefits to which we may become entitled, and the amounts that we may be required to pay could be significant.

In connection with our IPO, we entered into a Tax Receivable Agreement with CWGS, LLC, each of the Continuing Equity Owners and Crestview Partners II GP, L.P. which confers certain benefits upon the Continuing Equity Owners and Crestview Partners II GP, L.P. that do not benefit the holders of our Class A common stock to the same extent as it benefits such Continuing Equity Owners and Crestview Partners II GP, L.P. Pursuant to the Tax Receivable Agreement, we are required to make cash payments to the Continuing Equity Owners and Crestview Partners II GP, L.P. equal to 85% of the tax benefits, if any, that we actually realize, or in some circumstances are deemed to realize as a result of (i) increases in tax basis resulting from the purchase of common units from Crestview Partners II GP, L.P. in exchange for Class A common stock in connection with the consummation of the IPO and the related corporate reorganization transactions and any future redemptions that are funded by Camping World Holdings, Inc. or redemption of common units and (ii) certain other tax benefits attributable to payments under the Tax Receivable Agreement. The amount of the cash payments that we may be required to make under the Tax Receivable Agreement could be significant. Payments under the Tax Receivable Agreement will be based on the tax reporting positions that we determine, which tax reporting positions are subject to challenge by taxing authorities. Any payments made by us to the Continuing Equity Owners and Crestview Partners II GP, L.P. under the Tax Receivable Agreement will generally reduce the amount of overall cash flow that might have otherwise been available to us. To the extent that we are unable to make timely payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid by us. Nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore may accelerate payments due under the Tax Receivable Agreement. Furthermore, our future obligation to make payments under the Tax Receivable Agreement could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that may be deemed realized under the Tax Receivable Agreement. The payments under the Tax Receivable Agreement are also not conditioned upon the Continuing Equity Owners or Crestview Partners II GP, L.P. maintaining a continued ownership interest in CWGS, LLC.

Additional liabilities under the Tax Receivable Agreement may be required to be recorded when CWGS, LLC units are redeemed in the future. Such amounts of cash payments that the Company may be required to make under the Tax Receivable Agreement for such future redemptions could be significant. The amount of liabilities to be recorded in the future for such redemptions is dependent on a variety of factors including future stock prices, tax rates in effect, and the Company's ability to utilize the tax benefits created as a result of the futures of CWGS, LLC units. The significance of these factors and related uncertainty associated with the related liabilities makes estimation of future potential amounts under the Tax Receivable Agreement impractical to determine.

The amounts that we may be required to pay to the Continuing Equity Owners and Crestview Partners II GP, L.P. under the Tax Receivable Agreement may be accelerated in certain circumstances and may also significantly exceed the actual tax benefits that we ultimately realize.

The Tax Receivable Agreement provides that if certain mergers, asset sales, other forms of business combination, or other changes of control were to occur, if we materially breach any of our material obligations under the Tax Receivable Agreement or if, at any time, we elect an early termination of the Tax Receivable Agreement, then the Tax Receivable Agreement will terminate and our obligations, or our successor's obligations, to make payments under the Tax Receivable Agreement would accelerate and become immediately due and payable. The amount due and payable in those circumstances is determined based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the Tax Receivable Agreement. We may need to incur debt to finance payments under the Tax Receivable Agreement to the extent our cash resources are insufficient to meet our obligations under the Tax Receivable Agreement as a result of timing discrepancies or otherwise.

As a result of the foregoing, (i) we could be required to make cash payments to the Continuing Equity Owners and Crestview Partners II GP, L.P. that are greater than the specified percentage of the actual benefits we ultimately realize in respect of the tax benefits that are subject to the Tax Receivable Agreement and (ii) we would be required to make an immediate cash payment equal to the present value of the anticipated future tax benefits that are the subject of the Tax Receivable Agreement, which payment may be made significantly in advance of the actual realization, if any, of such future tax benefits. In these situations, our obligations under the Tax Receivable Agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combination, or other changes of control. There can be no assurance that we will be able to finance our obligations under the Tax Receivable Agreement.

We will not be reimbursed for any payments made to the Continuing Equity Owners and Crestview Partners II GP, L.P. under the Tax Receivable Agreement in the event that any tax benefits are disallowed.

We will not be reimbursed for any cash payments previously made to the Continuing Equity Owners and Crestview Partners II GP, L.P. pursuant to the Tax Receivable Agreement if any tax benefits initially claimed by us are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by us to a Continuing Equity Owner or Crestview Partners II GP, L.P. will be netted against any future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement. However, a challenge to any tax benefits initially claimed by us may not arise for a number of years following the initial time of such payment or, even if challenged early, such excess cash payment may be greater than the amount of future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement and, as a result, there might not be future cash payments from which to net against. The applicable U.S. federal income tax rules are complex and factual in nature, and there can be no assurance that the IRS or a court will not disagree with our tax reporting positions. As a result, it is possible that we could make cash payments under the Tax Receivable Agreement that are substantially greater than our actual cash tax savings.

Our organizational structure may cause us to be subject to IRS audit, which may result in the assessment of interest and penalties.

We consolidate CWGS, LLC, which, as a limited liability company, is not subject to U.S. federal income taxes. Rather, the partnership's taxable income flows through to the owners, who are responsible for paying the applicable income taxes on the income allocated to them. For tax years beginning on or after January 1, 2018, the Company is subject to partnership audit rules enacted as part of the Bipartisan Budget Act of 2015 (the "Centralized Partnership Audit Regime"). Under the Centralized Partnership Audit Regime, any IRS audit of CWGS, LLC would be conducted at the CWGS, LLC level, and if the IRS determines an adjustment is necessary, the default rule is that CWGS, LLC would pay an "imputed underpayment" including interest and penalties, if applicable. CWGS, LLC may instead elect to make a "push-out" election, in which case the partners for the year that is under audit would be required to take into account the adjustments on their own personal income tax returns.

Our operating agreement stipulates that CWGS, LLC is indemnified by members for any payment made to relevant taxing authorities under the Centralized Partnership Audit Regime. It is intended that any payment CWGS, LLC makes on behalf of its current members will be reflected as a distribution, rather than tax expense, at the time that such distribution is declared.

Risks Relating to Ownership of Our Class A Common Stock

The Continuing Equity Owners (through common units) own interests in CWGS, LLC, and the Continuing Equity Owners have the right to redeem their interests in CWGS, LLC pursuant to the terms of the CWGS LLC Agreement for newly-issued shares of Class A common stock or cash.

At December 31, 2022, we had an aggregate of 202,428,913 shares of Class A common stock authorized but unissued, including 42,044,536 shares of Class A common stock issuable, at our election, upon redemption of CWGS, LLC common units held by the Continuing Equity Owners. In connection with our IPO, CWGS, LLC entered into the CWGS LLC Agreement, and subject to certain restrictions set forth therein, the Continuing Equity Owners are entitled to have their common units redeemed from time to time at each of their options for, at our election (determined solely by our independent directors (within the meaning of the rules of the NYSE) who are disinterested), newly-issued shares of our Class A common stock on a one-for-one basis or a cash payment equal to a volume weighted average market price of one share of Class A common stock for each common unit redeemed, in each case in accordance with the terms of the CWGS LLC Agreement; provided that, at our election (determined solely by our independent directors (within the meaning of the rules of the NYSE) who are disinterested), we may effect a direct exchange of such Class A common stock or such cash, as applicable, for such common units. The Continuing Equity Owners may exercise such redemption right for as long as their common units remain outstanding. In connection with our IPO, we also entered into a Registration Rights Agreement pursuant to which the shares of Class A common stock issued upon such redemption and the shares of Class A common stock issued to the Former Equity Owners in connection with the corporate reorganization transactions entered into in connection therewith will be eligible for resale, subject to certain limitations set forth therein. The market price of shares of our Class A common stock could decline as a result of these redemptions or sales, or as a result of the perception that they could occur.

You may be diluted by future issuances of additional Class A common stock or common units in connection with our incentive plans, acquisitions or otherwise; future sales of such shares in the public market, or the expectations that such sales may occur, could lower our stock price.

Our amended and restated certificate of incorporation authorizes us to issue shares of our Class A common stock and options, rights, warrants and appreciation rights relating to our Class A common stock for the consideration and on the terms and conditions established by our Board of Directors in its sole discretion, whether in connection with acquisitions or otherwise.

We have reserved shares for issuance under our 2016 Incentive Award Plan (the “2016 Plan”) in an amount equal to 10,077,352 shares of Class A common stock as of December 31, 2022, including shares of Class A common stock issuable pursuant to 237,771 stock options and 2,549,076 restricted stock units that were granted to certain of our directors and certain of our employees. Any Class A common stock that we issue, including under our 2016 Plan or other equity incentive plans that we may adopt in the future, would dilute the percentage ownership of holders of our Class A common stock.

In the future, we may also issue additional securities if we need to raise capital, including, but not limited to, in connection with acquisitions, which could constitute a material portion of our then-outstanding shares of Class A common stock.

Our ability to pay dividends on our Class A common stock is subject to the discretion of our Board of Directors and may be limited by our structure and statutory restrictions.

We have paid a regular cash dividend using distributions from CWGS, LLC, including all or a portion of the Excess Tax Distribution (as defined under “Dividend Policy” included in Part II, Item 5 of this Form 10-K), to the holders of our Class A common stock from time to time, subject to the discretion of our Board of Directors. However, the payment of future dividends on our Class A common stock will be subject to our discretion as the sole managing member of CWGS, LLC, the discretion of our Board of Directors and will depend on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors may deem relevant. Additionally, our ability to distribute any Excess Tax Distribution will also be subject to no early termination or amendment of the Tax Receivable Agreement, as well as the amount of tax distributions actually paid to us and our actual tax liability, which will be affected by the conversion of certain subsidiaries, including Camping World, Inc., to limited liability companies (see Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). As a consequence of these limitations and restrictions, we may not be able to make, or may have to reduce or eliminate, the payment of dividends on our Class A common stock. Additionally, any change in the level of our dividends or the suspension of the payment thereof could adversely affect the market price of our Class A common stock. For additional information on our payments of dividends, see "Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy" under Part II of this Form 10-K.

Delaware law and certain provisions in our amended and restated certificate of incorporation may prevent efforts by our stockholders to change the direction or management of our company.

We are a Delaware corporation, and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that may make the acquisition of our Company more difficult without the approval of our Board of Directors, including, but not limited to, the following:

- our Board of Directors is classified into three classes, each of which serves for a staggered three-year term;

- a majority of our stockholders or a majority of our Board of Directors may call special meetings of our stockholders, and at such time as the ML Related Parties, directly or indirectly, beneficially own in the aggregate, less than 27.5% of all of the outstanding common units of CWGS, LLC, only the chairperson of our Board of Directors or a majority of our Board of Directors may call special meetings of our stockholders;

- we have authorized undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval;

- any action required or permitted to be taken by our stockholders at an annual meeting or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a written consent is signed by the holders of our outstanding shares of common stock representing not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all outstanding shares of common stock entitled to vote thereon, and at such time as the ML Related Parties, directly or indirectly, beneficially own in the aggregate, less than 27.5% of all of the outstanding common units of CWGS, LLC, any action required or permitted to be taken by our stockholders at an annual meeting or special meeting of stockholders may not be taken by written consent in lieu of a meeting;

- our amended and restated certificate of incorporation may be amended or repealed by the affirmative vote of a majority of the votes which all our stockholders would be eligible to cast in an election of directors and our amended and restated bylaws may be amended or repealed by a majority vote of our Board of Directors or by the affirmative vote of a majority of the votes which all our stockholders would be eligible to cast in an election of directors, and at such time as the ML Related Parties, directly or indirectly, beneficially own in the aggregate, less than 27.5% of all of the outstanding common units of CWGS, LLC, our amended and restated certificate of incorporation and our amended and restated bylaws may be amended or repealed by the affirmative vote of the holders of at least $66^2/_3$% of the votes which all our stockholders would be entitled to cast in any annual election of directors and our amended and restated bylaws may also be amended or repealed by a majority vote of our Board of Directors;

- we require advance notice for stockholder proposals and nominations; and

- we have opted out of Section 203 of the Delaware General Corporation Law of the State of Delaware (the "DGCL"), however, our amended and restated certificate of incorporation contains provisions that are similar to Section 203 of the DGCL (except with respect to ML Acquisition and Crestview and any of their respective affiliates and any of their respective direct or indirect transferees of Class B common stock).

These provisions could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions you desire, including actions that you may deem advantageous, or negatively affect the trading price of our Class A common stock. In addition, because our Board of Directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team.

Please see "— Risks Relating to Our Organizational Structure — Marcus Lemonis, through his beneficial ownership of our shares directly or indirectly held by ML Acquisition and ML RV Group, has substantial control over us, including over decisions that require the approval of stockholders, and his interests, along with the interests of our other Continuing Equity Owners, in our business may conflict with yours."

Our amended and restated certificate of incorporation provides, subject to certain exceptions, that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders.

Our amended and restated certificate of incorporation provides, subject to limited exceptions, that the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders; (iii) any action asserting a claim against us, any director or our officers or employees arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws; or (iv) any action asserting a claim against us, any director or our officers or employees that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock are deemed to have notice of and to have consented to the provisions of our amended and restated certificate of incorporation described above. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our Class A common stock, which could depress the price of our Class A common stock.

Our amended and restated certificate of incorporation authorizes us to issue one or more series of preferred stock. Our Board of Directors will have the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our Class A common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our Class A common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our Class A common stock.

Material weaknesses in our internal control over financial reporting could have a significant adverse effect on our business and the price of our common stock.

In the past we have identified material weakness in our internal control over financial reporting. In future periods, if additional material weaknesses in our internal control over financial reporting are identified, we may be required to restate our financial statements and could be subject to regulatory scrutiny, a loss of public and investor confidence, and to litigation from investors and stockholders, which could have a material adverse effect on our business and the price of our Class A common stock.

In addition, if we do not maintain adequate financial and management personnel, processes and controls, we may not be able to manage our business effectively or accurately report our financial performance on a timely basis, which could cause a decline in our common stock price and adversely affect our results of operations and financial condition. Failure to comply with the Sarbanes-Oxley Act could potentially subject us to sanctions or investigations by the SEC, the NYSE or other regulatory authorities, which would require additional financial and management resources.

General Risk Factors

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our operating results and financial condition.

We are subject to income taxes in the United States, and our tax liabilities will be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of equity-based compensation;
- costs related to intercompany restructurings; or
- changes in tax laws, regulations or interpretations thereof.

In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal and state authorities. Certain subsidiaries are currently under U.S. federal audit (see Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). Outcomes from these audits could have an adverse effect on our operating results and financial condition.

Our Class A common stock price may be volatile or may decline regardless of our operating performance.

Volatility in the market price of our Class A common stock may prevent you from being able to sell your shares at or above the price you paid for such shares. Many factors, which are outside our control, may cause the market price of our Class A common stock to fluctuate significantly, including those described elsewhere in this "Risk Factors" section and this Form 10-K, as well as the following:

- our operating and financial performance and prospects;
- our quarterly or annual earnings or those of other companies in our industry compared to market expectations;
- conditions that impact demand for our services;
- future announcements concerning our business or our competitors' businesses;
- the public's reaction to our press releases, other public announcements and filings with the SEC;
- the size of our public float;
- coverage by or changes in financial estimates by securities analysts or failure to meet their expectations;
- market and industry perception of our success, or lack thereof, in pursuing our growth strategy;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in laws or regulations which adversely affect our industry or us;

- changes in accounting standards, policies, guidance, interpretations or principles;
- changes in senior management or key personnel;
- issuances, exchanges or sales, or expected issuances, exchanges or sales of our capital stock;
- changes in our dividend policy;
- adverse resolution of new or pending litigation against us; and
- changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events.

If securities analysts do not publish research or reports about our company, or if they issue unfavorable commentary about us or our industry or downgrade our Class A common stock, the price of our Class A common stock could decline.

The trading market for our Class A common stock depends in part on the research and reports that third-party securities analysts publish about our company and our industry. If one or more analysts cease coverage of our company, we could lose visibility in the market. In addition, one or more of these analysts could downgrade our Class A common stock or issue other negative commentary about our company or our industry. As a result of one or more of these factors, the trading price of our Class A common stock could decline.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We typically lease the real properties where we have operations. Our real property leases generally provide for fixed monthly rentals with annual escalation clauses. The table below sets forth certain information concerning our offices and distribution centers as of December 31, 2022, and the lease expiration dates include all stated option periods.

	Square Feet	Acres	Lease Expiration(1)	Owned
Office Facilities:				
Lincolnshire, Illinois (Corporate headquarters and RV and Outdoor Retail headquarters) (2)	33,090		2024	
Englewood, Colorado (Good Sam Services and Plans operations, customer contact and service center and information system functions)	59,704		2054	
Bowling Green, Kentucky (RV and Outdoor Retail administrative and information systems functions)	33,947		2054	
Oxnard, California (Good Sam Services and Plans publishing and administrative)	10,254		2024	
Lakeville, Minnesota (RV and Outdoor Retail administrative and information systems functions)	11,961		2047	
St. Paul, Minnesota (RV and Outdoor Retail administrative and information systems functions)	19,364		2027	
Chicago, Illinois (Administrative and information systems functions)	15,976		2039	
Elkhart, Indiana (RV furniture distributor corporate headquarters)	11,333		2029	
Retail Distribution Centers:				
Bakersfield, California	169,123	13.1	2053	
Lebec, CA	389,160	32.9	2026	
Franklin, Kentucky (3)	250,000	33.0		X
Lebanon, Indiana	707,952	32.3	2040	
St. Paul, Minnesota (Owasso) (4)	100,548	8.1	2027	
Elkhart, Indiana (County Road) (5)	256,652	14.3		X
Elkhart, Indiana (Protecta) (5)	31,900	2.4	2023	
Elkhart, Indiana (Chelsea) (5)	115,991	11.4	2029	

(1) Assumes exercise of applicable lease renewal options.

(2) The Company intends to transition the existing corporate headquarters and RV and Outdoor Retail headquarters before the current lease expires in 2024 to a new Lincolnshire, IL office building. The new location, purchased in October 2022, consists of 42,845 square feet and is located on 3.45 acres.

(3) The Company closed this distribution center in January 2023. The Company expects to subsequently sell or lease the property.

(4) This property in St. Paul, Minnesota functions as the distribution center for the specialty retail products within the RV and Outdoor Retail segment.

(5) These separate properties in Elkhart, Indiana function together as the distribution center for the RV furniture products within the RV and Outdoor Retail segment.

As of December 31, 2022, we had 197 retail locations in 42 states of which we lease 159 locations. These locations generally range in size from approximately 20,000 to 80,000 square feet and are typically situated on approximately 8 to 50 acres. The leases for our retail locations typically have terms of 15 to 20 years, with multiple renewal terms of five years each. These leases are typically “triple net leases” that require us to pay real estate taxes, insurance and maintenance costs.

ITEM 3. LEGAL PROCEEDINGS

For information regarding legal proceedings, refer to Note 13 – Commitments and Contingencies – Litigation of our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

We are also engaged in various other legal actions, claims and proceedings arising in the ordinary course of business, including claims related to employment-related matters, breach of contracts, products liabilities, consumer protection and intellectual property matters resulting from our business activities. We do not believe that the ultimate resolution of such matters will have a material adverse effect on our business, financial condition or results of operations. However, litigation is subject to many uncertainties, and the outcome of certain of such individual litigated matters may not be reasonably predictable and any related damages may not be estimable. Certain of these litigation matters could result in an adverse outcome to us, and any such adverse outcome could have a material adverse effect on our business, financial condition and results of operations.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Information About Our Executive Officers and Directors

The following table provides information regarding the Company's executive officers and directors (ages are as of February 23, 2023):

Name	Age	Position(s)
Marcus A. Lemonis	49	Chairman and Chief Executive Officer
Brent L. Moody	61	President and Director
Karin L. Bell	63	Chief Financial Officer
Matthew D. Wagner	37	Chief Operating Officer
Andris A. Baltins	77	Director
Brian P. Cassidy	49	Director
Mary J. George	72	Director
Michael W. Malone	64	Director
K. Dillon Schickli	69	Director

Set forth below is a description of the background of each of the Company's executive officers and directors.

Marcus A. Lemonis has served as Camping World Holdings, Inc.'s Chairman and Chief Executive Officer and on the Board of Directors of Camping World Holdings, Inc. since March, 2016, as the President and Chief Executive Officer and on the Board of Directors of CWGS, LLC since February 2011, as the Chief Executive Officer and on the Board of Directors of Good Sam Enterprises, LLC since January 2011, as President and Chief Executive Officer and on the Board of Directors of Camping World, Inc. since September 2006, and as the President and Chief Executive Officer and on the Board of Directors of FreedomRoads, LLC since May 1, 2003. Mr. Lemonis received a B.A. from Marquette University. Mr. Lemonis' extensive experience in retail, RV and automotive, business operations and entrepreneurial ventures makes him well qualified to serve on our Board of Directors.

Brent L. Moody has served as President of Camping World Holdings, Inc. and President of CWGS Enterprises, LLC since September 2018, and on the Board of Directors of Camping World Holdings, Inc. since May 2018. Mr. Moody previously served as Camping World Holdings, Inc.'s Chief Operating and Legal Officer from March 2016 to September 2018, as the Chief Operating and Legal Officer of CWGS, LLC and its subsidiaries since January 2016, as the Executive Vice President and Chief Administrative and Legal Officer of CWGS, LLC from February 2011 to December 31, 2015, as the Executive Vice President and Chief Administrative and Legal Officer of Good Sam Enterprises, LLC from January 2011 to December 2015, as the Executive Vice President and Chief Administrative and Legal Officer of FreedomRoads, LLC and Camping World, Inc. from 2010 until December 2015, as Executive Vice President/General Counsel and Business Development of Camping World, Inc. and FreedomRoads, LLC from 2006 to 2010, as Senior Vice President/General Counsel and Business Development of Camping World, Inc. and Good Sam Enterprises, LLC from 2004 to 2006 and as Vice President and General Counsel of Camping World, Inc. from 2002 to 2004. From 1998 to 2002, Mr. Moody was a shareholder of the law firm of Greenberg Traurig, P.A. From 1996 to 1998, Mr. Moody served as vice president and assistant general counsel for Blockbuster, Inc. Mr. Moody received a J.D. from Nova Southeastern University, Shepard Broad Law Center and a B.S. from Western Kentucky University. Mr. Moody's extensive legal experience, his experience in various areas of complex business transactions and mergers and acquisitions, and his extensive knowledge of the Company's operations make him well qualified to serve on our Board of Directors.

Karin L. Bell has served as the Camping World Holdings, Inc. Chief Financial Officer since July 2020. Ms. Bell's career with the Company started in May 2003 as the Chief Accounting Officer and Secretary/Treasurer for FreedomRoads, LLC ("FreedomRoads"), an indirect subsidiary of the Company, and Ms. Bell became FreedomRoad's Chief Financial Officer and Secretary/Treasurer in December 2018. Prior to her current role, Ms. Bell served as the Company's Chief Accounting Officer from September 2019 to June 2020. Ms. Bell was one of the first employees of FreedomRoads along with the Company's CEO and Chairman, Marcus Lemonis. Prior to joining FreedomRoads, Ms. Bell was the Senior Vice President and Treasurer of First Security Holding LP, a niche market commercial mortgage conduit lender that also provided investor reporting services for the structured finance industry, from 1992 to 1998. Ms. Bell has also held positions with Laventhol & Horwath and Altschuler, Melvoin & Glasser, both public accounting firms, from 1982 through 1992. Ms. Bell received a B.S. in Accountancy from the University of Illinois in Champaign-Urbana in 1982.

Matthew D. Wagner has served as Camping World Holdings, Inc.'s Chief Operating Officer since January 2023. Mr. Wagner previously served as Executive Vice President from August 2019 to December 2022, Senior Vice President, Sales, Marketing, and Corporate Development, from December 2018 to August 2019, and the Vice President of Inventory Operations for FreedomRoads, LLC from May 2016 to December 2018. Mr. Wagner joined the Company in 2007 as an inventory analyst. Mr. Wagner received a B.S. degree in Finance and Operations and Supply Chain from Marquette University.

Andris A. Baltins has served on the Board of Directors of Camping World Holdings, Inc. since March 2016, on the Board of Directors of CWGS, LLC since February 2011 and on the Board of Directors of Good Sam Enterprises, LLC since February 2006. He has been a member of the law firm of Kaplan, Strangis and Kaplan, P.A. since 1979. Mr. Baltins serves as a director of various private and nonprofit corporations, including Adams Outdoor Advertising, Inc. Mr. Baltins previously served as a director of Polaris Industries, Inc. from 1995 until 2011. Mr. Baltins received a J.D. from the University of Minnesota Law School and a B.A. from Yale University. Mr. Baltins' over 40-year legal career as an advisor to numerous public and private companies and his experience in the areas of complex business transactions, mergers and acquisitions and corporate law make him well qualified to serve on our Board of Directors.

Brian P. Cassidy has served on the Board of Directors of Camping World Holdings, Inc. since March 2016 and on the Board of Directors of CWGS, LLC since March 2011. Mr. Cassidy is co-president and a partner at Crestview, which he joined in 2004, and currently serves as head of Crestview's media and communications strategy. Mr. Cassidy currently serves as a director of WideOpenWest, Inc., since December 2015, and Viad Corp., since August 2020, and has served as a director of various private companies, including Hornblower Holdings since April 2018, Congruex LLC since November 2017, FC3 since November 2020, Digicomm since August 2020 and as chairman of TenCate Grass since September 2021. Mr. Cassidy previously served as a director of Cumulus Media, Inc., a public company, from May 2014 until March 2017, and served as a director of various private companies, including Industrial Media from October 2016 to February 2022, ICM Partners from December 2019 to June 2022, NEP Group, Inc. from December 2012 to October 2018, Interoute Communications Holdings from April 2015 until May 2018, OneLink Communications from May 2007 until November 2012 and ValueOptions, Inc. from December 2007 until December 2014. He was also involved with Crestview's investments in Charter Communications, Inc. and Insight Communications, Inc. Prior to joining Crestview, Mr. Cassidy worked in private equity at Boston Ventures, where he invested in companies in the media and communications, entertainment and business services industries. Previously, he worked as the acting chief financial officer of one of Boston Ventures' portfolio companies. Prior to that time, Mr. Cassidy was an investment banking analyst at Alex. Brown & Sons, where he completed a range of financing and mergers and acquisitions assignments for companies in the consumer and business services sectors. Mr. Cassidy received an M.B.A. from the Stanford Graduate School of Business and an A.B. in Physics from Harvard College. Mr. Cassidy's private equity investment and company oversight experience and background with respect to acquisitions, debt financings and equity financings make him well qualified to serve on our Board of Directors.

Mary J. George has served on the Board of Directors of Camping World Holdings, Inc. since January 2017. Ms. George has also served on the board of ASP Conair Holdings LP, owner of Conair Corporation, a private company that sells small appliances, personal care, and health and beauty products, since January 2022 and on the board of Hyduro, Inc., a private company that sells a mobile connected smart water bottle cap designed to optimize personal hydration by providing timely feedback, since March 2022. Additionally, Ms. George served as executive chairman of Ju-Ju-Be, a private retailer of premium diaper bags and other baby products, from January 2018 to September 2022. Ms. George has been a founding partner of Morningstar Capital Investments, LLC, an investment firm, since 2001. Ms. George served as chief executive officer and a director at Easton Hockey Holdings Inc., a private manufacturer of ice hockey equipment, from August 2014 to December 2016. From 2002 to 2015, Ms. George held various positions, including co-chairman (2002 to 2009) and vice chairman (2009 to 2015), at Bell Automotive Products, Inc., a private manufacturer of automotive accessories. From 1994 to 2004, Ms. George held various positions, including chief operating officer (1995 to 1998), chief executive officer (1998 to 2000), and chairman (2000 to 2004), at Bell Sports Inc., a formerly public helmet manufacturer. Ms. George also currently serves or previously served as a director of various public and private companies, including Image Entertainment, Inc., a formerly public independent distributor of home entertainment programming, from 2010 to 2012, Oakley, Inc., a public sports equipment and lifestyle accessories manufacturer, from 2004 to 2007, BRG Sports Inc. since 2013, 3 Day Blinds Inc. from 2007 to 2015, and Oreck Corporation from 2008 to 2012. Ms. George's experience in sales, marketing and general management in the consumer products industry, as well as success in the development of internationally renowned branded products, provides our Board of Directors with greater insight in the areas of product branding and strategic growth in the consumer products industry, and make her well-qualified to serve on our Board of Directors.

Michael W. Malone has served on the Board of Directors of Camping World Holdings, Inc. since May 2019. Mr. Malone was Vice President, Finance and Chief Financial Officer of Polaris Industries Inc. ("Polaris"), a manufacturer of power sports vehicles, from January 1997 to July 2015 and retired from Polaris in March 2016. From January 1997 to January 2010, Mr. Malone also served as Corporate Secretary. Mr. Malone was Vice President and Treasurer of Polaris from December 1994 to January 1997 and was Chief Financial Officer and Treasurer of a predecessor company of Polaris from January 1993 to December 1994. Mr. Malone joined Polaris in 1984 after four years with Arthur Andersen LLP. Mr. Malone has served on the board and on the Audit (chair), Finance and Nominating and Governance Committees of Armstrong Flooring, Inc., a formerly public company, since October 2016 as well as the boards of various nonprofit organizations. Mr. Malone has served on the board of Don Stevens, LLC, a private company, since May 2021. Mr. Malone previously served on the board of Stevens Equipment Supply LLC, a private company, from May 2011 until October 2020. Mr. Malone received a B.A. in accounting and business administration from St. John's University (Collegeville, Minnesota). Mr. Malone's experiences as the former Chief Financial Officer of a public company, his public company board experience, and his in-depth knowledge of the outdoor lifestyle industry make him well qualified to serve on our Board of Directors.

K. Dillon Schickli has served on the Board of Directors of Camping World Holdings, Inc. since March 2016 and on the Board of Directors of CWGS, LLC since August 2011. Mr. Schickli previously served on the Board of Directors of CWGS, LLC from 1990 until 1995 and was chief operating officer of Affinity Group, Inc., the predecessor of Good Sam Enterprises, LLC, from 1993 until 1995. Previously, Mr. Schickli was a co-investor with Crestview in DS Waters Group, Inc. (“DS Waters”) and served as vice chairman of its Board of Directors until it was sold to Cott Corporation in December 2014. Prior to that time, Mr. Schickli was the chief executive officer of DS Waters from June 2010 until February 2013 and subsequently led the buyout of the business by Crestview. Mr. Schickli also previously led the buyout of DS Waters from Danone Group & Suntory Ltd. in November 2005 and was also a co investor in DS Waters with Kelso & Company. Mr. Schickli served as co-chief executive officer and chief financial officer of DS Waters from November 2005 until June 2010, when he became the sole chief executive officer. Mr. Schickli started his business career in the capital planning and acquisitions group of the Pepsi Cola Company after he received his M.B.A. from the University of Chicago. Mr. Schickli received a B.A. from Carleton College in 1975. Mr. Schickli’s long association with, and knowledge of, the Company, extensive experience serving as a director of other businesses, operating experience as a chief executive officer and chief financial officer, and his experience as a private equity investor with respect to acquisitions, debt financings, equity and financings make him well qualified to serve on our Board of Directors.

PART II

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

Market Information

Our Class A common stock is traded on the New York Stock Exchange under the symbol “CWH.” There is no public trading market for our Class B common stock and Class C common stock.

Holders of Record

As of February 10, 2023, there were five and 75,088 stockholders of record and beneficial holders, respectively, of our Class A common stock. As of February 10, 2023, there were two and one stockholders of record of our Class B common stock and Class C common stock, respectively.

Dividend Policy

On February 18, 2022, our Board of Directors approved an increase of the regular quarterly cash dividend on our Class A common stock to $0.625 per share from $0.50 per share, which is funded with a $0.15 per common unit cash distribution from CWGS, LLC and the remainder is funded with all or a portion of the Excess Tax Distribution (as defined below). Prior to February 18, 2022, our quarterly cash dividend on our

Class A common stock was raised in several incremental steps from our first cash dividend of $0.08 per share on December 20, 2016. Also, prior to 2021, the portion of our cash dividend relating to all or a portion of the Excess Tax Distribution was referred to as a special dividend. CWGS, LLC is required to make cash distributions in accordance with the CWGS LLC Agreement in an amount sufficient for us to pay any expenses incurred by us in connection with the regular quarterly cash dividend, along with any of our other operating expenses and other obligations. Holders of our Class B common stock and Class C common stock are not entitled to participate in any dividends declared by our Board of Directors. We believe that our cash and cash equivalents and cash provided by operating activities will be sufficient for CWGS, LLC to make this regular quarterly cash distribution for at least the next twelve months.

In addition, the CWGS LLC Agreement requires pro rata tax distributions to be made by CWGS, LLC to its members, including us. In general, tax distributions are made on a quarterly basis, to each member of CWGS, LLC, including us, based on such member's allocable share of the taxable income of CWGS, LLC (which, in our case, will be determined without regard to any Basis Adjustments described in our Tax Receivable Agreement) and an assumed tax rate based on the highest combined federal, state, and local tax rate that may potentially apply to any one of CWGS, LLC's members (46.70% in 2022, 2021 and 2020), regardless of the actual final tax liability of any such member. Typically, based on the current applicable effective tax rates, we expect that (i) the assumed tax rate that will be used for purposes of determining tax distributions from CWGS, LLC will exceed our actual combined federal, state and local tax rate (assuming no changes in corporate tax rates) and (ii) the annual amount of tax distributions paid to us will exceed the sum of (A) our actual annual tax liability and (B) the annual amount payable by us under the Tax Receivable Agreement (assuming no early termination of the Tax Receivable Agreement) (such excess in clauses (A) and (B), collectively referred to herein as the "Excess Tax Distribution").

In 2023, as a result of the conversion of certain subsidiaries, including Camping World, Inc., from Subchapter C corporations to limited liability companies (the “LLC Conversion”) (see Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K), which will generate significant capital losses in 2023 that will be allocated to each member of CWGS, LLC, it is expected that we will not receive any Excess Tax Distribution in 2023. These significant capital losses relate to the LLC Conversion itself and not the ongoing benefits that we expect from offsetting losses generated by these converted subsidiaries against income from other subsidiaries of CWGS, LLC. However, even with no Excess Tax Distribution in 2023, we expect to have the ability to continue to pay the regular quarterly cash dividend on our Class A common stock of $0.625 per share during 2023, which is subject to the discretion of our Board of Directors.

Our ability to pay cash dividends on our Class A common stock depends on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, restrictions under applicable law, the extent to which such distributions would render CWGS, LLC insolvent, our business prospects and other factors that our Board of Directors may deem relevant. Additionally, our ability to distribute any Excess Tax Distribution will also be contingent on no early termination or amendment of the Tax Receivable Agreement, as well as the amount of tax distributions actually paid to us, which will be affected by the LLC Conversion, and our actual tax liability. Furthermore, because we are a holding company, our ability to pay cash dividends on our Class A common stock depends on our receipt of cash distributions from CWGS, LLC and, through CWGS, LLC, cash distributions and dividends from its operating subsidiaries, which may further restrict our ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness we or our subsidiaries incur. In particular, our ability to pay any cash dividends on our Class A common stock is limited by restrictions on the ability of CWGS, LLC and our other subsidiaries and us to pay dividends or make distributions to us under the terms of our Senior Secured Credit Facilities and Floor Plan Facility. We do not currently believe that the restrictions contained in our existing indebtedness will impair the ability of CWGS, LLC to make the distributions or pay the dividends as described above. Our dividend policy has certain risks and limitations, particularly with respect to liquidity, and we may not pay future dividends according to our policy, or at all. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and "Risk Factors—Risks Relating to Ownership of Our Class A Common Stock—Our ability to pay regular and special dividends on our Class A common stock is subject to the discretion of our Board of Directors and may be limited by our structure and statutory restrictions” in this Form 10-K.

Issuer Purchases of Equity Securities

The following table presents information related to our repurchases of Class A common stock for the periods indicated:

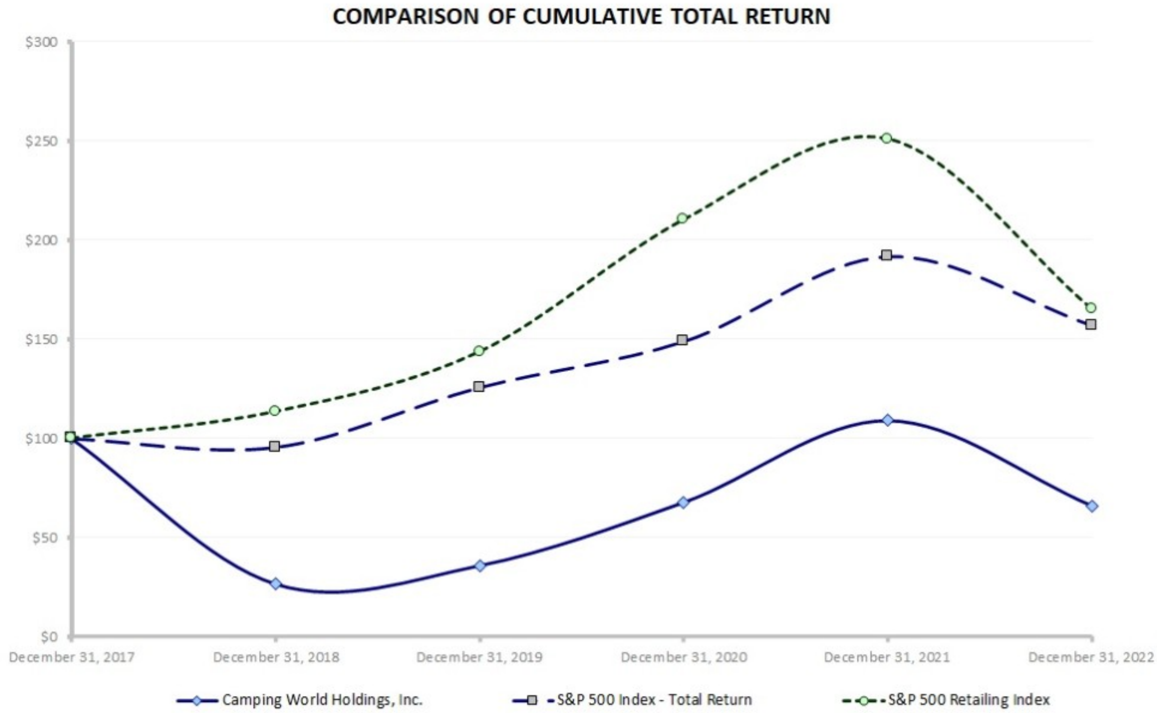
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs[(1)]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs[(1)]
October 1, 2022 to October 31, 2022	—	$—	—	$120,166,000
November 1, 2022 to November 30, 2022	—	—	—	120,166,000
December 1, 2022 to December 31, 2022	—	—	—	120,166,000
Total	—	$—	—	$120,166,000

(1) On October 30, 2020, our Board of Directors authorized a stock repurchase program for the repurchase of up to $100.0 million of the Company's Class A common stock, expiring on October 31, 2022. In August 2021 and January 2022, our Board of Directors authorized increases to the stock repurchase program for the repurchase of up to an additional $125.0 million and $152.7 million of the Company's Class A common stock, respectively. Following these extensions, the stock repurchase program now expires on December 31, 2025. This program does not obligate the Company to acquire any particular amount of Class A common stock and the program may be extended, modified, suspended or discontinued at any time at the board's discretion.

The table above excludes shares net settled by the Company in connection with tax withholdings associated with the vesting of restricted stock units as these shares were not issued and outstanding.

Stock Performance Graph

The following graph and table illustrate the total return for the five years ended December 31, 2022 for (i) our Class A common stock, (ii) the Standard and Poor's ("S&P") 500 Index, and (iii) the S&P 500 Retailing Index. The comparisons reflected in the graph and table are not intended to forecast the future performance of our stock and may not be indicative of future performance. The graph and table assume that $100 was invested on December 31, 2017 in each of our Class A common stock, the S&P 500 Index, and S&P 500 Retailing Index and that any dividends were reinvested.



	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Camping World Holdings, Inc. Class A common stock	$ 100.00	$ 26.40	$ 35.74	$ 67.72	$ 109.04	$ 65.96
S&P 500 Index	$ 100.00	$ 95.62	$ 125.72	$ 148.85	$ 191.58	$ 156.88
S&P 500 Retailing Index	$ 100.00	$ 113.46	$ 143.72	$ 210.44	$ 251.08	$ 165.00

Source: Zacks Investment Research, Inc. Used with permission. All rights reserved Copyright 1980-2023.
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Recent Sales of Unregistered Securities

None.

ITEM 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of operations should be read together with our Consolidated Financial Statements and related notes included in Part II, Item 8 of this Form 10-K. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these *forward-looking statements as a result of various important factors, including those set forth under "Risk Factors" included in Part I, Item 1A of this Form 10-K, the "Cautionary Note Regarding Forward-Looking Statements" and in other parts of this Form 10-K. Except to the extent that differences among reportable segments are material to an understanding of our business taken as a whole, we present the discussion in Management's Discussion and Analysis of Financial Condition and Results of Operations on a consolidated basis.*

For purposes of this Form 10-K, we define an "Active Customer" as a customer who has transacted with us in any of the eight most recently completed fiscal quarters prior to the date of measurement. Unless otherwise indicated, the date of measurement is December 31, 2022, our most recently completed fiscal quarter.

In this Item 7, we discuss the results of operations for the years ended December 31, 2022 and 2021 and comparisons of the year ended December 31, 2022 to the year ended December 31, 2021. Discussions of the results of operations for the year ended December 31, 2020 and comparisons of the year ended December 31, 2021 to the year ended December 31, 2020 can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission ("SEC") on February 24, 2022.

Overview

Camping World Holdings, Inc. (together with its subsidiaries) is America's largest retailer of recreational RVs and related products and services. Our vision is to build a long-term legacy business that makes RVing fun and easy, and our Camping World and Good Sam brands have been serving RV consumers since 1966. We strive to build long-term value for our customers, employees, and shareholders by combining a unique and comprehensive assortment of RV products and services with a national network of RV dealerships, service centers and customer support centers along with the industry's most extensive online presence and a highly-trained and knowledgeable team of associates serving our customers, the RV lifestyle, and the communities in which we operate. We also believe that our Good Sam organization and family of programs and services uniquely enables us to connect with our customers as stewards of the RV lifestyle. On December 31, 2022, we operated a total of 197 retail locations, with 196 of these selling and/or servicing RVs. See Note 1 — Summary of Significant Accounting Policies — Description of the Business to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

A summary of the changes in quantities and types of retail stores and changes in same stores from December 31, 2021 to December 31, 2022, are in the table below:

	RV Dealerships	RV Service & Retail Centers	Other Retail Stores	Total	Same Store[2]
Number of store locations as of December 31, 2021	175	10	2	187	158
Opened	13	1	—	14	—
Re-opened	1	—	—	1	—
Converted [1]	1	(1)	—	—	—
Temporarily closed	—	(1)	—	(1)	(1)
Closed [1]	(1)	(2)	(1)	(4)	(2)
Achieved designation of same store [2]	—	—	—	—	11
Number of store locations as of December 31, 2022	189	7	1	197	166

(1) One RV dealership was converted to a retail clearance center, which was subsequently closed.
(2) Our same store revenue and units calculations for a given period include only those stores that were open both at the end of the corresponding period and at the beginning of the preceding fiscal year.

We executed a limited rollout of our online RV sales process on our RVs.com domain in one state during the quarter ended June 30, 2022. We plan to expand RVs.com to additional markets after implementing enhancements, with limited additional investment, based on data gathered during the test rollout.

Segments

We operate two reportable segments: (i) Good Sam Services and Plans, and (ii) RV and Outdoor Retail. We identify our reporting segments based on the organizational units used by management to monitor performance and make operating decisions. See Note 1 — Summary of Significant Accounting Policies — Description of the Business and Note 22 — Segment Information to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for further information regarding our reportable segments.

The following table presents percentages of total revenue and total gross profit for our two reportable segments:

	Year Ended December 31,		
	2022	2021	2020
As percentage of total revenue:			
Good Sam Services and Plans	2.8%	2.6%	3.3%
RV and Outdoor Retail	97.2%	97.4%	96.7%
As percentage of total gross profit[1]:			
Good Sam Services and Plans	5.3%	4.4%	6.4%
RV and Outdoor Retail	94.7%	95.6%	93.6%

(1) Gross profit is presented exclusive of depreciation and amortization, which is presented separately in operating expenses.

COVID-19

As discussed in Note 1 — Summary of Significant Accounting Policies — COVID-19 to our consolidated financial statements included in Part II, Item 8 of this Form 10-K, the COVID-19 pandemic has had a primarily favorable impact on our business beginning in May 2020.

Within a few months of the initial significant outbreaks of COVID-19 in the U.S., we experienced elevated demand for RVs and many of our related products and services. We believe that consumers view RVs as a safer alternative to many other travel and recreational activities, in addition to an opportunity to enjoy the outdoors after many consumers spent much of their time at home during portions of the pandemic. We believe this has led to an introduction of many new customers to the RV lifestyle and a greater appreciation of outdoor activities. For much of the COVID-19 pandemic, demand and interest in new and used vehicles outpaced vehicle supply. Beginning in September 2021, we were able to procure more new vehicles from our suppliers than were sold and new towables inventory levels, in particular, normalized in early 2022. As other modes of transportation and vacation options have mostly recovered from the impact of COVID-19, the increased demand for our products has dropped from the peak levels experienced in recent years.

Historically, most of our consumer shows and events took place during the first quarter. As a consequence of COVID-19, we held fewer consumer shows in 2021 and 2022. Moving forward, we have shifted our consumer show strategy to focus on shows that support our own Camping World dealerships as opposed to hosting other competing dealerships. We expect to annually host fewer than five ticketed in-person consumer shows under the Good Sam brand in future years. We do not expect consumer shows to be material to our consolidated financial statements. We have also held several of our virtual RV Show events, branded “the Ultimate RV Show”, beginning in 2020 and the Ultimate RV Show has evolved to be a multi-channel experience that is both online and in store locations.

Cybersecurity Incident

We rely on the integrity, security and successful functioning of our information technology systems and network infrastructure (collectively, “IT Systems”) across our operations. In February 2022, we announced the occurrence of a cybersecurity incident that resulted in the encryption of certain IT Systems and theft of certain data and information (the “Cybersecurity Incident”). The Cybersecurity Incident resulted in our temporary inability to access certain of our IT Systems, caused by the disabling of some of our IT Systems by the threat actor and our temporarily taking certain other IT Systems offline as a precautionary measure. We engaged leading outside forensics and cybersecurity experts, launched containment and remediation efforts and a forensic investigation, which was completed as of September 30, 2022. We are continuing to take measures to enhance our IT Systems. Through our investigation, we identified that personal information of approximately 30,000 individuals was acquired without authorization, including, depending on the individual, dates of birth, Social Security numbers, and driver’s license numbers. We complied with notification obligations in accordance with relevant law and are continuing to cooperate with law enforcement.

We have incurred costs related to investigation, containment, and remediation and expect to continue to incur incremental costs for the remediation of the Cybersecurity Incident, including legal and other professional fees, and investments to enhance the security of our IT Systems. Other actual and potential consequences include, but are not limited to, negative publicity, reputational damage, lost trust with customers, and regulatory enforcement action. In December 2022, three putative class action complaints were filed against us and certain of our subsidiaries arising out of the Cybersecurity Incident. This litigation could result in financial judgments or the payment of settlement amounts and disputes with insurance carriers concerning coverage. We do not expect that the Cybersecurity Incident will cause future disruptions to our business or that the Cybersecurity Incident, including anticipated costs associated with pending litigation, will have a future material impact on our business, results of operations or financial condition.

Key Performance Indicators

We evaluate the results of our overall business based on a variety of factors, including the number of Active Customers and Good Sam members, revenue and same store revenue, vehicle units, and same store vehicle units, gross profit and gross profit per vehicle sold, gross margin, finance and insurance per vehicle (“PV”), vehicle inventory turnover, and Adjusted EBITDA and Adjusted EBITDA margin.

Same store revenue. Same store revenue measures the performance of a retail location during the current reporting period against the performance of the same retail location in the corresponding period of the previous year. Our same store revenue calculations for a given period include only those stores that were open both at the end of the corresponding period and at the beginning of the preceding fiscal year. As of December 31, 2022, 2021, and 2020, we had a base of 166, 158, and 142 same stores, respectively. For the years ended December 31, 2022, 2021 and 2020, our aggregate same store revenue was $5.9 billion, $5.8 billion, and $4.5 billion, respectively. With same store revenue driven by the number of transactions and the average transaction price, changes in our mix of new vehicle sales has in the past negatively impacted, and in the future is likely to negatively impact, our new vehicle same store revenue. Over the past several years, we have seen a shift in our overall mix of new RV sales towards travel trailer vehicles, which tend to carry lower average selling prices than other classes of new RV vehicles. From 2015 to 2022, total new vehicle travel trailer units have increased from 62% to 76% of total new vehicle unit sales but from 2015 to 2022 our average selling price of a new vehicle unit had increased from $39,853 to $45,834. Due to lower industry supply of travel trailers and motorhomes during much of 2020 and 2021, both average cost and average sales price have increased. If supply chain costs decline over the next twelve months, average sales price may again decline and impact our same store revenue.

Gross Profit and Gross Margins. Gross profit is our total revenue less our total costs applicable to revenue. Our total costs applicable to revenue primarily consists of the cost of goods and cost of sales, exclusive of depreciation and amortization. Gross margin is gross profit as a percentage of revenue.

Our gross profit is variable in nature and generally follows changes in our revenue. Sales of new vehicles generally result in a lower gross margin than other areas of our business, including used vehicles, repair service and installation work, RV equipment and accessories, outdoor equipment and accessories and finance and insurance products. While gross margins for our RV and Outdoor Retail segment are lower than gross margins for our Good Sam Services and Plans, this segment generates significant gross profit and is our primary means of acquiring new customers, to whom we then cross sell our higher margin products and services with recurring revenue. We believe the overall growth of our RV and Outdoor Retail segments will allow us to continue to drive growth in gross profit due to our ability to cross sell our Good Sam Services and Plans to our Active Customer base. Gross margin in our RV and Outdoor Retail segment was positively impacted in 2020, 2021 and, to a lesser extent, 2022 by increased demand for vehicles and reduced supply leading to higher average prices per unit. However, gross margins in 2022 were negatively impacted by the higher cost of new vehicles that was driven largely from the reduced supply of new vehicles during much of 2021.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin are some of the primary metrics management uses to evaluate the financial performance of our business. Adjusted EBITDA and Adjusted EBITDA Margin are also frequently used by analysts, investors, and other interested parties to evaluate companies in our industry. Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP metrics. We use Adjusted EBITDA and Adjusted EBITDA Margin to supplement GAAP measures of performance as follows:

- as a measurement of operating performance to assist us in comparing the operating performance of our business on a consistent basis, and remove the impact of items not directly resulting from our core operations;
- for planning purposes, including the preparation of our internal annual operating budget and financial projections; and
- to evaluate the performance and effectiveness of our operational strategies.

For the definitions of Adjusted EBITDA and Adjusted EBITDA Margin, a reconciliation of Adjusted EBITDA to net income, a reconciliation of Adjusted EBITDA Margin to net income margin, and a further discussion of how we utilize these non-GAAP financial measures and their limitations, see “Non-GAAP Financial Measures” below.

Industry Trends

According to the RV Industry Association’s survey of manufacturers, wholesale shipments of recreational vehicles for 2021 were 600,240 units, a new record for RV shipments for any year. Shipments for the year ended December 31, 2021 increased 39.5% over the year ended December 31, 2020 and surpassed 2017, the previous record year, by 19.0%. Wholesale shipments for 2022 were 493,268 units, 17.8% less than the comparable period in 2021, the all-time record year for shipments, but were still the third best year on record.

Thor Industries, our largest supplier of RVs, disclosed in its Form 10-Q for the three months ended October 31, 2022 as filed with the Securities and Exchange Commission on December 7, 2022 that its North American RV order backlog as of October 31, 2022 had declined 70% compared to October 31, 2021. Thor Industries also disclosed that it believes that as of October 31, 2022, the North American RV independent dealer inventory levels were at historical, normalized levels for most of its towable products and generally below historical levels for its motorized products.

The per unit cost of new vehicles has been significantly higher than we experienced prior to the COVID-19 pandemic, which was largely driven by the RV manufacturers' supply constraints described above and the strong demand for new vehicles, as well as the impact of higher inflation and interest rates. These higher costs have been partially mitigated by the higher average selling prices on new vehicles, but we experienced a decrease in new vehicle gross margins during the year ended December 31, 2022 as a result of these higher costs. We expect average selling prices may decrease over time as industry-wide supply continues to normalize, which would continue to reduce new vehicle gross margins. We will continue to evaluate supplier pricing, among other criteria, as part of our vehicle procurement process.

Inflation

In 2022, we experienced the impact of inflation on our operations, particularly with the increased cost of new vehicles. The price risk relating to new vehicles includes the cost from the manufacturer, as well as freight and logistics costs. Each of these costs have been impacted, to differing degrees, by factors such as high demand for product, supply chain disruptions, labor shortages, and increased fuel costs, some of which were caused, in part, by the COVID-19 pandemic. We expect these cost pressures to continue into 2023.

Inflationary factors, such as increases to our product and overhead costs, may adversely affect our operating results if the selling prices of our products and services do not increase proportionately with those increased costs or if demand for our products and services declines as a result of price increases to address inflationary costs. We finance substantially all of our new vehicle inventory and certain of our used vehicle inventory through revolving floor plan arrangements. Inflationary increases in the costs of new and/or used vehicles financed through the revolving floor plan arrangement result in an increase in the outstanding principal balance of the revolving floor plan arrangement. Additionally, our leases require us to pay taxes, maintenance, repairs, insurance and utilities, all of which are generally subject to inflationary increases. Further, the cost of remodeling acquired retail locations and constructing new retail locations is subject to inflationary increases in the costs of labor and material, which results in higher rent expense on new retail locations. Finally, our credit agreements include interest rates that vary based on various benchmarks. Such rates have historically increased during periods of increasing inflation.

2019 Strategic Shift

In 2019, we made a strategic decision to refocus our business around our core RV competencies. During the year ended December 31, 2021, we completed our analysis of our retail product offerings that are not RV related as part of the 2019 Strategic Shift. The information available at the inception of the 2019 Strategic Shift relating to these product categories was incomplete based on the relative immaturity of the locations offering these products and was further delayed by the impact of COVID-19 on consumer buying behavior (see "COVID-19" discussion in this Form 10-K). During the year ended December 31, 2021, we recorded $15.0 million of incremental reserve charges relating to product categories that are not RV related.

As of December 31, 2022, the activities under the 2019 Strategic Shift have been completed with the exception of certain lease termination costs and other associated costs relating to the leases of previously closed locations under the 2019 Strategic Shift. The process of identifying subtenants and negotiating lease terminations had been delayed in part due to the COVID-19 pandemic and is expected to continue. The timing of these negotiations will vary as both subleases and terminations are contingent on landlord approvals and the costs may be greater than expected. We expect to incur lease termination costs and other associated costs of $4.4 million to $15.9 million during 2023 relating to these leases on previously closed locations under the 2019 Strategic Shift. Any restructuring costs, other than lease termination costs, relating to the 2019 Strategic Shift recognized after December 31, 2022 will not be included as an adjustment to our Non-GAAP Financial Measures (as defined in "Non-GAAP Financial Measures" in Part II, Item 7 of this Form 10-K). See Note 5 —

Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

The following table details the costs incurred associated with the 2019 Strategic Shift (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Restructuring costs:			
One-time termination benefits(1)	$ —	$ —	$ 231
Lease termination costs(2)	1,316	1,431	4,432
Incremental inventory reserve charges(3)	—	15,017	543
Other associated costs(4)	7,026	10,684	16,835
Total restructuring costs	$ 8,342	$ 27,132	$ 22,041

(1) These costs incurred in 2020 were primarily included in costs applicable to revenues – products, service and other in the consolidated statements of operations.

(2) These costs were included in lease termination charges in the consolidated statements of operations. This reflects termination fees paid, net of any gain from derecognition of the related operating lease assets and liabilities.

(3) These costs were included in costs applicable to revenue – products, service and other in the consolidated statements of operations.

(4) Other associated costs primarily represent labor, lease, and other operating expenses incurred during the post-close wind-down period for the locations related to the 2019 Strategic Shift. For the years ended December 31, 2022, 2021 and 2020, costs of approximately $0 million, $0 million and $0.4 million, respectively, were included in costs applicable to revenue – products, service and other, and $7.0 million, $10.7 million and $16.4 million, respectively, were included in selling, general, and administrative expenses in the consolidated statements of operations.

Comparison of Certain Trends to Pre-COVID-19 Pandemic Periods

Beginning in the fourth quarter of 2021 and continuing through the fourth quarter of 2022, the Company has experienced sequential decreases in new vehicle gross margin, primarily from the higher cost of new vehicles from the lower industry supply of travel trailers and motorhomes for much of 2021. However, fourth quarter 2022 gross margins were higher than the Company experienced in any of the pre-COVID-19 pandemic periods of 2016 to 2019, which we believe are more typical demand environments than during the COVID-19 pandemic.

Additionally, the percentage of total unit sales relating to used vehicles was significantly higher in the fourth quarter of 2022 compared to the pre-COVID-19 pandemic periods of 2016 to 2019. The Company is continuing to execute on its used vehicle strategy, which differentiates it from the competition with proprietary tools, such as the RV Valuator, focus on the development and retention of its service technician team, and investment in its service bay infrastructure.

The following table presents vehicle gross margin and unit sale mix for the three months ended December 31, 2022 and pre-COVID-19 pandemic periods of the three months ended December 31, 2019, 2018, 2017, and 2016:

	Three Months Ended December 31,				
	2022	2019(1)	2018(1)	2017(1)	2016(1)
Gross margin					
New vehicles	**16.0%**	13.1%	11.8%	14.1%	13.4%
Used vehicles	**23.0%**	19.8%	21.4%	22.0%	21.6%
Unit sales mix					
New vehicles	**50.1%**	57.3%	63.4%	66.3%	60.0%
Used vehicles	**49.9%**	42.7%	36.6%	33.7%	40.0%

(1) These periods were prior to the COVID-19 Pandemic.

Cost Reduction Initiatives in Fourth Quarter of 2022

During the fourth quarter of 2022, we began implementing a series of cost reduction initiatives, which included reduced headcount in the fourth quarter and the elimination or reduction of underperforming assets, locations, and business lines. During the year ending December 31, 2023, the headcount reductions are expected to result in cost savings which will largely be offset by other increases in wages and benefits. During the year ending December 31, 2023, the other cost reduction initiatives are expected to result in cost savings of between $30.0 million and $35.0 million, primarily as components of selling, general and administrative costs. These other cost reduction amounts do not include offsets for additional expenditures for other initiatives in 2023, which we currently do not believe will be material. Costs incurred to implement these cost reduction measures have not been, and are not expected to be, material. While many of these cost reduction measures were completed during the fourth quarter of 2022, most of the remaining cost reduction measures will be completed by the end of the first half of 2023.

Our Corporate Structure Impact on Income Taxes

Our corporate structure is commonly referred to as an “Up-C” structure and typically results in a different relationship between income before income taxes and income tax expense than would be experienced by most public companies with a more traditional corporate structure. More traditional structures are typically comprised predominately of Subchapter C corporations (“C-Corps”) and/or lacking significant non-controlling interests with holdings through limited liability companies or partnerships. Typically, most of our income tax expense is recorded at the CWH level, our public holding company, based on its allocation of taxable income from CWGS, LLC.

More specifically, as discussed in Note 11 — Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K, CWH is organized as a C-Corp and, as of December 31, 2022, is a 50.2% owner of CWGS, LLC (see Note 18 — Stockholders’ Equity and Note 19 — Non-Controlling Interests to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). CWGS, LLC is organized as a limited liability company and treated as a partnership for U.S. federal and most applicable state and local income tax purposes and, as such is generally not subject to any U.S. federal entity-level income taxes (“Pass-Through”), with the exception of Americas Road and Travel Club, Inc., Camping World, Inc. (“CW”) (prior to the conversion of CW and certain other subsidiaries to limited liability companies (the “LLC Conversion”) (see Note 11 — Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K)), and FreedomRoads RV, Inc. and their wholly-owned subsidiaries, which are C-Corps embedded within the CWGS, LLC structure.

CWH receives an allocation of its share of the net income of CWGS, LLC based on CWH’s weighted-average ownership of CWGS, LLC for the period. CWH recognizes income tax expense on its pre-tax income including its portion of this income allocation from CWGS, LLC primarily relating to Pass-Through entities. The income tax relating to the net income of CWGS, LLC allocated to CWH that relates to separately taxed C-Corp entities is recorded within the consolidated results of CWGS, LLC. No income tax expense is recognized by the Company for the portion of net income of CWGS, LLC allocated to non-controlling interest other than income tax expense recorded by CWGS, LLC. Rather, tax distributions are paid to the non-controlling interest holders, which are recorded as distributions to holders of LLC common units in the consolidated statements of cash flows. CWH is subject to U.S. federal, state and local income taxes with respect to its allocable share of any taxable income of CWGS, LLC and is taxed at the prevailing corporate tax rates. For the years ended December 31, 2022, 2021 and 2020, the Company used effective income tax rate assumptions between 25.0% and 25.5%, for income adjustments applicable to CWH when calculating the adjusted net income attributable to Camping World Holdings, Inc. — basic and diluted (see “Non-GAAP Financial Measures” in Part II, Item 7 of this Form 10-K). CWGS, LLC may be liable for various other state and local taxes.

By January 2, 2023, the “LLC Conversion” (see Note 11 — Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K) was completed. The Company expects that, beginning with the year ending December 31, 2023, the LLC Conversion allows certain losses that previously would have been confined within the C-Corp portion of CWGS, LLC to instead offset a portion of income generated by the

Pass-Through portion of CWGS, LLC, which would reduce the amount of income tax expense recorded by CWH. The LLC Conversion is also expected to reduce the amount of tax distributions required to be paid by CWGS, LLC to CWH and the non-controlling interest holders under the CWGS LLC Agreement beginning with the year ending December 31, 2023.

The following table presents the allocation of CWGS, LLC's C-Corp and Pass-Through net income to CWH, the allocation of CWGS, LLC's net income to non-controlling interests, income tax expense recognized by CWH, and other items:

	Year Ended December 31,		
($ in thousands)	2022	2021	2020
C-Corp portion of CWGS, LLC net loss allocated to CWH	$ (37,500)	$ (19,177)	$ (22,248)
Pass-Through portion of CWGS, LLC net income allocated to CWH	252,771	397,834	195,866
CWGS, LLC net income allocated to CWH	215,271	378,657	173,618
CWGS, LLC net income allocated to noncontrolling interests	214,084	363,614	221,870
CWGS, LLC net income	429,355	742,271	395,488
Tax Receivable Agreement liability adjustment	114	(2,813)	141
Income tax expense recorded by CWH	(79,054)	(97,831)	(51,517)
Other incremental CWH net income	616	448	103
Net income	$ 351,031	$ 642,075	$ 344,215

The following table presents further information on income tax expense:

	Year Ended December 31,		
($ in thousands)	2022	2021	2020
Income tax expense recorded by CWH[1]	$ (79,054)	$ (97,831)	$ (51,517)
Income tax (expense) benefit recorded by CWGS, LLC[2]	(20,030)	5,707	(6,226)
Income tax expense	$ (99,084)	$ (92,124)	$ (57,743)

(1) During the year ended December 31, 2022, this amount included $13.3 million of income tax expense relating to the LLC Conversion. This income tax expense was primarily from the write-off of deferred tax assets, which was partially offset by the release of valuation allowance. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(2) During the year ended December 31, 2022, this amount included $15.2 million of income tax expense relating to the LLC Conversion. This income tax expense was primarily from the write-off of deferred tax assets, which was partially offset by the release of valuation allowance. Additionally, during the year ended December 31, 2021, this amount included benefits to income tax of $15.2 million for the release of valuation allowance at CW, which, in 2021 and 2022 prior to the LLC Conversion, became available to offset state combined income in certain unitary states due to the Company's increased ownership in CWGS, LLC. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

Results of Operations

Year Ended December 31, 2022 Compared to the Year Ended December 31, 2021

The following tables set forth information comparing the components of net income for the years ended December 31, 2022 and 2021.

($ in thousands)	Year Ended December 31, 2022 Amount	December 31, 2022 Percent of Revenue	December 31, 2021 Amount	December 31, 2021 Percent of Revenue	Favorable/ (Unfavorable) $	Favorable/ (Unfavorable) %
Revenue:						
Good Sam Services and Plans	$ 192,128	2.8%	$ 180,722	2.6%	$ 11,406	6.3%
RV and Outdoor Retail:						
New vehicles	3,228,077	46.3%	3,299,454	47.7%	(71,377)	(2.2%)
Used vehicles	1,877,601	26.9%	1,686,217	24.4%	191,384	11.3%
Products, service and other	999,214	14.3%	1,100,942	15.9%	(101,728)	(9.2%)
Finance and insurance, net	623,456	8.9%	598,475	8.7%	24,981	4.2%
Good Sam Club	46,537	0.7%	47,944	0.7%	(1,407)	(2.9%)
Subtotal	6,774,885	97.2%	6,733,032	97.4%	41,853	0.6%
Total revenue	6,967,013	100.0%	6,913,754	100.0%	53,259	0.8%
Gross profit (exclusive of depreciation and amortization shown separately below):						
Good Sam Services and Plans	120,162	1.7%	107,845	1.6%	12,317	11.4%
RV and Outdoor Retail:						
New vehicles	651,801	9.4%	875,976	12.7%	(224,175)	(25.6%)
Used vehicles	459,548	6.6%	438,423	6.3%	21,125	4.8%
Products, service and other	368,204	5.3%	394,868	5.7%	(26,664)	(6.8%)
Finance and insurance, net	623,456	8.9%	598,475	8.7%	24,981	4.2%
Good Sam Club	39,113	0.6%	40,741	0.6%	(1,628)	(4.0%)
Subtotal	2,142,122	30.7%	2,348,483	34.0%	(206,361)	(8.8%)
Total gross profit	2,262,284	32.5%	2,456,328	35.5%	(194,044)	(7.9%)
Operating expenses:						
Selling, general and administrative expenses	1,606,984	23.1%	1,573,609	22.8%	(33,375)	(2.1%)
Debt restructure expense	—	0.0%	12,078	0.2%	12,078	nm
Depreciation and amortization	80,304	1.2%	66,418	1.0%	(13,886)	(20.9%)
Long-lived asset impairment	4,231	0.1%	3,044	0.0%	(1,187)	(39.0%)
Lease termination	1,614	0.0%	2,211	0.0%	597	27.0%
Loss (gain) on sale or disposal of assets	622	0.0%	(576)	(0.0%)	(1,198)	nm
Total operating expenses	1,693,755	24.3%	1,656,784	24.0%	36,971	2.2%
Income from operations	568,529	8.2%	799,544	11.6%	(231,015)	(28.9%)
Other expense:						
Floor plan interest expense	(42,031)	(0.6%)	(14,108)	(0.2%)	(27,923)	(197.9%)
Other interest expense, net	(75,745)	(1.1%)	(46,912)	(0.7%)	(28,833)	(61.5%)
Loss on debt restructure	—	0.0%	(1,390)	(0.0%)	1,390	nm
Tax Receivable Agreement liability adjustment	114	0.0%	(2,813)	(0.0%)	2,927	nm
Other expense, net	(752)	(0.0%)	(122)	(0.0%)	(630)	nm
Total other expense	(118,414)	(1.7%)	(65,345)	(0.9%)	(53,069)	(81.2%)
Income before income taxes	450,115	6.5%	734,199	10.6%	(284,084)	(38.7%)
Income tax expense	(99,084)	(1.4%)	(92,124)	(1.3%)	(6,960)	(7.6%)
Net income	351,031	5.0%	642,075	9.3%	(291,044)	(45.3%)
Less: net income attributable to non-controlling interests	(214,084)	(3.1%)	(363,614)	(5.3%)	149,530	41.1%
Net income attributable to Camping World Holdings, Inc.	$ 136,947	2.0%	$ 278,461	4.0%	$ (141,514)	(50.8%)

nm- not meaningful

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Supplemental Data

	Year Ended December 31, 2022	Year Ended December 31, 2021	Increase (decrease)	Percent Change
Unit sales				
New vehicles	70,429	77,777	(7,348)	(9.4%)
Used vehicles	51,325	48,938	2,387	4.9%
Total	121,754	126,715	(4,961)	(3.9%)
Average selling price				
New vehicles	$ 45,834	$ 42,422	$ 3,413	8.0%
Used vehicles	$ 36,583	$ 34,456	$ 2,126	6.2%
Same store unit sales[1]				
New vehicles	64,075	74,195	(10,120)	(13.6%)
Used vehicles	46,941	46,906	35	0.1%
Total	111,016	121,101	(10,085)	(8.3%)
Same store revenue[1] ($ in 000's)				
New vehicles	$ 2,953,314	$ 3,150,002	$ (196,688)	(6.2%)
Used vehicles	1,732,361	1,621,953	110,408	6.8%
Products, service and other	667,442	771,564	(104,122)	(13.5%)
Finance and insurance, net	572,857	573,293	(436)	(0.1%)
Total	$ 5,925,974	$ 6,116,812	$ (190,838)	(3.1%)
Average gross profit per unit				
New vehicles	$ 9,255	$ 11,263	$ (2,008)	(17.8%)
Used vehicles	8,954	8,959	(5)	(0.1%)
Finance and insurance, net per vehicle unit	5,121	4,723	398	8.4%
Total vehicle front-end yield[2]	14,248	15,096	(847)	(5.6%)
Gross margin				
Good Sam Services and Plans	62.5%	59.7%	287 bps	
New vehicles	20.2%	26.5%	(636) bps	
Used vehicles	24.5%	26.0%	(153) bps	
Products, service and other	36.8%	35.9%	98 bps	
Finance and insurance, net	100.0%	100.0%	unch. bps	
Good Sam Club	84.0%	85.0%	(93) bps	
Subtotal RV and Outdoor Retail	31.6%	34.9%	(326) bps	
Total gross margin	32.5%	35.5%	(306) bps	
Inventories ($ in 000's)				
New vehicles	$ 1,411,016	$ 1,108,836	$ 302,180	27.3%
Used vehicles	464,311	406,398	57,913	14.3%
Products, parts, accessories and misc.	247,906	277,631	(29,725)	(10.7%)
Total RV and Outdoor Retail inventories	$ 2,123,233	$ 1,792,865	$ 330,368	18.4%
Vehicle inventory per location ($ in 000's)				
New vehicle inventory per dealer location	$ 7,466	$ 6,336	$ 1,129	17.8%
Used vehicle inventory per dealer location	$ 2,457	$ 2,322	$ 134	5.8%
Vehicle inventory turnover[3]				
New vehicle inventory turnover	1.9	3.0	(1.1)	(36.4%)
Used vehicle inventory turnover	3.4	4.0	(0.6)	(15.2%)
Retail locations				
RV dealerships	189	175	14	8.0%
RV service & retail centers	7	10	(3)	(30.0%)
Subtotal	196	185	11	5.9%
Other retail stores	1	2	(1)	(50.0%)
Total	197	187	10	5.3%
Other data				
Active Customers[4]	5,265,939	5,452,287	(186,348)	(3.4%)
Good Sam Club members	2,026,215	2,124,284	(98,069)	(4.6%)
Service bays [5]	2,693	2,575	118	4.6%
Finance and insurance gross profit as a % of total vehicle revenue	12.2%	12.0%	21 bps	n/a
Same store locations	166	n/a	n/a	n/a

(1) Our same store revenue and units calculations for a given period include only those stores that were open both at the end of the corresponding period and at the beginning of the preceding fiscal year.

(2) Front end yield is calculated as gross profit from new vehicles, used vehicles and finance and insurance (net), divided by combined new and used vehicle unit sales.

(3) Inventory turnover calculated as vehicle costs applicable to revenue over the last twelve months divided by the average quarterly ending vehicle inventory over the last twelve months.

(4) An Active Customer is a customer who has transacted with us in any of the eight most recently completed fiscal quarters prior to the date of measurement.

(5) A service bay is a fully-constructed bay dedicated to service, installation, and/or collision offerings.

Revenue and Gross Profit

Good Sam Services and Plans

Good Sam Services and Plans revenue increased primarily due to a $7.6 million increase from the roadside assistance programs primarily resulting from increased contracts in force and favorable updates to assumptions for cancellations; a $2.4 million increase from the extended vehicle warranty programs primarily resulting from increased contracts in force; a $2.0 million increase in Good Sam TravelAssist revenue primarily resulting from increased contracts in force; a $1.6 million increase from the Good Sam Insurance Agency primarily resulting from increased contracts in force; and an $0.9 million increase from the consumer shows due to no shows produced in 2021 and one show produced in 2022; partially offset by $1.2 million reduction from the annual directory; a $1.1 million reduction from RV financing programs; and an $0.8 million reduction from other programs.

Good Sam Services and Plans gross profit increased primarily due to a $9.5 million increase from roadside assistance programs resulting from increased contracts in force, favorable updates to assumptions for cancellations, and reduced marketing costs; a $2.4 million increase from the extended warranty insurance programs; a $2.1 million increase from the Good Sam TravelAssist programs; a $1.7 million increase from the Good Sam Insurance Agency; and a $1.1 million increase from consumer shows; partially offset by a $1.4 million increase in overhead support expenses; a $2.0 million reduction from other services and plans, and a $1.1 million reduction from RV financing programs;. The gross margin increase in Good Sam Services and Plans was primarily due to the increases from the roadside assistance programs described above.

RV and Outdoor Retail:

New Vehicles

New vehicle revenue decreased primarily due to a 9.4% decline in vehicles sold, partially offset by an 8.0% increase in average sales price. On a same store basis, new vehicle revenue decreased 6.2% to $3.0 billion, and new vehicle units sold decreased 13.6%.

New vehicle gross profit decreased primarily due to a 17.4% increase in the average cost of new vehicles sold, partially offset by an 8.0% increase in the average selling price per new vehicle sold. Also, a 9.4% decrease in vehicles sold contributed to the decrease in new vehicle gross profit.

Used Vehicles

Used vehicle revenue increased primarily due to a 4.9% increase in vehicles sold and a 6.2% increase in average selling price per vehicle, driven by an increase in demand for used vehicles, as they are a lower-cost alternative to new vehicles. On a same store basis, used vehicle revenue increased 6.8% to $1.7 billion and used vehicles sold increased 0.1%.

Used vehicle gross profit increased due to the above mentioned increases in units sold and average sales price per vehicle. The decrease in used vehicle gross margin was primarily the result of compression from an 8.4% higher average cost per unit sold, partially offset by a 6.2% increase in average selling price per vehicle sold.

Products, Service and Other

Products, service and other revenue decreased primarily due to our exit from certain non-RV product categories, as part of the 2019 Strategic Shift, that were sold in 2021, but not in 2022. On a same store basis, products, service and other revenue decreased 13.5% to $667.4 million in 2022 from $771.6 million in 2021.

Products, service and other gross profit decreased primarily due to the absence of revenue resulting from our exit of certain non-RV product categories during the second half of 2021. The increase in products, service and other gross margin was primarily due to the shift in mix to higher margin products and services, such as our RV service revenues, after our exit of certain lower margin, non-RV product categories during the second half of 2021.

Finance and Insurance, net

Finance and insurance revenue and gross profit is recorded net, since the Company is acting as an agent in the transaction, and commission is recognized when a finance and insurance product contract payment has been received or financing has been arranged. Finance and insurance, net revenue as a percentage of new and used vehicle revenue was 12.2% in 2022 compared to 12.0% in 2021. On a same store basis, finance and insurance, net decreased 0.1%, to $572.9 million. Finance and insurance, net revenue increased in total and as a percentage of new and used vehicle revenue primarily due to an increase in the products sold per used vehicle, and increased gross profit per contract for both new and used vehicles sold, partially offset by a lower volume of vehicles sold.

Good Sam Club

Good Sam Club revenue decreased primarily due to a reduction in marketing fee revenue from Good Sam Club co-branded credit cards driven by lower transaction counts at retail locations resulting mainly from the exit from certain non-RV product categories and reduced revenue related to decreased Good Sam Club file size.

Good Sam Club gross profit and gross margin decreased primarily due to the revenue reduction items noted above and investment in new programs.

Operating Expenses and Other

Selling, general and administrative

Selling, general and administrative expenses increased primarily due to a $26.2 million increase in selling expenses, a $12.7 million increase in insurance costs due to increased inventory levels, a $13.0 million increase in occupancy expenses due to the net increase of ten store locations over the prior year, a $7.0 million increase in professional fees, a $6.1 million increase in personal property expenses, and a $0.6 million increase in other store and corporate overhead expenses, partially offset by an $18.2 million reduction in wage-related expenses and a $14.0 million reduction in equity-based compensation expenses.

The $14.0 million decrease in equity-based compensation expenses (See Note 20 — Equity-Based Compensation to our consolidated financial statements included in Part II, Item 8 of this Form 10-K) resulted from $20.0 million of expense for a stock grant to our Chairman and Chief Executive Officer in December 2021 with no grant to that individual in 2022, which was partially offset by an increase of $2.1 million for expense related to the modification of restricted stock units to accelerate and/or continue vesting under employee separation agreements and/or post-termination consulting arrangements, more weighted-average restricted stock units outstanding, and a higher weighted-average grant date fair value of those restricted stock units.

Depreciation and amortization

Depreciation and amortization increased primarily due to increased capital expenditures, mainly driven by our expansion of RV dealership locations and improvements to existing RV dealerships. Additionally, the increase was due to $8.8 million of incremental accelerated amortization during the first quarter of 2022 from the adjustment of the useful lives of certain trademark and trade name intangible assets, associated with brands not traditionally associated with RVs, that we have effectively phased out. The trademark and trade name intangible assets relating to the effectively phased out brands were fully amortized as of March 31, 2022. These increases were partially offset by $7.4 million of accelerated depreciation on store fixtures in the third quarter of 2021 related to categories exited as part of the 2019 Strategic Shift.

Long-lived asset impairment

As discussed in Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K, we recognized $4.2 million of long-lived asset impairments in 2022, of which $1.6 million related to the 2019 Strategic Shift discussed above, and $3.0 million for 2021, of which $1.4 million related to the 2019 Strategic Shift discussed above.

Lease termination

Lease termination expense related primarily to the 2019 Strategic Shift discussed above.

Floor plan interest expense

Floor plan interest expense increased primarily due to a 76.5% increase in average floor plan borrowings driven primarily by higher new vehicle inventory quantities from the normalization of the new travel trailer supply chain and increases in average new vehicle unit costs, a 146 basis point increase in the average floor plan borrowing rate, and, to a lesser extent, an increase in average used vehicles subject to floor plan financing.

Other interest expense, net

Other interest expense increased primarily due to a 96 basis point increase in the Term Loan Facility average interest rate and the additional $300.0 million of term loan borrowings in December 2021, which increased the average debt outstanding in 2022. The increase in interest rates in 2022 did not have a proportionate impact on the increase in other interest expense, since the refinance of the Term Loan Facility in June 2021 resulted in a reduction in interest rates from the 25 basis point decrease in the applicable rate (as defined in the Credit Agreement (as defined in Note 9 – Long-Term Debt to our consolidated financial statements included in Part II, Item 8 of this Form 10-K)) and the Term Loan Facility was subject to the interest rate floor, including the 2.50% applicable rate, of 3.25% for the first four months of 2022 which negated interest rate increases during that period subject to the interest rate floor. The applicable interest rate on the Term Loan Facility has subsequently risen above the interest rate floor and at December 31, 2022 is 6.82%. For the Term Loan Facility, if the 6.82% interest rate was applicable for the entirety of the year 2022, other interest expense would have increased an additional $31.8 million. We expect that interest rates and other interest expense, net will continue to increase in 2023.

Loss and expense on debt restructure

Loss and expense on debt restructure of $13.5 million in 2021 was comprised of $0.4 million in extinguishment of the original issue discount related to the Company's prior term loan facility, $1.0 million in extinguishment of capitalized finance costs related to the Company's prior term loan facility, and $12.1 million in legal and other expenses related to the Company's current term loan facility.

Tax Receivable Agreement Liability adjustment

The Tax Receivable Agreement Liability adjustment for 2022 and 2021 consisted of a benefit of $0.1 million and an expense of $2.8 million, respectively, related to a remeasurement from a decrease and increase, respectively, in state tax rates.

Income tax expense

Income tax expense increased primarily due to a $28.4 million decrease in deferred tax assets, net of release of valuation allowance, as a result of the LLC Conversion in 2022. Additionally, income tax expense for 2021 included benefits to income tax of $4.1 million for the revaluation of deferred tax assets as a result of increased state tax rates and $15.2 million for the release of valuation allowance at CW, which, in 2021 and 2022 prior to the LLC Conversion, became available to offset state combined income in certain unitary states due to the Company's increased ownership in CWGS, LLC. The valuation allowance release during 2021 was attributable to the change in the entities within state combined filing groups due to unitary relationships, which provided additional taxable income sources to utilize CW's deferred tax assets. CWH's increased ownership in CWGS, LLC and other qualitative unity factors impacted the unitary relationships. The impact of these changes in deferred tax assets on income tax expense in 2022 and 2021 was partially offset by a decrease in income tax expense due to lower income generated during 2022.

Segment results

The following table sets forth a reconciliation of total segment income to consolidated income from operations before income taxes for the period presented:

	Fiscal Year Ended					
	December 31, 2022		December 31, 2021		Favorable / (Unfavorable)	
($ in thousands)	Amount	Percent of Revenue	Amount	Percent of Revenue	$	%
Revenue:						
Good Sam Services and Plans	$ 192,622	2.8%	$ 180,926	2.6%	$ 11,696	6.5%
RV and Outdoor Retail	6,803,278	97.6%	6,759,294	97.8%	43,984	0.7%
Elimination of intersegment revenue	(28,887)	(0.4%)	(26,466)	(0.4%)	(2,421)	(9.1%)
Total consolidated revenue	6,967,013	100.0%	6,913,754	100.0%	53,259	0.8%
Segment income:(1)						
Good Sam Services and Plans	90,857	1.3%	74,765	1.1%	16,092	21.5%
RV and Outdoor Retail	528,564	7.6%	798,846	11.6%	(270,282)	(33.8%)
Total segment income	619,421	8.9%	873,611	12.6%	(254,190)	(29.1%)
Corporate & other	(12,619)	(0.2%)	(9,679)	(0.1%)	(2,940)	(30.4%)
Depreciation and amortization	(80,304)	(1.2%)	(66,418)	(1.0%)	(13,886)	(20.9%)
Other interest expense, net	(75,745)	(1.1%)	(46,912)	(0.7%)	(28,833)	(61.5%)
Tax Receivable Agreement liability adjustment	114	0.0%	(2,813)	(0.0%)	2,927	nm
Loss and expense on debt restructure	—	0.0%	(13,468)	(0.2%)	13,468	nm
Other income (expense), net	(752)	(0.0%)	(122)	(0.0%)	(630)	nm
Income before income taxes	$ 450,115	6.5%	$ 734,199	10.6%	$ (284,084)	(38.7%)
Same store revenue- RV and Outdoor Retail(2)	$ 5,925,974		$ 6,116,812		$ (190,838)	(3.1%)

nm – not meaningful

(1) Segment income represents income for each of our reportable segments and is defined as income from operations before depreciation and amortization, plus floor plan interest expense.

(2) Same store revenue definition not applicable to the Good Sam Services and Plans segment.

Good Sam Services and Plans

Good Sam Services and Plans revenue increased primarily due to a $7.6 million increase from the roadside assistance programs primarily resulting from increased contracts in force and favorable updates to assumptions for cancellations; a $2.4 million increase from the extended vehicle warranty programs primarily resulting from increased contracts in force; a $2.0 million increase in Good Sam TravelAssist revenue primarily resulting from increased contracts in force; a $1.6 million increase from the Good Sam Insurance Agency primarily resulting from increased contracts in force; and an $1.2 million increase from the consumer shows due to no shows produced in 2021 and one show produced in 2022; partially offset by a $1.2 million reduction from the annual directory; a $1.1 million reduction from RV financing programs; and a $0.8 million reduction from other programs.

Good Sam Services and Plans segment income increased primarily due to a $9.5 million increase from the roadside assistance programs resulting from increased contracts in force, favorable updates to assumptions for cancellations, and reduced marketing expenses; a $3.8 million decrease in selling, general and administrative expenses consisting mostly of a decrease in wages-related expenses; a $2.4 million increase from the extended warranty insurance programs; a $2.1 million increase from the Good Sam TravelAssist programs; a $1.7 million increase from the Good Sam Insurance Agency; and a $1.1 million increase from consumer shows; partially offset by a $2.0 million reduction from other services and plans; a $1.4 million increase in overhead support expenses; and a $1.1 million reduction from the RV financing programs. Segment income margin of 47.2% increased 585 basis points, or 14.1%, primarily due to increases from the roadside assistance programs and reduced selling, general and administrative expenses.

RV and Outdoor Retail segment

RV and Outdoor Retail segment revenue increased primarily due to a $191.6 million, or 11.3%, increase in used vehicle revenue, and a $28.0 million, or 4.6%, increase in finance and insurance, net revenue, partially offset by a $102.2 million, or 9.3%, decrease in products, service and other revenue, a $72.0 million, or 2.2%, decrease in new vehicle revenue, and a $1.4 million, or 2.9%, reduction in Good Sam Club revenue.

RV and Outdoor Retail segment income decreased primarily due to decreased segment gross profit of $206.4 million primarily due to increased average cost per vehicle sold and reduced vehicles sold; a $34.2 million increase in selling, general and administrative expenses (see discussion of selling, general and administrative expenses above); a $27.9 million increase in floor plan interest expense; a $1.2 million increase in long-lived asset impairment; and a $1.2 million increase in loss on sale or disposal of assets; partially offset by a $0.6 million decrease in lease termination expense. RV and Outdoor Retail segment margin decreased 405 basis points to 7.8% primarily due to higher vehicle costs and increased selling, general and administrative expenses.

Corporate and other expenses

Corporate and other expenses increased primarily due to costs relating to the Cybersecurity Incident, which are net of insurance recoveries, and increased other professional fees.

Tax Receivable Agreement Liability adjustment

The Tax Receivable Agreement Liability adjustment for 2022 and 2021 consisted of a benefit of $0.1 million and an expense of $2.8 million, respectively, related to a remeasurement from a decrease and increase, respectively, in state tax rates.

Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with accounting principles generally accepted in the United States (“GAAP”), we use the following non-GAAP financial measures: EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income Attributable to Camping World Holdings, Inc. – Basic, Adjusted Net Income Attributable to Camping World Holdings, Inc. – Diluted, Adjusted Earnings Per Share – Basic, and Adjusted Earnings Per Share – Diluted (collectively the "Non-GAAP Financial Measures"). We believe that these Non-GAAP Financial Measures, when used in conjunction with GAAP financial measures, provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to the key metrics we use in our financial and operational decision making. These Non-GAAP Financial Measures are also frequently used by analysts, investors and other interested parties to evaluate companies in the Company’s industry and are used by management to evaluate our operating performance, to evaluate the effectiveness of strategic initiatives and for planning purposes. By providing these Non-GAAP Financial Measures, together with reconciliations, we believe we are enhancing investors’ understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives. In addition, our Senior Secured Credit Facilities use Adjusted EBITDA, as calculated for our subsidiary CWGS Group, LLC, to measure our compliance with covenants such as the consolidated leverage ratio. The Non-GAAP Financial Measures have limitations as analytical tools, and the presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. They should not be construed as an inference that the Company's future results will be unaffected by any items adjusted for in these Non-GAAP Financial Measures. In evaluating these Non-GAAP Financial Measures, it is reasonable to expect that certain of these items will occur in future periods. However, we believe these adjustments are appropriate because the amounts recognized can vary significantly from period to period, do not directly relate to the ongoing operations of our business and complicate comparisons of our internal operating results and operating results of other companies over time. Each of the normal recurring adjustments and other adjustments described in this section and in the reconciliation tables below help management with a measure of our core operating performance over time by removing items that are not related to day-to-day operations.

The Non-GAAP Financial Measures that we use are not necessarily comparable to similarly titled measures used by other companies due to different methods of calculation.

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

We define "EBITDA" as net income before other interest expense, net (excluding floor plan interest expense), provision for income tax expense and depreciation and amortization. We define "Adjusted EBITDA" as EBITDA further adjusted for the impact of certain noncash and other items that we do not consider in our evaluation of ongoing operating performance. These items include, among other things, loss and expense on debt restructure, long-lived asset impairment, lease termination costs, gains and losses on sale or disposal of assets, net, equity-based compensation, Tax Receivable Agreement liability adjustment, restructuring costs related to the 2019 Strategic Shift, and other unusual or one-time items. We define "Adjusted EBITDA Margin" as Adjusted EBITDA as a percentage of total revenue. We caution investors that amounts presented in accordance with our definitions of EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin may not be comparable to similar measures disclosed by our competitors, because not all companies and analysts calculate EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin in the same manner. We present EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin because we consider them to be important supplemental measures of our performance and believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Management believes that investors' understanding of our performance is enhanced by including these Non-GAAP Financial Measures as a reasonable basis for comparing our ongoing results of operations.

The following table reconciles EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin to the most directly comparable GAAP financial performance measures:

	Fiscal Year Ended		
($ in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
EBITDA and Adjusted EBITDA:			
Net income	$ 351,031	$ 642,075	$ 344,215
Other interest expense, net	75,745	46,912	54,689
Depreciation and amortization	80,304	66,418	51,981
Income tax expense	99,084	92,124	57,743
Subtotal EBITDA	606,164	847,529	508,628
Long-lived asset impairment (a)	4,231	3,044	12,353
Lease termination (b)	1,614	2,211	4,547
Loss (gain) on sale or disposal of assets, net (c)	622	(576)	1,332
Equity-based compensation (d)	33,847	47,936	20,661
Tax Receivable Agreement liability adjustment (e)	(114)	2,813	(141)
Restructuring costs (f)	7,026	25,701	17,609
Loss and expense on debt restructure (g)	—	13,468	—
Adjusted EBITDA	$ 653,390	$ 942,126	$ 564,989

(as percentage of total revenue)	Fiscal Year Ended December 31, 2022	December 31, 2021	December 31, 2020
Adjusted EBITDA margin:			
Net income margin	5.0%	9.3%	6.3%
Other interest expense, net	1.1%	0.7%	1.0%
Depreciation and amortization	1.2%	1.0%	1.0%
Income tax expense	1.4%	1.3%	1.1%
Subtotal EBITDA margin	8.7%	12.3%	9.3%
Long-lived asset impairment (a)	0.1%	0.0%	0.2%
Lease termination (b)	0.0%	0.0%	0.1%
Loss (gain) on sale or disposal of assets, net (c)	0.0%	(0.0%)	0.0%
Equity-based compensation (d)	0.5%	0.7%	0.4%
Tax Receivable Agreement liability adjustment (e)	(0.0%)	0.0%	(0.0%)
Restructuring costs (f)	0.1%	0.4%	0.3%
Loss and expense on debt restructure (g)	—	0.2%	—
Adjusted EBITDA margin	9.4%	13.6%	10.4%

(a) Represents long-lived asset impairment charges related to the RV and Outdoor Retail segment, which includes locations affected by the 2019 Strategic Shift. See Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(b) Represents the loss on the termination of operating leases, relating primarily to the 2019 Strategic Shift, resulting from lease termination fees and the derecognition of the operating lease assets and liabilities. See Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(c) Represents an adjustment to eliminate (i) losses on the disposal or sale of real estate at closed retail locations in 2020, relating primarily to the 2019 Strategic Shift, and (ii) the gains and losses on disposal and sales of various assets.

(d) Represents non-cash equity-based compensation expense relating to employees, directors, and consultants of the Company.

(e) Represents an adjustment to eliminate the losses and gains on remeasurement of the Tax Receivable Agreement primarily due to changes in our blended statutory income tax rate. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(f) Represents restructuring costs relating to our 2019 Strategic Shift. These restructuring costs include one-time employee termination benefits relating to retail store or distribution center closures/divestitures, incremental inventory reserve charges, and other associated costs. These costs exclude lease termination costs, which are presented separately (see (c) above). See Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(g) Represents the loss and expense incurred on debt restructure and financing expense, which is comprised of $0.4 million in extinguishment of the original issue discount and $1.0 million in extinguishment of capitalized finance costs related to the Previous Term Loan Facility, and $12.1 million in legal and other expenses related to the New Term Loan Facility in 2021.

Adjusted Net Income Attributable to Camping World Holdings, Inc. and Adjusted Earnings Per Share

We define "Adjusted Net Income Attributable to Camping World Holdings, Inc. – Basic" as net income attributable to Camping World Holdings, Inc. adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include, among other things, loss and expense on debt restructure, long-lived asset impairment, lease termination costs, gains and losses on sale or disposal of assets, net, equity-based compensation, Tax Receivable Agreement liability adjustment, restructuring costs related to the 2019 Strategic Shift, other unusual or one-time items, the income tax expense effect of these adjustments, income tax expense impact from the LLC Conversion, and the effect of net income attributable to non-controlling interests from these adjustments.

We define "Adjusted Net Income Attributable to Camping World Holdings, Inc. – Diluted" as Adjusted Net Income Attributable to Camping World Holdings, Inc. – Basic adjusted for the reallocation of net income attributable to non-controlling interests from stock options and restricted stock units, if dilutive, or the assumed redemption, if dilutive, of all outstanding common units in CWGS, LLC for shares of newly-issued Class A common stock of Camping World Holdings, Inc.

We define “Adjusted Earnings Per Share – Basic” as Adjusted Net Income Attributable to Camping World Holdings, Inc. - Basic divided by the weighted-average shares of Class A common stock outstanding. We define “Adjusted Earnings Per Share – Diluted” as Adjusted Net Income Attributable to Camping World Holdings, Inc. – Diluted divided by the weighted-average shares of Class A common stock outstanding, assuming (i) the redemption of all outstanding common units in CWGS, LLC for newly-issued shares of Class A common stock of Camping World Holdings, Inc., if dilutive, and (ii) the dilutive effect of stock options and restricted stock units, if any. We present Adjusted Net Income Attributable to Camping World Holdings, Inc. – Basic, Adjusted Net Income Attributable to Camping World Holdings, Inc. – Diluted, Adjusted Earnings Per Share – Basic, and Adjusted Earnings Per Share – Diluted because we consider them to be important supplemental measures of our performance and we believe that investors’ understanding of our performance is enhanced by including these Non-GAAP financial measures as a reasonable basis for comparing our ongoing results of operations.

The following table reconciles Adjusted Net Income Attributable to Camping World Holdings, Inc. – Basic, Adjusted Net Income Attributable to Camping World Holdings, Inc. – Diluted, Adjusted Earnings Per Share – Basic, and Adjusted Earnings Per Share – Diluted to the most directly comparable GAAP financial performance measure:

	Fiscal Year Ended		
(In thousands except per share amounts)	December 31, 2022	December 31, 2021	December 31, 2020
Numerator:			
Net income attributable to Camping World Holdings, Inc.	$ 136,947	$ 278,461	$ 122,345
Adjustments related to basic calculation:			
Loss and expense on debt restructure (a):			
Gross adjustment	—	13,468	—
Income tax expense for above adjustment (b)	—	(1,770)	—
Long-lived asset impairment (c):			
Gross adjustment	4,231	3,044	12,353
Income tax expense for above adjustment (b)	(99)	(24)	(13)
Lease termination (d):			
Gross adjustment	1,614	2,211	4,547
Income tax expense for above adjustment (b)	—	(54)	(36)
Loss (gain) on sale or disposal of assets (e):			
Gross adjustment	622	(576)	1,332
Income tax expense for above adjustment (b)	(46)	4	(1)
Equity-based compensation (f):			
Gross adjustment	33,847	47,936	20,661
Income tax expense for above adjustment (b)	(3,810)	(5,812)	(2,023)
Tax Receivable Agreement liability adjustment (g):			
Gross adjustment	(114)	2,813	(141)
Income tax expense for above adjustment (b)	29	(718)	35
Restructuring costs (h)			
Gross adjustment	7,026	25,701	17,609
Income tax expense for above adjustment (b)	—	(56)	(84)
Income tax expense impact from LLC Conversion (i)	28,402	—	—
Adjustment to net income attributable to non-controlling interests resulting from the above adjustments (j)	(31,065)	(44,787)	(31,537)
Adjusted net income attributable to Camping World Holdings, Inc. – basic	177,584	319,841	145,047
Adjustments related to diluted calculation:			
Reallocation of net income attributable to non-controlling interests from the dilutive effect of stock options and restricted stock units (k)	1,479	—	1,994
Income tax on reallocation of net income attributable to non-controlling interests from the dilutive effect of stock options and restricted stock units (l)	(405)	—	(494)
Reallocation of net income attributable to non-controlling interests from the dilutive redemption of common units in CWGS, LLC (k)	—	408,401	—
Income tax on reallocation of net income attributable to non-controlling interests from the dilutive redemption of common units in CWGS, LLC (l)	—	(104,543)	—
Assumed income tax expense of combining C-Corps with full or partial valuation allowances with the income of other consolidated entities after the dilutive redemption of common units in CWGS, LLC (m)	—	(6,169)	—
Adjusted net income attributable to Camping World Holdings, Inc. – diluted	$ 178,658	$ 617,530	$ 146,547

(In thousands except per share amounts)	Fiscal Year Ended December 31, 2022	December 31, 2021	December 31, 2020
Denominator:			
Weighted-average Class A common shares outstanding – basic	42,386	45,009	39,383
Adjustments related to diluted calculation:			
Dilutive redemption of common units in CWGS, LLC for shares of Class A common stock (n)	—	43,438	—
Dilutive options to purchase Class A common stock (n)	56	150	79
Dilutive restricted stock units (n)	412	1,165	547
Adjusted weighted average Class A common shares outstanding – diluted	42,854	89,762	40,009
Adjusted earnings per share - basic	$ 4.19	$ 7.11	$ 3.68
Adjusted earnings per share - diluted	$ 4.17	$ 6.88	$ 3.66
Anti-dilutive amounts (o):			
Numerator:			
Reallocation of net income attributable to non-controlling interests from the anti-dilutive redemption of common units in CWGS, LLC (k)	$ 243,670	$ —	$ 251,412
Income tax on reallocation of net income attributable to non-controlling interests from the anti-dilutive redemption of common units in CWGS, LLC (l)	$ (67,150)	$ —	$ (64,964)
Assumed income tax benefit of combining C-Corps with full or partial valuation allowances with the income of other consolidated entities after the anti-dilutive redemption of common units in CWGS, LLC (m)	$ 12,280	$ —	$ 6,430
Denominator:			
Anti-dilutive redemption of common units in CWGS, LLC for shares of Class A common stock (n)	42,045	—	49,916
Reconciliation of per share amounts:			
Earnings per share of Class A common stock — basic	$ 3.23	$ 6.19	$ 3.11
Non-GAAP Adjustments (p)	0.96	0.92	0.57
Adjusted earnings per share - basic	$ 4.19	$ 7.11	$ 3.68
Earnings per share of Class A common stock — diluted	$ 3.22	$ 6.07	$ 3.09
Non-GAAP Adjustments (p)	0.96	0.92	0.57
Dilutive redemption of common units in CWGS, LLC for shares of Class A common stock (q)	—	(0.10)	—
Dilutive options to purchase Class A common stock and/or restricted stock units (q)	(0.01)	(0.01)	—
Adjusted earnings per share - diluted	$ 4.17	$ 6.88	$ 3.66

(a) Represents the loss and expense incurred on debt restructure and financing expense, which is comprised of $0.4 million in extinguishment of the original issue discount and $1.0 million in extinguishment of capitalized finance costs related to the Previous Term Loan Facility, and $12.1 million in legal and other expenses related to the New Term Loan Facility.

(b) Represents the current and deferred income tax expense or benefit effect of the above adjustments, many of which are related to entities with full valuation allowances for which no tax benefit can be currently recognized. This assumption uses effective tax rates between 25.0% and 25.5% for the adjustments for 2022, 2021 and 2020, which represents the estimated tax rate that would apply had the above adjustments been included in the determination of our non-GAAP metric.

(c) Represents long-lived asset impairment charges related to the RV and Outdoor Retail segment, which includes locations affected by the 2019 Strategic Shift. See Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(d) Represents the loss on the termination of operating leases relating primarily to the 2019 Strategic Shift, resulting from lease termination costs and the derecognition of the operating lease assets and liabilities. See Note 5 – Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(e) Represents an adjustment to eliminate (i) losses on the disposal or sale of real estate at closed retail locations in 2020, relating primarily to the 2019 Strategic Shift, and (ii) the gains and losses on disposal and sales of various assets.

(f) Represents non-cash equity-based compensation expense relating to employees, directors, and consultants of the Company.

(g) Represents an adjustment to eliminate the losses and gains on remeasurement of the Tax Receivable Agreement primarily due to changes in our effective income tax rate. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(h) Represents restructuring costs relating to our 2019 Strategic Shift. These restructuring costs include one-time employee termination benefits relating to retail store or distribution center closures/divestitures, incremental inventory reserve charges, and other associated costs. These costs exclude lease termination costs, which are presented separately (see (d) above). See Note 5 –

Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(i) For the year ended December 31, 2022, the Company recognized $28.4 million of income tax expense relating to the LLC Conversion. This income tax expense was primarily from the write-off of deferred tax assets, which was partially offset by the release of valuation allowance. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(j) Represents the adjustment to net (income) loss attributable to non-controlling interests resulting from the above adjustments that impact the net income of CWGS, LLC. This adjustment uses the non-controlling interest's weighted average ownership of CWGS, LLC of 49.8%, 49.1% and 55.9% for the years ended December 31, 2022, 2021 and 2020, respectively.

(k) Represents the reallocation of net income attributable to non-controlling interests from the impact of the assumed change in ownership of CWGS, LLC from stock options, restricted stock units, and/or common units of CWGS, LLC.

(l) Represents the income tax expense effect of the above adjustment for reallocation of net income attributable to non-controlling interests. This assumption uses effective tax rates between 25.0% and 25.5% for the adjustments for 2022, 2021 and 2020.

(m) Typically represents adjustments to reflect the income tax benefit of losses of consolidated C-Corps that under the Company's equity structure, prior to the LLC Conversion, could not be used against the income of other consolidated subsidiaries of CWGS, LLC. However, for the year ended December 31, 2021, this adjustment included the reversal of $15.2 million benefit from changes in the valuation allowance for CW. Subsequent to the redemption of all common units in CWGS, LLC and prior to the LLC Conversion, the Company believes certain actions could be taken such that the C-Corps' losses could offset income of other consolidated subsidiaries. The adjustment reflects the income tax benefit assuming effective tax rates between 25.0% and 25.5% for the adjustments for 2022, 2021 and 2020 for the losses experienced by the consolidated C-Corps for which valuation allowances have been recorded. No assumed release of valuation allowance established for previous periods were included in these amounts. The $15.2 million release of valuation allowance during the year ended December 31, 2021 was considered to be reversed and excluded from adjusted net income attributable to Camping World Holdings, Inc. – diluted for purposes of this calculation. Beginning in 2023, these C-Corp losses will offset income of other consolidated subsidiaries as a result of LLC Conversion at or around December 31, 2022. See Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

(n) Represents the impact to the denominator for stock options, restricted stock units, and/or common units of CWGS, LLC.

(o) The below amounts have not been considered in our adjusted earnings per share – diluted amounts as the effect of these items are anti-dilutive.

(p) Represents the per share impact of the Non-GAAP adjustments to net income detailed above (see (a) through (j) above).

(q) Represents the per share impact of stock options, restricted stock units, and/or common units of CWGS, LLC from the difference in their dilutive impact between the GAAP and Non-GAAP earnings per share calculations.

As discussed under "Our Corporate Structure Impact on Income Taxes" in Part II, Item 7 of this Form 10-K, our "Up-C" corporate structure may make it difficult to compare our results with those of companies with a more traditional corporate structure. There can be a significant fluctuation in the numerator and denominator for the calculation of our adjusted earnings per share – diluted depending on if the common units in CWGS, LLC are considered dilutive or anti-dilutive for a given period. To improve comparability of our financial results, users of our financial statements may find it useful to review our earnings per share assuming the full redemption of common units in CWGS, LLC for all periods, even when those common units would be anti-dilutive. The relevant numerator and denominator adjustments have been provided under "Anti-dilutive amounts" in the table above (see (o) above).

Liquidity and Capital Resources

General

Our primary requirements for liquidity and capital have been working capital, inventory management, acquiring and building new retail locations, the improvement and expansion of existing retail locations, debt service, distributions to holders of equity interests in CWGS, LLC and our Class A common stock, and general corporate needs. These cash requirements have historically been met through cash provided by operating activities, cash and cash equivalents, proceeds from registered offerings of our Class A common stock, borrowings under our Senior Secured Credit Facilities (as defined below), borrowings under our Floor Plan Facility (as defined below), and borrowings under our Real Estate Facilities (as defined below).

As a public company, our additional liquidity needs include public company costs, payment of regular and special cash dividends, any exercise of the redemption right by the Continuing Equity Owners from time to time (should we elect to redeem common units for a cash payment), our stock repurchase program as described below, payments under the Tax Receivable Agreement, and state and federal taxes to the extent not reduced as a result of the Tax Receivable Agreement. The Continuing Equity Owners may exercise such redemption right for as long as their common units remain outstanding. Although the actual timing and amount of any payments that may be made under the Tax Receivable Agreement will vary, we expect that the payments that we will be required to make to the Continuing Equity Owners, Former Profits Unit Holders, and Crestview Partners II GP, L.P. will be significant. Any payments made by us to Continuing Equity Owners, Former Profits Unit Holders, and Crestview Partners II GP, L.P. under the Tax Receivable Agreement will generally reduce the amount of overall cash flow that might have otherwise been available to us or to CWGS, LLC and, to the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, the unpaid amounts generally will be deferred and will accrue interest until paid by us; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore may accelerate payments due under the Tax Receivable Agreement. For a discussion of the Tax Receivable Agreement, see Note 11 — Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Stock Repurchase Program

In October 2020, our Board of Directors initially authorized a stock repurchase program for the repurchase of up to $100.0 million of our Class A common stock, expiring on October 31, 2022. In August 2021 and January 2022, our Board of Directors authorized increases to the stock repurchase program for the repurchase of up to an additional $125.0 million and $152.7 million, respectively, of our Class A common stock. Following these extensions, the stock repurchase program now expires on December 31, 2025. Repurchases under the program are subject to any applicable limitations on the availability of funds to be distributed to the Company by CWGS, LLC to fund the repurchase and may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases to be determined at our discretion, depending on market conditions and corporate needs. Open market repurchases will be structured to occur in accordance with applicable federal securities laws, including within the pricing and volume requirements of Rule 10b-18 under the Securities Exchange Act of 1934, as amended. We may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of our shares under this authorization. This program does not obligate us to acquire any particular amount of Class A common stock and the program may be extended, modified, suspended or discontinued at any time at the Board's discretion. We expect to fund the repurchases using cash on hand.

During the years ended December 31, 2022 and 2021, we repurchased 2,592,524 and 3,988,881 shares of our Class A common stock, respectively, for $79.8 million and $156.3 million, respectively, including broker commissions. As of December 31, 2022, $120.2 million was available under the stock repurchase program to repurchase additional shares of our Class A common stock.

Dividends

On February 18, 2022, our Board of Directors approved the increase of the portion of the quarterly cash dividend relating to all or a portion of the Excess Tax Distribution (as defined under "Dividend Policy" included in Part II, Item 5 of this Form 10-K) to $0.475 per share of Class A common stock from $0.35 per share, which increased the total quarterly cash dividend to $0.625 per share of Class A common stock from $0.50 per share beginning in March 2022. For each of the four quarters of 2022, we paid a regular quarterly cash dividend on our Class A common stock of $0.625 per share, which was funded with a $0.15 per common unit cash distribution from CWGS, LLC and the remainder funded with all or a portion of the Excess Tax Distribution. Prior to February 18, 2022, our quarterly cash dividend on our Class A common stock was raised in several incremental steps from our first cash dividend of $0.08 per share on December 20, 2016.

CWGS, LLC is required to make cash distributions in accordance with the CWGS LLC Agreement in an amount sufficient for us to pay any expenses incurred by us in connection with the regular quarterly cash dividend, along with any of our other operating expenses and other obligations. Accordingly, CWGS, LLC intends to make a regular quarterly cash distribution to its common unit holders, including us, and we intend to use all of the proceeds from such distribution on our common units to pay a regular quarterly cash dividend on our Class A common stock, subject to our discretion as the sole managing member of CWGS, LLC and the discretion of our Board of Directors. Additionally, as described above, we currently intend to pay a portion of our regular quarterly cash dividend with all or a portion of the Excess Tax Distribution to the holders of our Class A common stock subject to the discretion of our Board of Directors. The LLC Conversion is expected to decrease future Excess Tax Distributions by allowing losses at those subsidiaries to offset taxable income allocated to the members of CWGS, LLC instead of the losses being confined within embedded C-Corps (see Note 11 – Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K).

As a result of the LLC Conversion which will generate significant capital losses in 2023 that will be allocated to each member of CWGS, LLC, it is expected that we will not receive any Excess Tax Distribution in 2023. These significant capital losses relate to the LLC Conversion transaction itself and not the ongoing benefits that we expect from offsetting losses generated by these converted subsidiaries against income from other subsidiaries of CWGS, LLC. However, even with no Excess Tax Distribution in 2023, we expect to have the ability to continue to pay the regular quarterly cash dividend on our Class A common stock of $0.625 per share during 2023, which is subject to the discretion of our Board of Directors.

Our dividend policy has certain risks and limitations particularly with respect to liquidity, and we may not pay future dividends according to our policy, or at all. See “Dividend Policy” included in Part II, Item 5 of this Form 10-K and “Risk Factors ─ Risks Relating to Ownership of Our Class A Common Stock ─ “Our ability to pay regular and special dividends on our Class A common stock is subject to the discretion of our Board of Directors and may be limited by our structure and statutory restrictions” included in Part I, Item 1A of this Form 10-K.

Acquisitions and Capital Expenditures

We announced a number of initiatives heading into 2022, including an online RV sales process, service bay expansion, the addition of design centers to our existing store footprint, and continued expansion through dealership acquisitions. We had also announced a number of land acquisitions in anticipation of constructing new stores in 2022.

During the year ended December 31, 2022, the RV and Outdoor Retail segment acquired the assets of various RV dealerships and one RV service center comprised of 11 locations for an aggregate purchase price of approximately $153.7 million (see Note 15 – Acquisitions to our consolidated financial statements included in Part II, Item 8 of this Form 10-K) and purchased real property of $55.7 million, of which $19.7 million was from parties related to the sellers of the businesses. Also, in 2022, the Good Sam Services and Plans segment acquired the assets of an outdoor publication for $3.4 million.

We have plans to slow dealership expansion in 2023. We have seven greenfield locations at or near construction completion which we may delay opening until market conditions improve. At this time, we expect our acquisition spend may be up to $25.0 million in 2023, but we may increase this range as other acquisition opportunities arise. Factors that could impact the quantity of future locations or the cost to acquire or open those locations include, but are not limited to, our ability to locate potential acquisition targets or greenfield locations in a geographic area and at a cost that meets our success criteria; continued strong cash flow generation from our operations to fund these acquisitions and new locations; and availability of financing under our Floor Plan Facility. We expect the additional cash requirements of the other announced initiatives to be immaterial.

Tax Receivable Agreement Liability

The aggregate estimated payments under the Tax Receivable Agreement at December 31, 2022, were as follows (in thousands):

	As of December 31, 2022
2023	$ 10,873
2024	11,911
2025	12,214
2026	12,555
2027	13,005
Thereafter	110,058
Total	$ 170,616

See Note 11 — Income Taxes to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for additional information.

2019 Strategic Shift

In connection with the 2019 Strategic Shift during the year ended December 31, 2022, we have paid or otherwise settled $6.1 million of lease termination costs and $7.1 million of other associated costs, which excludes gains from the derecognition of the related operating lease assets and liabilities for these terminated leases. We expect that approximately $2.8 million to $6.3 million of other associated costs and $1.6 million to $9.6 million of lease termination costs will result in future cash expenditures during 2023. Any restructuring costs, other than lease termination costs, relating to the 2019 Strategic Shift recognized after December 31, 2022 will not be included as an adjustment to our Non-GAAP Financial Measures. For a discussion of the 2019 Strategic Shift, see Note 5 — Restructuring and Long-Lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Other Cash Requirements or Commitments

Substantially all of our new RV inventory and, at times, certain of our used RV inventory is financed under our Floor Plan Facility (defined in Note 4 – Inventories and Floor Plan Payables to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). See “Description of Credit Facilities, Other Long-Term Debt, and Finance Lease Arrangements” for a summary of the cash requirements related to our indebtedness.

See Note 10 — Lease Obligations to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for a discussion of cash requirements relating to operating and finance lease obligations.

See Note 13 — Commitments and Contingencies to our consolidated financial statements included in Part II, Item 8 of this Form 10-K for a discussion of cash requirements relating to service and marketing sponsorship agreements.

Sources of Liquidity and Capital

We believe that our sources of liquidity and capital including cash provided by operating activities and borrowings under our various credit facilities, other long-term debt, and finance lease arrangements (see Liquidity and Capital Resources — Description of Credit Facilities, Other Long-Term Debt, and Finance Lease Arrangements in Part II, Item 7 of this Form 10-K), including additional borrowing capacity where applicable, will be sufficient to finance our continued operations, growth strategy, including the opening of any additional retail locations, regular and special quarterly cash dividends (as described above), required payments for our obligations under the Tax Receivable Agreement, and additional expenses we expect to incur for at least the next twelve months.

However, we cannot assure you that our cash provided by operating activities, cash and cash equivalents or cash available under our Revolving Credit Facility, our Floor Plan Facility, and our Real Estate Facilities, will be sufficient to meet our future needs. If we are unable to generate sufficient cash flows from operations in the future and if availability under our Revolving Credit Facility, our Floor Plan Facility, and our Real Estate Facilities is not sufficient, we may have to obtain additional financing. If we obtain additional capital by issuing equity, the interests of our existing stockholders will be diluted. If we incur additional indebtedness, that indebtedness may impose significant financial and other covenants that may significantly restrict our operations. We cannot assure you that we could obtain refinancing or additional financing on favorable terms or at all, including the expected additional borrowings noted above and particularly in light of the current macroeconomic uncertainty. See “Risk Factors — Risks Related to our Business — Our ability to operate and expand our business and to respond to changing business and economic conditions will depend on the availability of adequate capital” included in Part I, Item 1A of this Form 10-K.

As of December 31, 2022 and 2021, we had working capital of $611.3 million and $685.6 million, respectively, including $130.1 million and $267.3 million, respectively, of cash and cash equivalents. Our working capital reflects the cash provided by deferred revenue and gains reported under current liabilities of $95.7 million and $95.5 million as of December 31, 2022 and 2021, respectively. Deferred revenue primarily consists of cash collected for club memberships and roadside assistance contracts in advance of services to be provided, which is deferred and recognized as revenue over the life of the membership, and deferred revenue for the annual guide. We use net proceeds from this deferred membership revenue to lower our long-term borrowings and finance our working capital needs. Our Floor Plan Facility includes a flooring line aggregate interest reduction (“FLAIR”) offset account that allows us to transfer cash as an offset to the payables under the Floor Plan Facility. At December 31, 2022, and 2021, the FLAIR offset account was $217.7 million and $92.1 million, respectively, of which $159.1 million and $92.1 million, respectively, could have been withdrawn while remaining in compliance with the financial covenants of the Floor Plan Facility.

Seasonality

We have experienced, and expect to continue to experience, variability in revenue, net income, and cash flows as a result of annual seasonality in our business. See Note 1 — Summary of Significant Accounting Policies — Seasonality to our consolidated financial statements included in Part II, Item 8 of this Form 10-K and “Risk Factors — Risks Related to our Business — Our business is seasonal and this leads to fluctuations in revenues” included in Part I, Item 1A of this Form 10-K.

Cash Flow

The following table shows summary cash flow information for the years ended December 31, 2022 and 2021, respectively:

	Year Ended December 31,	
(In thousands)	2022	2021
Net cash provided by operating activities	$ 189,783	$ 154,004
Net cash used in investing activities	(422,535)	(355,772)
Net cash provided by financing activities	95,551	303,028
Net (decrease) increase in cash and cash equivalents	$ (137,201)	$ 101,260

Operating activities. Our cash flows from operating activities are primarily collections from contracts in transit and customers following the sale of new and used vehicles, as well as from the sale of retail products and services and Good Sam services and plans. Contracts in transit represent amounts due from third-party lenders from whom pre-arranged agreements have been determined, and to whom the retail installment sales contracts have been assigned. Our primary uses of cash from operating activities are repayments of vehicle floor plan payables, payments to retail product suppliers, personnel-related expenditures, payments related to leased property, advertising, and various consumer services program costs.

Net cash provided by operating activities was $189.8 million for the year ended December 31, 2022, an increase of $35.8 million from $154.0 million of net cash provided by operating activities for the year ended December 31, 2021. The increase was primarily due to a $375.5 million decrease in the working capital adjustment for inventory, a $49.2 million increase in deferred income taxes, a $24.7 million decrease in the working capital adjustment for accounts receivable and contracts in transit, and a $13.9 million increase in depreciation and amortization, partially offset by a $291.0 million reduction in net income, a $95.0 million decrease in the working capital adjustment for accounts payable and other accrued expenses, a $13.3 million decrease in the working capital adjustment for deferred revenue, a $14.1 million decrease in equity-based compensation, and a $14.1 million reduction in other operating activities.

Investing activities. Our investment in business activities primarily consists of expanding our operations through organic growth and the acquisition of retail locations. Substantially all of our new retail locations and capital expenditures have been financed using cash provided by operating activities and borrowings under our various credit facilities, other long-term debt, and finance lease arrangements, as applicable (see Liquidity and Capital Resources — Description of Credit Facilities, Other Long-Term Debt, and Finance Lease Arrangements in Item 7 of Part II of this Form 10-K).

The table below summarizes our capital expenditures for the years ended December 31, 2022 and 2021, respectively:

(In thousands)	Year Ended December 31, 2022	Year Ended December 31, 2021
IT hardware and software	$ 15,145	$ 7,047
Greenfield and acquired dealership locations	66,353	47,315
Existing retail locations	71,336	64,141
Corporate and other	2,092	154
Total capital expenditures	$ 154,926	$ 118,657

Our capital expenditures consist primarily of investing in acquired and greenfield retail and RV dealership locations, existing retail locations, information technology, hardware and software. The expected capital expenditures relating to new dealerships and real estate purchases for the year ending December 31, 2023 are discussed above. As of December 31, 2022, we had entered into contracts for construction of new dealership buildings for an aggregate future commitment of $8.8 million. There were no other material commitments for capital expenditure.

Net cash used in investing activities was $422.5 million for the year ended December 31, 2022. The $422.5 million of cash used in investing activities was comprised of $154.9 million of capital expenditures primarily related to retail locations, $217.0 million for the purchase of RV and outdoor retail businesses and a publication business, $55.7 million for the purchase of real property, $3.0 million for purchase of other investments, and $0.9 million for the purchase of intangible assets, partially offset by proceeds from the sale of real property of $7.4 million and proceeds of $1.6 million from the sale of property and equipment. See Note 15 – Acquisitions to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Net cash used in investing activities was $355.8 million for the year ended December 31, 2021. The $355.8 million of cash used in investing activities was comprised of $129.2 million for the purchase of real property, $118.7 million of capital expenditures primarily related to retail locations, $100.1 million for purchases of RV and outdoor retail businesses, $8.0 million for purchases of other investments and $5.7 million for purchases of intangible assets, partially offset by proceeds of $3.6 million from the sale of real property, and $2.2 million from the sale of property and equipment. See Note 15 – Acquisitions to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Financing activities. Our financing activities primarily consist of proceeds from the issuance of debt and the repayment of principal and debt issuance costs.

Our net cash provided by financing activities was $95.6 million for the year ended December 31, 2022. The $95.6 million of cash provided by financing activities was primarily due to $314.1 million of net proceeds from borrowings under the Floor Plan Facility (as defined below), $127.8 million of proceeds from long-term debt under our Real Estate Facilities (as defined below), $28.0 million of proceeds from a sale-leaseback arrangement, $6.0 million of proceeds from landlord funded construction on finance leases, and $0.5 million of proceeds from exercise of stock options, partially offset by $163.0 million of member distributions, $105.4 million of dividends paid on Class A common stock, $79.8 million for the repurchase of Class A common stock, $12.3 million of payments on long-term debt, $11.1 million of withholding taxes paid upon the vesting of restricted stock units (“RSUs”), $6.0 million for finance lease payments, and $3.2 million of debt issuance costs.

Our net cash provided by financing activities was $303.0 million for the year ended December 31, 2021. The $303.0 million of cash provided by financing activities was primarily due to $487.9 million of net proceeds from borrowings under the Floor Plan Facility, $430.7 million of proceeds from long-term debt, and $4.1 million of proceeds from exercise of stock options, partially offset by $193.7 million of member distributions, $177.9 million of payments on long-term debt, $156.3 million for the repurchase of Class A common stock, $67.2 million of dividends paid on Class A common stock, $12.1 million of withholding taxes paid upon vesting of RSUs, $7.7 million stock award shares withheld for tax, $2.9 million for finance lease payments, and $1.9 million of debt issuance costs.

Description of Credit Facilities, Other Long-Term Debt, and Finance Lease Arrangements

As of December 31, 2022 and 2021, we had outstanding debt in the form of our Senior Secured Credit Facilities (as defined below), our Floor Plan Facility (as defined below), our Real Estate Facilities (as defined below), other long-term debt, and finance lease obligations. We may from time to time seek to refinance, retire or exchange our outstanding debt. Such refinancings, repayments or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. For additional information regarding our interest rate risk and interest rate hedging instruments, see “Quantitative and Qualitative Disclosures About Market Risk” in Part II, Item 7A of this Form 10-K.

The following table shows a summary of the outstanding balances, current portion, and remaining available borrowings under our credit facilities, other long-term debt and finance lease arrangements at December 31, 2022:

(In thousands)	Outstanding	Current Portion	Remaining Available
Floor Plan Facility:			
Notes payable - floor plan	$ 1,319,941	$ 1,319,941	$ 85,082 (1)
Revolving line of credit	20,885	—	49,115 (2)
Senior Secured Credit Facilities:			
Term Loan Facility	1,360,454	14,015	—
Revolving Credit Facility	—	—	60,070 (3)
Other:			
Real Estate Facilities	145,911	11,090	122,134 (4)
Other long-term debt	3,280	124	—
Finance lease obligations	104,460	10,244	—
	$ 2,954,931	$ 1,355,414	$ 316,401

(1) The unencumbered borrowing capacity for the Floor Plan Facility represents the additional borrowing capacity less any accounts payable for sold inventory and less any purchase commitments. Additional borrowings are subject to the vehicle collateral requirements under the Floor Plan Facility.

(2) The revolving line of credit borrowings are subject to a borrowing base calculation but were not limited as of December 31, 2022.

(3) The Revolving Credit Facility remaining available balance was reduced by outstanding undrawn letters of credit. The Credit Agreement requires compliance with a Total Net Leverage Ratio covenant when borrowings on the Revolving Credit Facility (excluding certain amounts relating to letters of credit) is over a 35%, or $22.8 million, threshold.

(4) Additional borrowings on the Real Estate Facilities are subject to a debt service coverage ratio covenant and to the property collateral requirements under the Real Estate Facilities.

Floor Plan Facility

As of December 31, 2022 and 2021, FreedomRoads, LLC ("FR") maintained floor plan financing through the Eighth Amended and Restated Credit Agreement ("Floor Plan Facility") entered into in September 2021, which amended the Seventh Amended and Restated Credit Agreement that was previously entered into in December 2017. The Floor Plan Facility at December 31, 2022 allowed FR to borrow (a) up to $1.70 billion under a floor plan facility, (b) up to $30.0 million under a letter of credit facility and (c) up to a maximum amount outstanding of $70.0 million under the revolving line of credit. The Floor Plan Facility also includes an accordion feature allowing FR, at its option, to request to increase the aggregate amount of the floor plan notes payable in $50 million increments up to a maximum amount of $200 million. The lenders under the Floor Plan Facility are not under any obligation to provide commitments in respect of any such increase. The maturity date of the Floor Plan Facility is September 30, 2026.

As of December 31, 2022 and 2021, the applicable interest rate for the floor plan notes payable under the Floor Plan Facility was 6.01% and 1.96%, respectively. Under the Floor Plan Facility, at our option, the floor plan notes payable, and borrowings for letters of credit, in each case, bear interest at a rate per annum equal to (a) the floating Bloomberg Short-Term Bank Yield Index rate ("BSBY") plus the applicable rate of 1.90% to 2.50% determined based on FR's consolidated current ratio, or, (b) the base rate (as described below) plus the applicable rate of 0.40% to 1.00% determined based on FR's consolidated current ratio.

As of December 31, 2022 and 2021, the applicable interest rate for revolving line of credit borrowings under the Floor Plan Facility was 6.21% and 2.31%, respectively. Under the Floor Plan Facility, revolving line of credit borrowings bear interest at a rate per annum equal to, at our option, either: (a) a floating BSBY rate, plus 2.25%, in the case of floating BSBY rate loans, or (b) a base rate determined by reference to the greatest of: (i) the federal funds rate plus 0.50%, (ii) the prime rate published by Bank of America, N.A. and (iii) the floating BSBY rate plus 1.75%, plus 0.75%, in the case of base rate loans. Additionally, under the Floor Plan Facility, the revolving line of credit borrowings are limited by a borrowing base calculation, which did not limit the borrowing capacity at December 31, 2022.

The Floor Plan Facility includes a flooring line aggregate interest reduction ("FLAIR") offset account that allows us to transfer cash as an offset to the payables under the Floor Plan Facility. These transfers reduce the amount of liability outstanding under the floor plan borrowings that would otherwise accrue interest, while retaining the ability to withdraw amounts from the FLAIR offset account subject to the financial covenants under the Floor Plan Facility. As a result of using the FLAIR offset account, we experience a reduction in floor plan interest expense in our consolidated statements of operations. As of December 31, 2022 and 2021, FR had $217.7 million and $92.1 million, respectively, in the FLAIR offset account. The maximum FLAIR percentage of outstanding floor plan borrowings is 35% under the Floor Plan Facility. The FLAIR offset account does not reduce the outstanding amount of loans under the Floor Plan Facility for purposes of determining the unencumbered borrowing capacity under the Floor Plan Facility.

We have determined that the credit agreements governing the Floor Plan Facility include subjective acceleration clauses, which could impact debt classification. We believe that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause. Additionally, the credit agreements governing the Floor Plan Facility contain certain financial covenants. FR was in compliance with all debt covenants at December 31, 2022 and 2021.

See Note 4 – Inventories and Floor Plan Payables to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Senior Secured Credit Facilities

As of December 31, 2022 and 2021, CWGS Group, LLC (the "Borrower"), a wholly-owned subsidiary of CWGS, LLC, was party to a credit agreement (the "Credit Agreement") for a senior secured credit facility (the "Senior Secured Credit Facilities"). The Senior Secured Credit Facilities consist of a $1.4 billion term loan facility (the "Term Loan Facility") and a $65.0 million revolving credit facility (the "Revolving Credit Facility").

The funds available under the Revolving Credit Facility may be utilized for borrowings or letters of credit; however, a maximum of $25.0 million may be allocated to such letters of credit. The Revolving Credit Facility matures in June 2026, and the Term Loan Facility matures in June 2028. The Term Loan Facility requires mandatory principal payments in equal quarterly installments of $3.5 million. Additionally, we are required to prepay the term loan borrowings in an aggregate amount up to 50% of excess cash flow, as defined in the Credit Agreement, for such fiscal year depending on the Total Leverage Ratio (as defined by the Credit Agreement) beginning with the year ended December 31, 2022. No additional excess cash flow payment was required relating to 2022 and we do not expect an additional excess cash flow payment to be required relating to 2023.

Under the Senior Secured Credit Facilities, we have the ability to request to increase the amount of term loans or revolving loans in an aggregate amount not to exceed the greater of (a) a “fixed” amount set at $725.0 million and (b) 100% of consolidated EBITDA for the most recent four consecutive fiscal quarters on a pro forma basis (as defined in the Credit Agreement). We requested and received an increase in the Term Loan Facility of $300.0 million in December 2021. The lenders under the Senior Secured Credit Facilities are not under any obligation to provide commitments in respect of any such increase.

The Senior Secured Credit Facilities are fully and unconditionally guaranteed, jointly and severally, on a senior secured basis by each of our existing and future domestic restricted subsidiaries with the exception of FreedomRoads Intermediate Holdco, LLC, the direct parent of FR, and FR, and its subsidiaries. The Credit Agreement contains certain restrictive covenants pertaining to, but not limited to, mergers, changes in the nature of the business, acquisitions, additional indebtedness, sales of assets, investments, and the payment of dividends subject to certain limitations and minimum operating covenants. Additionally, we have determined that the Senior Secured Credit Facilities include subjective acceleration clauses, which could impact debt classification. We believe that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause.

The Credit Agreement requires the Borrower and its subsidiaries to comply on a quarterly basis with a maximum Total Net Leverage Ratio (as defined in the Credit Agreement), which covenant is in effect only if, as of the end of each calendar quarter, the aggregate amount of borrowings under the revolving credit facility (including swingline loans), letters of credit and unreimbursed letter of credit disbursements outstanding at such time is greater than 35% of the total commitment on the Revolving Credit Facility (excluding (i) up to $15.0 million attributable to any outstanding undrawn letters of credit and (ii) any cash collateralized or backstopped letters of credit), as defined in the Credit Agreement. As of December 31, 2022, we were not subject to this covenant as borrowings under the Revolving Credit Facility did not exceed the 35% threshold and it did not limit our borrowing capacity. We were in compliance with all applicable debt covenants at December 31, 2022 and 2021.

See Note 9 – Long-Term Debt to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Real Estate Facilities

On October 27, 2022, subsidiaries of FRHP Lincolnshire, LLC (“FRHP”), an indirect wholly-owned subsidiary of CWGS, LLC, entered into a credit agreement with a syndication of banks for a real estate credit facility (the “M&T Real Estate Facility”) with aggregate maximum principal capacity of $250.0 million with an option that allows FRHP to request an additional $100.0 million of principal capacity. The lenders under the M&T Real Estate Facility are not under any obligation to provide commitments in respect of any such increase. The M&T Real Estate Facility bears interest at FRHP’s option, based on applicable rates as of December 31, 2022, of either (as defined in the credit agreement for the M&T Real Estate Facility): (a) the Secured Overnight Financing Rate (“SOFR”) plus 2.30% or (b) the highest of (i) the Federal Funds Rate plus 1.80%, (ii) the Prime Rate plus 1.30%, or (iii) SOFR plus 2.30%. The M&T Real Estate Facility has an unused commitment fee of 0.20% of the aggregate unused principal amount and it matures in October 2027. Additionally, the M&T Real Estate Facility is subject to a covenant to comply with a minimum debt service coverage ratio of greater than 1.10 to 1.00. All obligations under the M&T Real Estate Facility and the guarantees of those obligations, are secured, subject to certain exceptions, by the mortgaged real property assets.

In November 2018, September 2021, and December 2021, Camping World Property, Inc. (the ''Real Estate Borrower''), an indirect wholly-owned subsidiary of CWGS, LLC, and CIBC Bank USA ("Lender"), entered into loan and security agreements for real estate credit facilities (as amended from time to time, the "First CIBC Real Estate Facility", the "Second CIBC Real Estate Facility", and the "Third CIBC Real Estate Facility", respectively, and collectively the "CIBC Real Estate Facilities") with aggregate maximum principal capacities of $21.5 million, $9.0 million, and $10.1 million for the First CIBC Real Estate Facility, Second CIBC Real Estate Facility, and Third CIBC Real Estate Facility, respectively. Borrowings under the CIBC Real Estate Facilities are guaranteed by CWGS Group, LLC, a wholly-owned subsidiary of CWGS, LLC. The CIBC Real Estate Facilities may be used to finance the acquisition of real estate assets and are secured by first priority security interest on the real estate assets acquired with the proceeds of the CIBC Real Estate Facilities. The First CIBC Real Estate Facility, the CIBC Second Real Estate Facility, and Third CIBC Real Estate Facility mature in October 2023, September 2026, and December 2026, respectively.

The following table shows a summary of the outstanding balances, remaining available borrowings, and weighted average interest rate under the M&T Real Estate Facility and the CIBC Real Estate Facilities (collectively the "Real Estate Facilities") at December 31, 2022:

	As of December 31, 2022		
(In thousands)	Principal Outstanding(1)	Remaining Available(2)	Wtd. Average Interest Rate
Real Estate Facilities			
M&T Real Estate Facility	$ 124,655	$ 122,134 (3)	6.39%
First CIBC Real Estate Facility	3,934	—	6.39%
Second CIBC Real Estate Facility	7,779	—	6.39%
Third CIBC Real Estate Facility	9,543	—	6.14%
	$ 145,911	$ 122,134	

(1) Outstanding principal amounts are net of unamortized finance costs.
(2) Amounts cannot be reborrowed.
(3) Additional borrowings on the M&T Real Estate Facility are subject to a debt service coverage ratio covenant and the property collateral requirements under the M&T Real Estate Facility

We determined that the credit agreements governing the Real Estate Facilities include subjective acceleration clauses, which could impact debt classification. We believe that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause. Additionally, the Real Estate Facilities are subject to certain cross default provisions, a debt service coverage ratio, and other customary covenants. We were in compliance with all debt covenants at December 31, 2022 and 2021.

See Note 9 – Long-Term Debt to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Other Long-Term Debt

Other long-term debt is comprised of a mortgage on a property, which matures in December 2026. See Note 9 – Long-Term Debt to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Finance Lease Obligation

From time to time, we enter into finance leases typically for real estate and/or information technology equipment. See Note 10 – Leases to our consolidated financial statements included in Part II, Item 8 of this Form 10-K

Sale/Leaseback Arrangements

We have in the past and may in the future enter into sale-leaseback transactions to finance certain property acquisitions and capital expenditures, pursuant to which we sell property and/or leasehold improvements to third parties and agree to lease those assets back for a certain period of time. Such sales generate proceeds which vary from period to period.

On February 8, 2022, FRHP Lincolnshire, LLC sold three properties for a total sale price of $28.0 million. Concurrent with the sale of these properties, we entered into three separate twenty-year lease agreements, whereby we will lease back the properties from the acquiring company. Under each lease agreement, FR has four consecutive options to extend the lease term for additional periods of five years for each option. This transaction is accounted for as a financing transaction. We recorded a liability for the amount received, will continue to depreciate the non-land portion of the assets, and have imputed an interest rate so that the net carrying amount of the financial liability and remaining assets will be zero at the end of the initial lease terms. The financial liability is included in other long-term liabilities in the consolidated balance sheet as of December 31, 2022.

Deferred Revenue

Deferred revenue consists of sales for products and services not yet recognized as revenue at the end of a given period. Our deferred revenue as of December 31, 2022 was $165.9 million. Deferred revenue is expected to be recognized as revenue as set forth in the following table (in thousands):

	As of December 31, 2022
2023	$ 95,695
2024	32,630
2025	17,766
2026	9,549
2027	4,554
Thereafter	5,748
Total	$ 165,942

Recent Accounting Pronouncements

See discussion of recently adopted and recently issued accounting pronouncements in Note 1 — Summary of Significant Accounting Policies to our consolidated financial statements in Part II, Item 8 of this Form 10-K.

Critical Accounting Estimates

We prepare our consolidated financial statements in conformity with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. We base our estimates on historical experience, outside advice from parties believed to be experts in such matters, and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions. Our significant accounting policies can be found in Note 1 — Summary of Significant Accounting Policies to our consolidated financial statements included in Part II, Item 8 of this Form 10-K.

Revenue Recognition — Finance and Insurance Chargebacks

The proceeds the Company receives for arranging financing contracts, and selling insurance and service contracts, are subject to chargebacks if the customer terminates the respective contract earlier than a stated period. In the case of insurance and service contracts, the stated period typically extends from one to seven years with the refundable commission balance declining over the contract term. These proceeds are recorded as variable consideration, net of estimated chargebacks. Chargebacks are estimated based on ultimate future cancellation rates by product type and year sold using a combination of actuarial methods and leveraging our historical experience using data extending back to 2013, adjusted for new consumer trends. The chargeback liabilities included in the estimate of variable consideration totaled $76.4 million and $68.8 million as of December 31, 2022 and December 31, 2021, respectively. If cancellation rates on products sold during 2022 and 2021 were to increase by 100 basis points, our chargeback liabilities would have increased by $5.9 million as of December 31, 2022.

Long-Lived Assets — Impairment

Our long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Our long-lived asset groups exist predominantly at the individual location level and the associated impairment analysis involves the comparison of an asset group's estimated future undiscounted cash flows over its remaining useful life to its respective carrying value, which primarily includes furniture, equipment, leasehold improvements, and operating lease assets. For long-lived asset groups identified with carrying values not recoverable by future undiscounted cash flows, impairment charges are recognized to the extent the sum of the discounted future cash flows from the use of the asset group is less than the carrying value. The impairment charge is allocated to the individual long-lived assets within an asset group; however, an individual long-lived asset is not impaired below its individual fair value, if readily determinable. The measurement of any impairment loss includes estimation of the fair value of the asset group's respective operating lease assets, which includes estimates of market rental rates based on comparable lease transactions. For the years ended December 31, 2022, 2021, and 2020, we recorded long-lived asset impairment of $4.2 million, $3.0 million, and $12.4 million, respectively (see Note 5 – Restructuring and Long-lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K).

Inventories — Products, Parts, Accessories and Other

In assessing lower of cost or net realizable value for products, parts, accessories and other inventories, we typically consider (i) the aging of the inventory item, (ii) historical sales experience of the inventory item, and (iii) current market conditions and trends for the inventory item. We also review and consider the following metrics related to sales of inventory items (both on a recent and longer-term historical basis): (i) days of supply in our inventory, and (ii) average selling price if sold at less than original cost. We then determine the appropriate level of reserve required to reduce our inventory to the lower of cost or net realizable value and record the resulting adjustment in the period in which we determine a loss has occurred. If future demand or market conditions for our products are less favorable than forecasted or if unforeseen circumstances negatively impact the utility of inventory, we may be required to record additional write-downs, which would negatively affect the results of operations in the period when the write-downs are recorded. For the years ended December 31, 2021 and 2020, we recorded incremental inventory reserve charges of $15.0 million and $0.5 million, respectively relating to our 2019 Strategic Shift (see Note 5 – Restructuring and Long-lived Asset Impairment to our consolidated financial statements included in Part II, Item 8 of this Form 10-K).

Deferred Tax Assets and Tax Receivable Agreement Liability — Valuation

When Continuing Equity Owners redeemed common units in CWGS, LLC for Class A common stock, CWH received an equal number of common units to the quantity of shares of Class A common stock issued to the Continuing Equity Owners. When CWH acquired this additional ownership in CWGS, LLC in the form of common units, it received a significant step-up in outside tax basis on the underlying assets held by CWGS, LLC. The step-up was principally equivalent to the difference between (1) the fair value of the underlying assets on the date of the redemption and (2) the tax basis in the underlying assets, multiplied by the percentage of common units acquired. The majority of the step-up in basis was related to intangible assets, primarily goodwill, and is included within deferred tax assets on our consolidated balance sheets. The computation of the step-up required valuations of the intangible assets of CWGS, LLC and has the same complexities and estimates as our purchase accounting on acquisitions (see Note 15 – Acquisitions to our consolidated financial statements included in Part II, Item 8 of this Form 10-K). In addition, the step-up is governed by complex IRS rules that limit which class and amount of step-up is deductible. Given the magnitude of the deferred tax assets and complexity of the calculations, small adjustments to our model used to calculate these deferred tax assets can result in material changes to the amounts recognized, especially in years that include redemptions by Continuing Equity Owners. If more common units of CWGS, LLC are redeemed by Continuing Equity Owners, the percentage of

CWH's ownership of CWGS, LLC will increase, and additional deferred tax assets will be created as additional tax basis step-ups occur and such amounts are likely to be material.

Pursuant to the Tax Receivable Agreement, CWH makes annual payments to the Original Equity Owners that had previously redeemed common units in CWGS, LLC equivalent to 85% of any tax benefits CWH realizes on each year's tax return from the additional tax deductions arising from the step-up in tax basis. A Tax Receivable Agreement liability of $170.6 million existed as of December 31, 2022 for the future cash obligations expected to be paid under the Tax Receivable Agreement and was not discounted. The calculation of this liability is a function of the step-up described above and, therefore, has the same complexities and estimates. Similar to the deferred tax assets, these liabilities would likely increase materially if Continuing Equity Owners redeem additional common units of CWGS, LLC. As of December 31, 2022, if there was a 100 basis point increase or decrease in the estimated income tax rate, the Tax Receivable Agreement liability would increase or decrease by $6.7 million, respectively.

ITEM 7a. QUANTITATIVE AND QUALITATIVE DISCLOSURES OF MARKET RISK

We are exposed to market risk from changes in interest rates. This market risk arises in the normal course of business, as we do not engage in speculative trading activities. The following analysis provides quantitative information regarding this risk.

Interest Rate Risk

Our operating results are subject to risk from interest rate fluctuations on our Senior Secured Credit Facilities, our Floor Plan Facility, and our Real Estate Facilities, which carry variable interest rates. Interest rate risk is the exposure to loss resulting from changes in the level of interest rates and the spread between different interest rates. Because our Senior Secured Credit Facilities, Floor Plan Facility, and Real Estate Facilities bear interest at variable rates, we are exposed to market risks relating to changes in interest rates. Interest rate risk is highly sensitive due to many factors, including U.S. monetary and tax policies, U.S. and international economic factors and other factors beyond our control.

Based on December 31, 2022 debt levels (see Liquidity and Capital Resources — Description of Credit Facilities, Other Long-Term Debt, and Finance Lease Arrangements in Part II, Item 7 of this Form 10-K), an increase or decrease of 100 basis points in the effective interest rate would cause an increase or decrease in interest expense:

- under our Term Loan Facility of $14.0 million over the next 12 months;
- under our Floor Plan Facility of approximately $13.4 million over the next 12 months;
- under our Floor Plan Facility revolving line of credit of approximately $0.2 million over the next 12 months;
- under our Real Estate Facilities of approximately $1.5 million over the next 12 months; and
- under our Other Long-Term Debt would be immaterial.

See "Results of Operations" in Part II, Item 7 of this Form 10-K for a discussion of interest expense for the year ended December 31, 2022 compared to the year ended December 31, 2021.

We do not use derivative financial instruments for speculative or trading purposes, but this does not preclude our adoption of specific hedging strategies in the future.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Camping World Holdings, Inc. and Subsidiaries
Consolidated Financial Statements

Years Ended December 31, 2022, 2021, and 2020

Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Camping World Holdings, Inc. and subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Camping World Holdings, Inc. and subsidiaries (the "Company") as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders' equity (deficit), and cash flows, for each of the three years in the period ended December 31, 2022, and the related notes and the schedules listed in the Index at Item 15(a)(2) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2023, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

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

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

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Finance and Insurance, Net — Revenue Recognition — Refer to Note 1 to the consolidated financial statements

Critical Audit Matter Description

The Company acts as an agent in selling certain insurance and service contracts with multi-year terms to customers on behalf of third-party insurance providers. The proceeds the Company receives from the third-party insurance providers for selling these contracts are subject to chargebacks of such proceeds if the customer terminates the respective contract earlier than a stated period. The proceeds are recorded as variable consideration, net of estimated chargebacks. Chargebacks depend on ultimate future cancellation rates, estimated by management by product type and year sold using a combination of actuarial methods and leveraging the Company's historical experience, adjusted for new consumer trends. As of December 31, 2022, the Company's consolidated balance sheet included $76.4 million in chargeback liabilities related to these contracts.

Given the judgment involved in estimating the ultimate future cancellation rates used to estimate the chargeback liabilities, auditing this assumption required a high degree of auditor judgment, including the use of our actuarial specialists, in performing audit procedures to evaluate the reasonableness of management's estimates.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the ultimate future cancellation rates included the following, among others:

- We tested the effectiveness of controls over the calculation of the chargeback liabilities, which includes the estimation of future cancellation rates.
- We read standard insurance policies for each policy type, including agreements and amendments between insurance providers and the Company to understand the arrangements in effect.
- With the assistance of our actuarial specialists, we developed a range of the ultimate liability estimates based on independent estimated ultimate future cancellation rates utilizing current economic factors and comparing such range to the liability estimate determined by management.
- We evaluated the reasonableness of the ultimate future cancellation rates used by comparing the recorded liability amounts, determined based on estimated ultimate future cancellation rates, and related refund amounts, reflective of actual chargebacks paid to insurance providers, over historical and current periods.

Long-Lived Asset Impairment — Refer to Notes 1 and 5 to the consolidated financial statements

Critical Audit Matter Description

The Company performs an analysis of the carrying value of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the long-lived assets may not be recoverable. The Company's long-lived asset groups comprise property and equipment, net, and operating lease right-of-use assets ("ROU assets") that exist predominantly at the individual location level (a "location"). For locations identified with carrying values not recoverable by future undiscounted cash flows, impairment charges are measured based on the excess of the carrying value over the location's fair value, subject to certain limitations. Fair value is determined, as applicable, as the sum of the discounted projected future cash flows from the use of the location's assets. The resulting impairment is allocated to the individual long-lived assets within the asset group up to the individual asset's fair value, if readily determinable. As a result, the measurement of any impairment loss includes estimation of the fair value of the location's ROU assets and property and equipment, which requires management to consider estimates of market rental rates based on comparable lease transactions. As of December 31, 2022, the Company had $758.3 million in property and equipment, net, and $742.3 million in operating lease ROU assets. During the year ended December 31, 2022, the Company recognized $4.2 million of long-lived asset impairments.

We identified the impairment indicator analysis of long-lived assets and the cash flow estimates used in assessing the recoverability as a critical audit matter. For locations with impairment indicators, a high degree of auditor judgment and an increased extent of effort was required when performing audit procedures to evaluate the reasonableness of management's estimates of projected future cash flows and market rental rates, including the use of valuation specialists in evaluating management's estimates of market rental rates and in identifying comparable market rental rate assumptions based on the specific geographic areas and characteristics of the respective location.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the evaluation of projected future cash flows and the market rental rate assumptions for locations with impairment indicators included the following, among others:

- We tested the effectiveness of controls over the impairment indicator analysis of long-lived assets, including assumptions of projected future cash flows and current market rental rates for applicable locations.
- We evaluated the reasonableness of management's projected future cash flows and market rental rate assumptions by performing the following procedures for selected locations:
    - We compared the minimum future cash flows required to recover the carrying value of the location to historical chain-wide average cash flows for comparable locations under similar economic circumstances and relevant location characteristics.
    - We evaluated the consistency of projected future cash flows with other relevant information obtained in our audit, such as internal budgets and forecasts.
    - With the assistance of our valuation specialists:
        - We compared the lease datapoints (e.g., lease start date, square footage, rent per square foot) used in the Company's estimate to an independent industry database where such information was publicly available.
        - We identified additional comparable lease datapoints of similar square footage to the location in the related geographic market and calculated a range of rent per square foot and average rent per square foot for similar lease types.
        - We evaluated the reasonableness of the market rental rate assumption by comparing to the respective market data, considering the level of similarity of the location with the age, size, and proximity of the comparable lease datapoints.
    - Where available, we compared the rent per square foot for sublease offers and current negotiations with potential tenants to the market rental rate assumption for the related locations to determine if the market rental rate assumption is reasonably supported by the current offers on the actual property.

/s/ Deloitte & Touche LLP

Los Angeles, California
February 23, 2023

We have served as the Company's auditor since 2018.

Camping World Holdings, Inc. and Subsidiaries
Consolidated Balance Sheets
(In Thousands Except Share and Per Share Amounts)

	December 31, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 130,131	$ 267,332
Contracts in transit	50,349	57,741
Accounts receivable, net	112,411	101,644
Inventories	2,123,858	1,792,865
Prepaid expenses and other assets	66,913	64,295
Total current assets	2,483,662	2,283,877
Property and equipment, net	758,281	599,324
Operating lease assets	742,306	750,876
Deferred tax assets, net	143,226	199,321
Intangible assets, net	20,945	30,970
Goodwill	622,423	483,634
Other assets	29,304	24,927
Total assets	$ 4,800,147	$ 4,372,929
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 127,691	$ 136,757
Accrued liabilities	147,833	189,595
Deferred revenues	95,695	95,467
Current portion of operating lease liabilities	61,745	62,217
Current portion of finance lease liabilities	10,244	4,964
Current portion of Tax Receivable Agreement liability	10,873	11,322
Current portion of long-term debt	25,229	15,822
Notes payable – floor plan, net	1,319,941	1,011,345
Other current liabilities	73,076	70,834
Total current liabilities	1,872,327	1,598,323
Operating lease liabilities, net of current portion	764,835	774,889
Finance lease liabilities, net of current portion	94,216	74,752
Tax Receivable Agreement liability, net of current portion	159,743	171,073
Revolving line of credit	20,885	20,885
Long-term debt, net of current portion	1,484,416	1,377,751
Deferred revenues	70,247	69,024
Other long-term liabilities	85,792	52,338
Total liabilities	4,552,461	4,139,035
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value $0.01 per share – 20,000,000 shares authorized; none issued and outstanding as of December 31, 2022 and 2021	—	—
Class A common stock, par value $0.01 per share – 250,000,000 shares authorized; 47,571,087 issued and 42,440,940 outstanding as of December 31, 2022 and 47,805,259 issued and 44,130,956 outstanding as of December 31, 2021	476	475
Class B common stock, par value $0.0001 per share – 75,000,000 shares authorized; 41,466,964 issued and outstanding as of December 31, 2022; 69,066,445 issued and 41,466,964 outstanding as of December 31, 2021	4	4
Class C common stock, par value $0.0001 per share – one share authorized, issued and outstanding as of December 31, 2022 and 2021	—	—
Additional paid-in capital	106,051	98,113
Treasury stock, at cost; 5,130,147 and 3,390,131 shares as of December 31, 2022 and 2021, respectively	(179,732)	(130,006)
Retained earnings	221,031	189,471
Total stockholders' equity attributable to Camping World Holdings, Inc.	147,830	158,057
Non-controlling interests	99,856	75,837
Total stockholders' equity	247,686	233,894
Total liabilities and stockholders' equity	$ 4,800,147	$ 4,372,929

See accompanying Notes to Consolidated Financial Statements

Camping World Holdings, Inc. and Subsidiaries
Consolidated Statements of Operations
(In Thousands Except Per Share Amounts)

	Year Ended December 31,		
	2022	2021	2020
Revenue:			
Good Sam Services and Plans	$ 192,128	$ 180,722	$ 180,977
RV and Outdoor Retail			
New vehicles	3,228,077	3,299,454	2,823,311
Used vehicles	1,877,601	1,686,217	984,853
Products, service and other	999,214	1,100,942	948,890
Finance and insurance, net	623,456	598,475	464,261
Good Sam Club	46,537	47,944	44,299
Subtotal	6,774,885	6,733,032	5,265,614
Total revenue	6,967,013	6,913,754	5,446,591
Costs applicable to revenue (exclusive of depreciation and amortization shown separately below):			
Good Sam Services and Plans	71,966	72,877	72,938
RV and Outdoor Retail			
New vehicles	2,576,276	2,423,478	2,320,537
Used vehicles	1,418,053	1,247,794	751,029
Products, service and other	631,010	706,074	590,716
Good Sam Club	7,424	7,203	8,892
Subtotal	4,632,763	4,384,549	3,671,174
Total costs applicable to revenue	4,704,729	4,457,426	3,744,112
Operating expenses:			
Selling, general, and administrative	1,606,984	1,573,609	1,156,071
Debt restructure expense	—	12,078	—
Depreciation and amortization	80,304	66,418	51,981
Long-lived asset impairment	4,231	3,044	12,353
Lease termination	1,614	2,211	4,547
Loss (gain) on sale or disposal of assets	622	(576)	1,332
Total operating expenses	1,693,755	1,656,784	1,226,284
Income from operations	568,529	799,544	476,195
Other expense:			
Floor plan interest expense	(42,031)	(14,108)	(19,689)
Other interest expense, net	(75,745)	(46,912)	(54,689)
Loss on debt restructure	—	(1,390)	—
Tax Receivable Agreement liability adjustment	114	(2,813)	141
Other expense, net	(752)	(122)	—
Total other expense	(118,414)	(65,345)	(74,237)
Income before income taxes	450,115	734,199	401,958
Income tax expense	(99,084)	(92,124)	(57,743)
Net income	351,031	642,075	344,215
Less: net income attributable to non-controlling interests	(214,084)	(363,614)	(221,870)
Net income attributable to Camping World Holdings, Inc.	$ 136,947	$ 278,461	$ 122,345
Earnings per share of Class A common stock:			
Basic	$ 3.23	$ 6.19	3.11
Diluted	$ 3.22	$ 6.07	3.09
Weighted average shares of Class A common stock outstanding:			
Basic	42,386	45,009	39,383
Diluted	42,854	89,762	40,009

See accompanying Notes to Consolidated Financial Statements

Camping World Holdings, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity
(In Thousands)

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Non-Controlling Interest	Total
	Shares	Amounts	Shares	Amounts	Shares	Amounts		Shares	Amounts			
Balance at January 1, 2020	37,489	$ 375	50,707	$ 5	—	$ —	$ 50,152	—	$ —	$ (83,134)	$ (126,634)	$ (159,236)
Equity-based compensation	—	—	—	—	—	—	9,232	—	—	—	11,429	20,661
Exercise of stock options	191	2	—	—	—	—	4,022	23	611	—	—	4,635
Non-controlling interest adjustment for capital contribution of proceeds from the exercise of stock options	—	—	—	—	—	—	(2,602)	—	—	—	2,602	—
Vesting of restricted stock units	338	3	—	—	—	—	(6,398)	323	8,556	—	(2,161)	—
Repurchases of Class A common stock for withholding taxes on vested RSUs	(71)	—	—	—	—	—	(1,910)	(107)	(2,832)	—	—	(4,742)
Repurchases of Class A common stock to treasury stock	—	—	—	—	—	—	11,616	(811)	(21,522)	—	(11,616)	(21,522)
Redemption of LLC common units for Class A common stock	4,852	48	(4,708)	—	—	—	25,565	—	—	—	7,529	33,142
Distributions to holders of LLC common units	—	—	—	—	—	—	—	—	—	—	(136,974)	(136,974)
Dividends[(1)]	—	—	—	—	—	—	—	—	—	(61,025)	—	(61,025)
Establishment of liabilities under the Tax Receivable Agreement and related changes to deferred tax assets associated with that liability	—	—	—	—	—	—	(28,385)	—	—	—	—	(28,385)
Non-controlling interest adjustment	—	—	—	—	—	—	2,050	—	—	—	(2,050)	—
Net income	—	—	—	—	—	—	—	—	—	122,345	221,870	344,215
Balance at December 31, 2020	42,799	$ 428	45,999	$ 5	—	$ —	$ 63,342	(572)	$ (15,187)	$ (21,814)	$ (36,005)	$ (9,231)
Equity-based compensation	—	—	—	—	—	—	24,490	—	—	—	23,446	47,936
Exercise of stock options	—	—	—	—	—	—	(1,651)	189	5,762	—	—	4,111
Non-controlling interest adjustment for capital contribution of proceeds from the exercise of stock options	—	—	—	—	—	—	(2,017)	—	—	—	2,017	—
Vesting of restricted stock units	—	—	—	—	—	—	(28,493)	971	34,756	—	(6,263)	—
Repurchases of Class A common stock for withholding taxes on vested RSUs	—	—	—	—	—	—	(989)	(303)	(11,100)	—	—	(12,089)
Stock award to employee	—	—	—	—	—	—	(15,551)	511	19,586	—	(4,035)	—
Repurchases of Class A common stock for withholding taxes on stock award to employee	—	—	—	—	—	—	(160)	(197)	(7,567)	—	—	(7,727)
Repurchases of Class A common stock to treasury stock	—	—	—	—	—	—	74,487	(3,989)	(156,256)	—	(74,487)	(156,256)
Redemption of LLC common units for Class A common stock	4,722	47	(4,533)	(1)	—	—	15,685	—	—	—	1,392	17,123
Distributions to holders of LLC common units	—	—	—	—	—	—	—	—	—	—	(193,735)	(193,735)
Dividends[(1)]	—	—	—	—	—	—	—	—	—	(67,176)	—	(67,176)
Establishment of liabilities under the Tax Receivable Agreement and related changes to deferred tax assets associated with that liability	—	—	—	—	—	—	(31,137)	—	—	—	—	(31,137)
Non-controlling interest adjustment	—	—	—	—	—	—	107	—	—	—	(107)	—
Net income	—	—	—	—	—	—	—	—	—	278,461	363,614	642,075
Balance at December 31, 2021	47,521	$ 475	41,466	$ 4	—	$ —	$ 98,113	(3,390)	$ (130,006)	$ 189,471	$ 75,837	$ 233,894

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings	Non-Controlling Interest	Total
	Shares	Amounts	Shares	Amounts	Shares	Amounts		Shares	Amounts			
Equity-based compensation	—	—	—	—	—	—	13,897	—	—	—	16,830	30,727
Exercise of stock options	—	—	—	—	—	—	(349)	25	890	—	—	541
Non-controlling interest adjustment for capital contribution of proceeds from the exercise of stock options	—	—	—	—	—	—	(245)	—	—	—	245	—
Vesting of restricted stock units	—	—	—	—	—	—	(35,831)	1,211	42,640	—	(6,600)	209
Repurchases of Class A common stock for withholding taxes on vested RSUs	—	—	—	—	—	—	2,371	(383)	(13,499)	—	—	(11,128)
Repurchases of Class A common stock to treasury stock	—	—	—	—	—	—	27,561	(2,593)	(79,757)	—	(37,774)	(89,970)
Redemption of LLC common units for Class A common stock	50	1	—	—	—	—	424	—	—	—	(45)	380
Disgorgement of short-swing profits by Section 16 officer	—	—	—	—	—	—	58	—	—	—	—	58
Distributions to holders of LLC common units	—	—	—	—	—	—	—	—	—	—	(162,963)	(162,963)
Dividends(1)	—	—	—	—	—	—	—	—	—	(105,387)	—	(105,387)
Establishment of liabilities under the Tax Receivable Agreement and related changes to deferred tax assets associated with that liability	—	—	—	—	—	—	294	—	—	—	—	294
Non-controlling interest adjustment	—	—	—	—	—	—	(242)	—	—	—	242	—
Net income	—	—	—	—	—	—	—	—	—	136,947	214,084	351,031
Balance at December 31, 2022	47,571	$ 476	41,466	$ 4	—	$ —	$ 106,051	(5,130)	$ (179,732)	$ 221,031	$ 99,856	$ 247,686

(1) The Company declared dividends per share of Class A common stock of $2.50, $1.48 and $1.48 per share in 2022, 2021, and 2020, respectively.

See accompanying Notes to Consolidated Financial Statements

Camping World Holdings, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31,		
	2022	2021	2020
Operating activities			
Net income	$ 351,031	$ 642,075	$ 344,215
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	80,304	66,418	51,981
Equity-based compensation	33,847	47,936	20,661
Loss on lease termination	1,614	2,211	4,547
Loss on debt restructure	—	1,390	—
Long-lived asset impairment	4,231	3,044	12,353
Loss (gain) on sale or disposal of assets	622	(576)	1,332
Provision for losses on accounts receivable	669	1,610	1,068
Non-cash lease expense	59,647	60,519	57,536
Accretion of original debt issuance discount	2,602	1,330	1,079
Non-cash interest	2,077	2,513	4,306
Deferred income taxes	43,301	(5,890)	6,606
Tax Receivable Agreement liability adjustment	(114)	2,813	(141)
Change in assets and liabilities, net of acquisitions:			
Receivables and contracts in transit	(4,111)	(28,797)	(2,777)
Inventories	(254,319)	(629,830)	239,334
Prepaid expenses and other assets	(5,104)	(4,676)	(3,016)
Accounts payable and other accrued expenses	(42,303)	52,694	39,846
Payment pursuant to Tax Receivable Agreement	(11,322)	(8,089)	(6,563)
Deferred revenue	1,451	14,761	4,560
Operating lease liabilities	(67,097)	(63,462)	(68,951)
CARES Act deferral of payroll taxes	(14,706)	(14,616)	29,231
Other, net	7,463	10,626	10,462
Net cash provided by operating activities	189,783	154,004	747,669
Investing activities			
Purchases of property and equipment	(154,926)	(118,657)	(31,845)
Proceeds from sale of property and equipment	1,623	2,199	1,751
Purchase of real property	(55,666)	(129,154)	(53,078)
Proceeds from the sale of real property	7,352	3,635	7,484
Purchases of businesses, net of cash acquired	(217,034)	(100,117)	(47,571)
Purchase of other investments	(3,000)	(7,983)	—
Purchase of equity securities	—	—	(2,500)
Purchases of intangible assets	(884)	(5,695)	(176)
Net cash used in investing activities	$ (422,535)	$ (355,772)	$ (125,935)

Camping World Holdings, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (continued)
(In Thousands)

	Year Ended December 31,		
	2022	2021	2020
Financing activities			
Proceeds from long-term debt	127,759	430,698	—
Payments on long-term debt	(12,322)	(177,948)	(36,792)
Net proceeds (payments) on notes payable – floor plan, net	314,061	487,946	(324,485)
Borrowings on revolving line of credit	—	20,000	—
Payments on revolving line of credit	—	(20,000)	(20,000)
Proceeds from landlord funded construction on finance leases	6,028	—	—
Payments on finance leases	(5,977)	(2,871)	(2,278)
Proceeds from sale-leaseback arrangement	27,951	—	—
Payments on sale-leaseback arrangement	(132)	—	—
Payment of debt issuance costs	(3,181)	(1,925)	—
Dividends on Class A common stock	(105,387)	(67,176)	(61,025)
Proceeds from exercise of stock options	541	4,111	4,635
RSU shares withheld for tax	(11,128)	(12,089)	(4,742)
Stock award shares withheld for tax	—	(7,727)	—
Repurchases of Class A common stock to treasury stock	(79,757)	(156,256)	(21,522)
Disgorgement of short-swing profits by Section 16 officer	58	—	—
Distributions to holders of LLC common units	(162,963)	(193,735)	(136,974)
Net cash provided by (used in) financing activities	95,551	303,028	(603,183)
(Decrease) increase in cash and cash equivalents	(137,201)	101,260	18,551
Cash and cash equivalents at beginning of the period	267,332	166,072	147,521
Cash and cash equivalents at end of the period	$ 130,131	$ 267,332	$ 166,072

See accompanying Notes to Consolidated Financial Statements

Camping World Holdings, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2022

1. Summary of Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of Camping World Holdings, Inc. ("CWH") and its subsidiaries (collectively, the "Company"), and are presented in accordance with accounting principles generally accepted in the United States ("GAAP"). All intercompany accounts and transactions of the Company and its subsidiaries have been eliminated in consolidation.

CWH was formed on March 8, 2016 as a Delaware corporation for the purpose of facilitating an initial public offering (the "IPO") and other related transactions in order to carry on the business of CWGS Enterprises, LLC ("CWGS, LLC"). CWGS, LLC was formed in March 2011 when it received, through contribution from its then parent company, all of the membership interests of Affinity Group Holding, LLC and FreedomRoads Holding Company, LLC ("FreedomRoads"). The IPO and related reorganization transactions that occurred on October 6, 2016 resulted in CWH as the sole managing member of CWGS, LLC, with CWH having sole voting power in and control of the management of CWGS, LLC (see Note 18 — Stockholders' Equity). CWH's position as sole managing member of CWGS, LLC, includes periods where CWH held a minority economic interest in CWGS, LLC. As of December 31, 2022, 2021, and 2020, CWH owned 50.2%, 51.2% and 47.4%, respectively, of CWGS, LLC. Accordingly, the Company consolidates the financial results of CWGS, LLC and reports a non-controlling interest in its consolidated financial statements.

The Company does not have any components of other comprehensive income recorded within its consolidated financial statements and, therefore, does not separately present a statement of comprehensive income in its consolidated financial statements.

Description of the Business

Camping World Holdings, Inc., together with its subsidiaries, is America's largest retailer of RVs and related products and services. As noted above, CWGS, LLC is a holding company and operates through its subsidiaries. The Company has the following two reportable segments: (i) Good Sam Services and Plans and (ii) RV and Outdoor Retail. See Note 22 – Segments Information for further information about the Company's segments. Within the Good Sam Services and Plans segment, the Company primarily derives revenue from the sale of the following offerings: emergency roadside assistance plans; commissions on property and casualty insurance programs; travel assist programs; extended vehicle service contracts; vehicle financing and refinancing assistance; consumer shows and events; and consumer publications and directories. Within the RV and Outdoor Retail segment, the Company primarily derives revenue from the sale of new and used RVs; commissions on the finance and insurance contracts related to the sale of RVs; the sale of RV service and collision work; the sale of RV parts, accessories, and supplies; the sale of outdoor products, equipment, gear and supplies; business to business distribution of RV furniture, and the sale of Good Sam Club memberships and co-branded credit cards. The Company operates a national network of RV dealerships and service centers as well as a comprehensive e-commerce platform, primarily under the Camping World brand, and markets its products and services primarily to RV and outdoor enthusiasts.

In 2019, the Company made a strategic decision to refocus its business around its core RV competencies, and on September 3, 2019, the Board of Directors approved a strategic plan to shift the business away from locations that did not have the ability or where it was not feasible to sell and/or service RVs (the "2019 Strategic Shift") (see Note 5 – Restructuring and Long-Lived Asset Impairment).

COVID-19

Within a few months of the initial significant outbreaks of COVID-19 in the U.S., the Company experienced elevated demand for RVs and many of its related products and services. The Company believes that consumers view RVs as a safer alternative to many other travel and recreational activities, in addition to an opportunity to enjoy the outdoors after many consumers spent much of their time at home during portions of the pandemic. The Company believes this led to an introduction of many new customers to the RV lifestyle and a greater appreciation of outdoor activities. For much of the COVID-19 pandemic, demand and interest in new and used vehicles outpaced vehicle supply. Beginning in September 2021, the Company was able to procure more new vehicles from its suppliers than were sold and new towables inventory levels, in particular, normalized in early 2022.

During the height of the pandemic, and related government orders directing non-essential business closures or reductions, the majority of the Company's retail locations continued to operate as essential businesses. The Company has implemented preparedness plans consistent with government directives to keep its employees and customers safe. As case counts have risen and receded over the course of the pandemic, the Company has adjusted remote work and office schedules accordingly.

Historically, most of the Company's consumer shows and events take place during the first quarter. As a consequence of COVID-19, the Company held fewer consumer shows in 2021 and 2022. Moving forward, the Company has shifted its consumer show strategy to focus on shows that support its own Camping World dealerships as opposed to hosting other competing dealerships. The Company expects to annually host fewer than five ticketed in-person consumer shows under the Good Sam brand in future years.

Cybersecurity Incident

The Company relies on the integrity, security and successful functioning of its information technology systems and network infrastructure (collectively, "IT Systems") across its operations. In February 2022, the Company announced the occurrence of a cybersecurity incident that resulted in the encryption of certain IT Systems and theft of certain data and information (the "Cybersecurity Incident"). The Cybersecurity Incident resulted in the Company's temporary inability to access certain of its IT Systems, caused by the disabling of some of its IT Systems by the threat actor and the Company temporarily taking certain other IT Systems offline as a precautionary measure. The Company engaged leading outside forensics and cybersecurity experts, launched containment and remediation efforts and a forensic investigation, which was completed as of September 30, 2022. The Company is continuing to take measures to enhance its IT Systems. Through its investigation, the Company identified that personal information of approximately 30,000 individuals was acquired without authorization, including, depending on the individual, dates of birth, Social Security numbers, and driver's license numbers. The Company complied with notification obligations in accordance with relevant law and is continuing to cooperate with law enforcement.

The Company has incurred costs related to investigation, containment, and remediation and expects to continue to incur incremental costs for the remediation of the Cybersecurity Incident, including legal and other professional fees, and investments to enhance the security of its IT Systems. Other actual and potential consequences include, but are not limited to, negative publicity, reputational damage, lost trust with customers, and regulatory enforcement action. In December 2022, three putative class action complaints were filed against the Company and certain of its subsidiaries arising out of the Cybersecurity Incident. This litigation could result in financial judgments or the payment of settlement amounts and disputes with insurance carriers concerning coverage. The Company does not expect that the Cybersecurity Incident will cause future disruptions to its business or that the Cybersecurity Incident, including anticipated costs associated with pending litigation, will have a future material impact on its business, results of operations or financial condition.

Use of Estimates

The preparation of these consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates. In preparing these consolidated financial statements, management has made its best estimates and judgments of certain amounts included in the consolidated financial statements, giving due consideration to materiality. The Company bases its estimates and judgments on historical experience and other assumptions that management believes are reasonable. However, application of these accounting policies involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ materially from these estimates. The Company periodically evaluates estimates and assumptions used in the preparation of the consolidated financial statements and makes changes on a prospective basis when adjustments are necessary. Significant estimates made in the accompanying consolidated financial statements include certain assumptions related to accounts receivable, inventory, goodwill, intangible assets, long-lived assets, long-lived asset impairments, program cancellation reserves, chargebacks, accruals related to estimated tax liabilities, product return reserves, and other liabilities.

Cash and Cash Equivalents

The Company considers all short-term, highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents. The carrying amount approximates fair value because of the short-term maturity of these instruments. Outstanding checks that are in excess of the cash balances at certain banks are included in accrued liabilities in the accompanying consolidated balance sheets, and changes in the amounts are reflected in operating cash flows in the accompanying consolidated statement of cash flows.

Contracts in Transit, Accounts Receivable and Current Expected Credit Losses

Contracts in transit consist of amounts due from non-affiliated financing institutions on retail finance contracts from vehicle sales for the portion of the vehicle sales price financed by the Company's customers. These retail installment sales contracts are typically funded within ten days of the initial approval of the retail installment sales contract by the third-party lender.

Accounts receivable are stated at realizable value, net of an allowance for doubtful accounts, which includes a reserve for expected credit losses. Accounts receivable balances due in excess of one year was $9.6 million at December 31, 2022 and $7.8 million at December 31, 2021, which are included in other assets in the accompanying consolidated balance sheets.

The allowance for doubtful accounts is based on management's assessment of the collectability of its customer accounts. The Company regularly reviews the composition of the accounts receivable aging, historical bad debts, changes in payment patterns, customer creditworthiness, current economic trends, and reasonable and supportable forecasts about the future. Relevant risk characteristics include customer size and historical loss patterns. Management has evaluated the expected credit losses related to contracts in transit and determined that no allowance for doubtful accounts was required at December 31, 2022 and 2021. Management additionally has evaluated the expected credit losses related to accounts receivable and determined that allowances of approximately $4.2 million as of December 31, 2022 and $4.7 million as of December 31, 2021 for uncollectible accounts were required. Additionally, there was a less than $0.1 million allowance for doubtful accounts for noncurrent receivables at December 31, 2021 recognized during the year ended December 31, 2021.

The following table details the changes in the allowance for doubtful accounts relating to current receivables (in thousands):

	Year Ended	
	December 31, 2022	December 31, 2021
Allowance for doubtful accounts:		
Balance, beginning of period	$ 4,711	$ 3,393
Charged to bad debt expense	675	1,568
Deductions [1]	(1,164)	(250)
Balance, end of period	$ 4,222	$ 4,711

(1) These amounts primarily relate to the write off of uncollectable accounts after collection efforts have been exhausted.

Concentration of Credit Risk

The Company's most significant industry concentration of credit risk is with financial institutions from which the Company has recorded receivables and contracts in transit. These financial institutions provide financing to the Company's customers for the purchase of a vehicle in the normal course of business. These receivables are short-term in nature and are from various financial institutions located throughout the United States.

The Company has cash deposited in various financial institutions that is in excess of the insurance limits provided by the Federal Deposit Insurance Corporation. The amount in excess of FDIC limits at December 31, 2022 and 2021 was approximately $146.4 million and $278.7 million, respectively.

The Company is potentially subject to concentrations of credit risk in accounts receivable. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers and their geographic dispersion.

Inventories, net

New and used RV inventories consist primarily of new and used recreational vehicles held for sale valued using the specific-identification method and valued at the lower of cost or net realizable value. Cost includes purchase costs, reconditioning costs, dealer-installed accessories, and freight. For vehicles accepted in trades, the cost is the fair value of such used vehicles at the time of the trade-in plus reconditioning costs. Products, parts, accessories, and other inventories primarily consist of installable parts, as well as retail travel and leisure specialty merchandise and are stated at lower of cost or net realizable value using the first in, first out method. The cost of RV and Outdoor Retail inventories primarily consists of the direct cost of the merchandise including freight and rebates. A portion of the products, parts, accessories and other inventory includes capitalized labor relating to assembly.

Property and Equipment, net

Property and equipment is recorded at historical cost, net of accumulated depreciation and amortization, and, if applicable, impairment charges. Depreciation of property and equipment is provided using the straight-line method over the following estimated useful lives of the assets:

	Years
Building and improvements	40
Leasehold improvements	3-40
Furniture, fixtures and equipment	3-12
Software	3-5

Leasehold improvements are amortized over the useful lives of the assets or the remaining term of the respective lease, whichever is shorter.

Leases

Leases are recorded in accordance with Accounting Standards Codification ("ASC") 842, Leases ("ASC 842") (see Note 10 — Lease Obligations). The Company leases property and equipment throughout the United States primarily under finance and operating leases. For leases with initial lease terms at commencement that are greater than 12 months, the Company records the related asset and obligation at the present value of lease payments over the term. Many of the Company's leases include rental escalation clauses, renewal options and/or termination options that are factored into the determination of lease payments when appropriate. The Company aggregates non-lease components with the related lease components when evaluating the accounting treatment for property, equipment, and billboard leases.

Many of the Company's lease agreements include fixed rental payments. Certain of its lease agreements include fixed rental payments that are adjusted periodically for changes in the Consumer Price

Index ("CPI"). Payments based on a change in an index or a rate, rather than a specified index or rate, are not considered in the determination of lease payments for purposes of measuring the related lease liability. While lease liabilities are not remeasured as a result of changes to the CPI, changes to the CPI are typically treated as variable lease payments and recognized in the period in which the obligation for those payments is incurred. Common area maintenance, property tax, and insurance associated with triple net leases, as well as payments based on revenue generated at certain leased locations, are included in variable lease costs, but are not included in the measurement of the lease liability.

Most of the Company's real estate leases include one or more options to renew, with renewal terms that can extend the lease term from one to five years or more. The exercise of lease renewal options is at the Company's sole discretion. If it is reasonably certain that the Company will exercise such options, the periods covered by such options are included in the lease term and are recognized as part of the operating lease assets and operating lease liabilities. The depreciable life of assets and leasehold improvements are limited to the shorter of the lease term or useful life if there is a transfer of title or purchase option reasonably certain of exercise.

The Company cannot readily determine the rate implicit in its leases. Therefore, the Company must estimate its incremental borrowing rate to discount the lease payments based on information available at lease commencement. The Company estimates its incremental borrowing rate using a yield curve based on the credit rating of its collateralized debt and maturities that are commensurate with the lease term at the applicable commencement or remeasurement date.

Goodwill and Other Intangible Assets

Goodwill is reviewed at least annually for impairment, and more often when impairment indicators are present (see Note 7 – Goodwill and Intangible Assets). Finite-lived intangibles are recorded at cost, net of accumulated amortization and, if applicable, impairment charges.

Long-Lived Assets

Long lived assets are included in property and equipment, which also includes capitalized software costs to be held and used. For the Company's major software systems, such as its accounting and membership systems, its capitalized costs may include some internal or external costs to configure, install and test the software during the application development stage. The Company does not capitalize preliminary project costs, nor does it capitalize training, data conversion costs, maintenance or post development stage costs. The Company's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company's long-lived asset groups exist predominantly at the individual location level and the associated impairment analysis involves the comparison of an asset group's estimated future undiscounted cash flows over its remaining useful life to its respective carrying value, which primarily includes furniture, equipment, leasehold improvements, and operating lease assets. For long-lived asset groups identified with carrying values not recoverable by future undiscounted cash flows, impairment charges are recognized to the extent the sum of the discounted future cash flows from the use of the asset group is less than the carrying value. The impairment charge is allocated to the individual long-lived assets within an asset group; however, an individual long-lived asset is not impaired below its individual fair value, if readily determinable. The measurement of any impairment loss includes estimation of the fair value of the asset group's respective operating lease assets, which includes estimates of market rental rates based on comparable lease transactions.

Long-Term Debt

The fair value of the Company's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered for debt of the same or similar remaining maturities.

Revenue Recognition

Revenues are recognized by the Company when control of the promised goods or services is transferred to its customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Sales and other taxes collected from the customer concurrent with revenue-producing activities are excluded from revenue. Incidental items that are immaterial in the context of the contract are recognized as expense. The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative stand-alone selling price. The Company generally determines stand-alone selling prices based on the prices charged to customers or using the adjusted market assessment approach. The Company presents disaggregated revenue on its consolidated statements of operations.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period of time between payment and transfer of the promised goods or services will be one year or less. The Company expenses sales commissions when incurred in cases where the amortization period of those otherwise capitalized sales commissions would have been one year or less. The Company does not disclose the value of unsatisfied performance obligations for revenue streams for (i) contracts with an original expected length of one year or less and (ii) contracts for which the Company recognizes revenue at the amount to which it has the right to invoice for services performed. The Company accounts for shipping and handling as activities to fulfill the promise to transfer the good to the customer and does not evaluate whether shipping and handling is a separate performance obligation

Good Sam Services and Plans

Good Sam Services and Plans revenue consists of revenue from publications, consumer shows, and marketing fees from various consumer services and plans. Roadside Assistance ("RA") revenues are deferred and recognized over the contractual life of the membership. RA claim expenses are recognized when incurred. Marketing fees for finance, insurance, extended service and other similar products are recognized as variable consideration, net of estimated cancellations, if applicable, when a product contract payment has been received or financing has been arranged. These marketing fees are recorded net as the Company acts as an agent in the transaction. The related estimate for cancellations on the marketing fees for multi-year finance and insurance products utilize actuarial analysis to estimate the exposure. Promotional expenses consist primarily of direct mail advertising expenses and renewal expenses and are expensed at the time related materials are mailed. Newsstand sales of publications and related expenses are recorded as variable consideration at the time of delivery, net of estimated returns. Subscription sales of publications are reflected in income over the lives of the subscriptions. The related selling expenses are expensed as incurred. Advertising revenues and related expenses are recorded at the time of delivery. Revenue and related expenses for consumer shows are recognized when the show occurs.

New and Used Vehicles

RV vehicle revenue consists of sales of new and used recreational vehicles, sales of RV parts and services, and commissions on the related finance and insurance contracts. Revenue from the sale of recreational vehicles is recognized upon completion of the sale to the customer. Conditions to completing a sale include having an agreement with the customer, including pricing, whereby the sales price must be reasonably expected to be collected and having control transferred to the customer.

Products, Service and Other

Revenue from RV-related parts, service and other products sales is recognized over time as work is completed, and when parts or other products are delivered to the Company's customers. For service and parts revenues recorded over time, the Company utilizes a method that considers total costs incurred to date and the applicable margin in relation to total expected efforts to complete our performance obligation in order to determine the appropriate amount of revenue to recognize over time.

The remaining RV and Outdoor retail revenue consists of sales of products, service and other, including RV accessories and supplies, RV furniture, camping, hunting, fishing, skiing, snowboarding, bicycling, skateboarding, marine and watersport equipment and supplies. Revenue from products, service and other is recognized over time as work is completed, and when parts or other products are delivered to the Company's customers. E-commerce sales are recognized when the product is shipped and recorded as variable consideration, which is net of anticipated merchandise returns that reduce revenue and cost of sales in the period that the related sales are recorded.

Finance and Insurance, net

Finance and insurance revenue is recorded net, since the Company is acting as an agent in the transaction, and is recognized when a finance and insurance product contract payment has been received or financing has been arranged. The proceeds the Company receives for arranging financing contracts, selling extended service contracts, and selling other products, are subject to chargebacks if the customer terminates the respective contract earlier than a stated period. In the case of insurance and service contracts, the stated period typically extends from one to five years with the refundable commission balance declining over the contract term. These proceeds are recorded as variable consideration, net of estimated chargebacks. Chargebacks are estimated based on ultimate future cancellation rates by product type and year sold using a combination of actuarial methods and leveraging the Company’s historical experience from the past ten years, adjusted for new consumer trends. The chargeback liabilities included in the estimate of variable consideration totaled $76.4 million and $68.8 million as of December 31, 2022 and December 31, 2021, respectively.

Good Sam Club

Good Sam Club revenue consists of revenue from club membership fees and royalty fees from co-branded credit cards. Membership revenue is generated from annual, multiyear and lifetime memberships. The revenue and expenses associated with these memberships are deferred and amortized over the membership period. Unearned revenue and profit are subject to revisions as the membership progresses to completion. Revisions to membership period estimates would change the amount of income and expense amortized in future accounting periods. For lifetime memberships, an 18-year period is used, which is the actuarially determined estimated fulfillment period. Royalty revenue is earned under the terms of an arrangement with a third-party credit card provider based on a percentage of the Company’s co-branded credit card portfolio retail spending with such third-party credit card provider and for acquiring new cardholders.

Advertising Expenses

Advertising expenses are expensed as incurred. Advertising expenses for the years ended December 31, 2022, 2021 and 2020 were $150.7 million, $136.3 million and $96.3 million, respectively. Advertising expenses relating to RV and Outdoor Retail segment were included in selling, general and administrative expenses in the consolidated statements of operations. Advertising expenses relating to the Good Sam Services and Plans segment were included in costs applicable to revenues in the consolidated statements of operations, since, by the nature of those revenue streams, they are integral to the generation of those revenues.

Vendor Allowances

As a component of the Company’s consolidated procurement program, the Company frequently enters into contracts with vendors that provide for payments of rebates or other allowances. These vendor payments are reflected in the carrying value of the inventory when earned or as progress is made toward earning the rebate or allowance and as a component of cost of sales as the inventory is sold. Certain of these vendor contracts provide for rebates and other allowances that are contingent upon the Company meeting specified performance measures such as a cumulative level of purchases over a specified period of time. Such contingent rebates and other allowances are given accounting recognition at the point at which achievement of the specified performance measures are deemed to be probable and reasonably estimable.

Shipping and Handling Fees and Costs

The Company reports shipping and handling costs billed to customers as a component of revenues, and related costs are reported as a component of costs applicable to revenues. For the years ended December 31, 2022, 2021, and 2020, $7.2 million, $8.0 million, and $8.2 million of shipping and handling fees, respectively, were included in the RV and Outdoor Retail segment as revenue.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on the asset and liability method, which requires an adjustment to the deferred tax asset or liability to reflect income tax rates currently in effect. When income tax rates increase or decrease, a corresponding adjustment to income tax expense is recorded by applying the rate change to the cumulative temporary differences. The Company recognizes the tax benefit from an uncertain tax position in accordance with accounting guidance on accounting for uncertainty in income taxes. The Company classifies interest and penalties relating to income taxes as income tax expense. See Note 11 — Income Taxes for additional information.

Seasonality

The Company has experienced, and expects to continue to experience, variability in revenue, net income, and cash flows as a result of annual seasonality in its business. Because RVs are used primarily by vacationers and campers, demand for services, protection plans, products, and resources generally declines during the winter season, while sales and profits are generally highest during the spring and summer months. In addition, unusually severe weather conditions in some geographic areas may impact demand.

The Company generates a disproportionately higher amount of its annual revenue in its second and third fiscal quarters, which include the spring and summer months. The Company incurs additional expenses in the second and third fiscal quarters due to higher purchase volumes, increased staffing in its retail locations and program costs. If, for any reason, the Company miscalculates the demand for its products or its product mix during the second and third fiscal quarters, its sales in these quarters could decline, resulting in higher labor costs as a percentage of gross profit, lower margins and excess inventory, which could cause the Company's annual results of operations to suffer and its stock price to decline.

Additionally, selling, general, and administrative ("SG&A") expenses as a percentage of gross profit tend to be higher in the first and fourth quarters due to the timing of acquisitions and the seasonality of the Company's business. The Company prefers to acquire new retail locations in the first and fourth quarters of each year in order to provide time for the location to be remodeled and to ramp up operations ahead of the spring and summer months. The timing of the Company's acquisitions in the first and fourth quarters, coupled with generally lower revenue in these quarters has historically resulted in SG&A expenses as a percentage of gross profit being higher in these quarters.

Due to the Company's seasonality, the possible adverse impact from other risks associated with its business, including atypical weather, consumer spending levels and general business conditions, is potentially greater if any such risks occur during the Company's peak sales seasons.

Recently Adopted Accounting Pronouncements

In October 2021, the Financial Accounting Standards Board ("FASB") issued ASU No. 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers ("ASU 2021-08"). This standard requires contract assets and contract liabilities, such as certain receivables and deferred revenue, acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree instead of recording those balances at fair value. This standard should be applied prospectively to acquisitions occurring after the effective date. The standard will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022, with early adoption permitted. The Company early adopted ASU 2021-08 as of January 1, 2022 and the adoption did not materially impact its consolidated financial statements.

Recently Issued Accounting Pronouncements

In June 2022, the FASB issued ASU 2022-03, Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions ("ASU 2022-03"). This standard clarifies the guidance in ASC 820 on the fair value measurement of an equity security that is subject to a contractual sale restriction that prohibits the sale of an equity security, and requires specific disclosures related to such an equity security. The standard should be applied prospectively. The standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2023, with early adoption permitted. The Company does not expect that the adoption of the provisions of this ASU will have a material impact on its consolidated financial statements.

In September 2022, the FASB issued ASU 2022-04, Liabilities—Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations ("ASU 2022-04"). This standard requires a buyer in a supplier finance program to disclose qualitative and quantitative information about the program to allow users to understand the program's nature, activity during the period, changes from period to period and potential magnitude. Most of the disclosures are required only in annual reporting periods, except for the amount of obligation outstanding to be disclosed at each interim reporting period. The standard should be applied retrospectively to each period in which a balance sheet is presented, except for the amendment on rollforward information, which should be applied prospectively. The standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022, except for the disclosure of rollforward information, which is effective for fiscal years beginning after December 15, 2023, with early adoption permitted. As this standard relates to additional disclosure requirements, the Company does not expect that the adoption of the provisions of this ASU will have a material impact on its consolidated financial statements.

2. Revenue

Contract Assets

As of December 31, 2022 and 2021, a contract asset of $18.4 million and $16.2 million, respectively, relating to RV service revenues was included in accounts receivable in the accompanying consolidated balance sheets. As of December 31, 2022 and 2021, the Company had capitalized costs to acquire a contract consisting of $5.1 million and $5.4 million, respectively, from the deferral of sales commissions expenses relating to multi-year consumer services and plans and the recording of such expenses over the same period as the recognition of the related revenues.

Deferred Revenues

The Company records deferred revenues when cash payments are received or due in advance of the Company's performance, net of estimated refunds that are presented separately as a component of accrued liabilities. For the year ended December 31, 2022, $95.5 million of revenues recognized were included in the deferred revenue balance at the beginning of the period. For the year ended December 31, 2021, $88.2 million of revenues recognized were included in the deferred revenue balance at the beginning of the period.

As of December 31, 2022, the Company had unsatisfied performance obligations primarily relating to plans for its roadside assistance, Good Sam Club memberships, Coast to Coast memberships, the annual campground guide, and magazine publication revenue streams. The total unsatisfied performance obligations for these revenue streams at December 31, 2022 and the periods during which the Company expects to recognize the amounts as revenue are presented as follows (in thousands):

	As of December 31, 2022
2023	$ 95,695
2024	32,630
2025	17,766
2026	9,549
2027	4,554
Thereafter	5,748
Total	$ 165,942

The Company's payment terms vary by the type and location of its customer and the products or services offered. The term between invoicing and when payment is due is not significant. For certain products or services and customer types, the Company requires payment before the products or services are delivered to the customer.

3. Accounts Receivable

Accounts receivable consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Good Sam Services and Plans	$ 14,385	$ 13,046
RV and Outdoor Retail		
New and used vehicles	3,995	4,636
Parts, service and other	40,708	42,418
Trade accounts receivable	25,352	20,974
Due from manufacturers	23,861	16,499
Other	8,300	8,782
Corporate	32	—
	116,633	106,355
Allowance for doubtful accounts	(4,222)	(4,711)
	$ 112,411	$ 101,644

4. Inventories and Floor Plan Payables

Inventories consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Good Sam services and plans	$ 625	$ —
New RVs	1,411,016	1,108,836
Used RVs	464,310	406,398
Products, parts, accessories and other	247,907	277,631
	$ 2,123,858	$ 1,792,865

Substantially all of the Company's new RV inventory and certain of its used RV inventory, included in the RV and Outdoor Retail segment, is financed by a floor plan credit agreement with a syndication of banks. The borrowings under the floor plan credit agreement are collateralized by substantially all of the assets of FreedomRoads, LLC ("FR"), a wholly-owned subsidiary of FreedomRoads, which operates the RV dealerships. The floor plan borrowings are tied to specific vehicles and principal is due upon the sale of the related vehicle or upon reaching certain aging criteria.

As of December 31, 2022 and 2021, FR maintained floor plan financing through the Eighth Amended and Restated Credit Agreement ("Floor Plan Facility") entered into in September 2021, which amended the Seventh Amended and Restated Credit Agreement that was previously entered into in December 2017. The Floor Plan Facility at December 31, 2022 allowed FR to borrow (a) up to $1.70 billion under a floor plan facility, (b) up to $30.0 million under a letter of credit facility and (c) up to a maximum amount outstanding of $70.0 million under the revolving line of credit. The Floor Plan Facility also includes an accordion feature allowing FR, at its option, to request to increase the aggregate amount of the floor plan notes payable in $50 million increments up to a maximum amount of $200 million. The lenders under the Floor Plan Facility are not under any obligation to provide commitments in respect of any such increase. The maturity date of the Floor Plan Facility is September 30, 2026.

As of December 31, 2022 and 2021, the applicable interest rate for the floor plan notes payable under the Floor Plan Facility was 6.01% and 1.96%, respectively. Under the Floor Plan Facility, at the Company's option, the floor plan notes payable, and borrowings for letters of credit, in each case, bear interest at a rate per annum equal to (a) the floating Bloomberg Short-Term Bank Yield Index rate ("BSBY") plus the applicable rate of 1.90% to 2.50% determined based on FR's consolidated current ratio, or, (b) the base rate (as described below) plus the applicable rate of 0.40% to 1.00% determined based on FR's consolidated current ratio.

As of December 31, 2022 and 2021, the applicable interest rate for revolving line of credit borrowings under the Floor Plan Facility was 6.21% and 2.31%, respectively. Under the Floor Plan Facility, revolving line of credit borrowings bear interest at a rate per annum equal to, at the Company's option, either: (a) a floating BSBY rate, plus 2.25%, in the case of floating BSBY rate loans, or (b) a base rate determined by reference to the greatest of: (i) the federal funds rate plus 0.50%, (ii) the prime rate published by Bank of America, N.A. and (iii) the floating BSBY rate plus 1.75%, plus 0.75%, in the case of base rate loans. Additionally, under the Floor Plan Facility, the revolving line of credit borrowings are limited by a borrowing base calculation, which did not limit the borrowing capacity at December 31, 2022.

The Floor Plan Facility includes a flooring line aggregate interest reduction ("FLAIR") offset account that allows the Company to transfer cash as an offset to the payables under the Floor Plan Facility. These transfers reduce the amount of liability outstanding under the floor plan borrowings that would otherwise accrue interest, while retaining the ability to withdraw amounts from the FLAIR offset account subject to the financial covenants under the Floor Plan Facility. As a result of using the FLAIR offset account, the Company experiences a reduction in floor plan interest expense in its consolidated statements of operations. As of December 31, 2022 and 2021, FR had $217.7 million and $92.1 million, respectively, in the FLAIR offset account. The maximum FLAIR percentage of outstanding floor plan borrowings is 35% under the Floor Plan Facility. The FLAIR offset account does not reduce the outstanding amount of loans under the Floor Plan Facility for purposes of determining the unencumbered borrowing capacity under the Floor Plan Facility.

Management has determined that the credit agreements governing the Floor Plan Facility include subjective acceleration clauses, which could impact debt classification. Management believes that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause. Additionally, the credit agreements governing the Floor Plan Facility contain certain financial covenants. FR was in compliance with all debt covenants at December 31, 2022 and 2021.

The following table details the outstanding amounts and available borrowings under the Floor Plan Facility as of December 31, 2022 and December 31, 2021 (in thousands):

	December 31, 2022	December 31, 2021
Floor Plan Facility:		
Notes payable — floor plan:		
Total commitment	$ 1,700,000	$ 1,700,000
Less: borrowings, net	(1,319,941)	(1,011,345)
Less: flooring line aggregate interest reduction account	(217,669)	(92,108)
Additional borrowing capacity	162,390	596,547
Less: short-term payable for sold inventory[(1)]	(33,501)	(28,036)
Less: purchase commitments	(43,807)	(34,612)
Unencumbered borrowing capacity	$ 85,082	$ 533,899
Revolving line of credit	$ 70,000	$ 70,000
Less: borrowings	(20,885)	(20,885)
Additional borrowing capacity	$ 49,115	$ 49,115
Letters of credit:		
Total commitment	$ 30,000	$ 30,000
Less: outstanding letters of credit	(11,371)	(11,500)
Additional letters of credit capacity	$ 18,629	$ 18,500

(1) The short-term payable represents the amount due for sold inventory. A payment for any floor plan units sold is due within three to ten business days of sale. Due to the short term nature of these payables, the Company reclassifies the amounts from notes payable–floor plan, net to accounts payable in the Consolidated Balance Sheets. Changes in the vehicle floor plan payable are reported as cash flows from financing activities in the Consolidated Statements of Cash Flows.

5. Restructuring and Long-Lived Asset Impairment

Restructuring

On September 3, 2019, the Board of Directors of CWH approved a plan to strategically shift its business away from locations where the Company does not have the ability or where it is not feasible to sell and/or service RVs at a sufficient capacity (the “Outdoor Lifestyle Locations”). Of the Outdoor Lifestyle Locations in the RV and Outdoor Retail segment operating at September 3, 2019, the Company closed or divested 39 Outdoor Lifestyle Locations, two distribution centers, and 20 specialty retail locations relating to the 2019 Strategic Shift. As of December 31, 2020, the Company completed the store closures and divestitures relating to the 2019 Strategic Shift. As part of the 2019 Strategic Shift, the Company evaluated the impact on its supporting infrastructure and operations, which included rationalizing inventory levels and composition, closing certain distribution centers, and realigning other resources. The Company had a reduction of headcount and labor costs for those locations that were closed or divested and the Company incurred material charges associated with the activities contemplated under the 2019 Strategic Shift.

During the year ended December 31, 2021, the Company completed its analysis of its retail product offerings that are not RV-related. The information available at the inception of the 2019 Strategic Shift relating to these product categories was incomplete based on the relative immaturity of the locations offering these products and was further delayed by the impact of COVID-19 on consumer buying behavior (see Note 1 — Summary of Significant Accounting Policies — COVID-19). During the year ended December 31, 2021, the Company recorded $15.0 million of incremental reserve charges relating to product categories that are not RV-related.

As of December 31, 2022, the activities under the 2019 Strategic Shift have been completed with the exception of certain lease termination costs and other associated costs relating to the leases of previously closed locations under the 2019 Strategic Shift. The process of identifying subtenants and negotiating lease terminations had been delayed in part due to the COVID-19 pandemic and is expected to continue. The timing of these negotiations will vary as both subleases and terminations are contingent on landlord approvals.

The Company currently estimates the total restructuring costs associated with the 2019 Strategic Shift to be in the range of $121.3 million to $132.8 million. The breakdown of the estimated restructuring costs are as follows:

- one-time employee termination benefits relating to retail store or distribution center closures/divestitures of $1.2 million, all of which was incurred through December 31, 2020;

- lease termination costs of $21.0 million to $29.0 million, of which $19.4 million has been incurred through December 31, 2022;

- incremental inventory reserve charges of $57.4 million, all of which was incurred through December 31, 2021; and

- other associated costs of $41.7 million to $45.2 million, of which $38.9 million has been incurred through December 31, 2022.

Through December 31, 2022, the Company has incurred $38.9 million of such other associated costs primarily representing labor, lease, and other operating expenses incurred during the post-close wind-down period for the locations related to the 2019 Strategic Shift. The additional amount of $2.8 million to $6.3 million represents similar costs that may be incurred through the year ending December 31, 2023 for locations that continue in a wind-down period, primarily comprised of lease costs accounted for under ASC 842 prior to lease termination. The Company intends to negotiate terminations of these leases where prudent and pursue sublease arrangements for the remaining leases. Lease costs may continue to be incurred after December 31, 2023 on these leases if the Company is unable to terminate the leases under acceptable terms or offset the lease costs through sublease arrangements. The foregoing lease termination cost estimate represents the expected cash payments to terminate certain leases, but does not include the gain or loss from derecognition of the related operating lease assets and liabilities, which is dependent on the particular leases that will be terminated.

The following table details the costs incurred associated with the 2019 Strategic Shift (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Restructuring costs:			
One-time termination benefits(1)	$ —	$ —	$ 231
Lease termination costs(2)	1,316	1,431	4,432
Incremental inventory reserve charges(3)	—	15,017	543
Other associated costs(4)	7,026	10,684	16,835
Total restructuring costs	$ 8,342	$ 27,132	$ 22,041

(1) These costs incurred in 2020 were primarily included in costs applicable to revenues – products, service and other in the consolidated statements of operations.

(2) These costs were included in lease termination charges in the consolidated statements of operations. This reflects termination fees paid, net of any gain from derecognition of the related operating lease assets and liabilities.

(3) These costs were included in costs applicable to revenue – products, service and other in the consolidated statements of operations.

(4) Other associated costs primarily represent labor, lease, and other operating expenses incurred during the post-close wind-down period for the locations related to the 2019 Strategic Shift. For the year ended December 31, 2020, costs of approximately $0.4 million were included in costs applicable to revenue – products, service and other. For the years ended December 31, 2022, 2021 and 2020, costs of approximately $7.0 million, $10.7 million and $16.4 million, respectively, were included in selling, general, and administrative expenses in the consolidated statements of operations.

The following table details changes in the restructuring accrual associated with the 2019 Strategic Shift (in thousands):

	One-time Termination Benefits	Lease Termination Costs (1)	Other Associated Costs	Total
Balance at June 30, 2019	$ —	$ —	$ —	$ —
Charged to expense	1,008	1,350	4,321	6,679
Paid or otherwise settled	(286)	(1,350)	(4,036)	(5,672)
Balance at December 31, 2019	722	—	285	1,007
Charged to expense	231	10,532	16,835	27,598
Paid or otherwise settled	(953)	(10,532)	(16,346)	(27,831)
Balance at December 31, 2020	—	—	774	774
Charged to expense	—	1,650	10,684	12,334
Paid or otherwise settled	—	(1,650)	(10,532)	(12,182)
Balance at December 31, 2021	—	—	926	926
Charged to expense	—	6,097	7,026	13,123
Paid or otherwise settled	—	(6,097)	(7,083)	(13,180)
Balance at December 31, 2022	$ —	$ —	$ 869	$ 869

(1) Lease termination costs exclude the $1.3 million, $6.1 million and $0.2 million and $4.8 million of gains from the derecognition of the operating lease assets and liabilities relating to the terminated leases as part of the 2019 Strategic Shift for the six months ended December 31, 2019 and for the years ended December 31, 2020, 2021 and 2022, respectively.

The Company evaluated the requirements of ASC No. 205-20, Presentation of Financial Statements – Discontinued Operations relative to the 2019 Strategic Shift and determined that discontinued operations treatment is not applicable. Accordingly, the results of operations of the locations impacted by the 2019 Strategic Shift are reported as part of continuing operations in the accompanying consolidated financial statements.

Long-Lived Asset Impairment

During the years ended December 31, 2022, 2021 and 2020, the Company had indicators of impairment of the long-lived assets for certain of its locations. Such indicators primarily included the update of certain assumptions in the long-lived asset impairment analysis for closed locations or based on the Company's review of location performance in the normal course of business. For locations that failed the recoverability test based on an analysis of undiscounted cash flows, the Company estimated the fair value of the locations based on a discounted cash flow analysis. After performing the long-lived asset impairment test for these locations, the Company determined that certain locations within the RV and Outdoor Retail segment had long-lived assets that were impaired. The long-lived asset impairment charge, subject to limitations described below, was calculated as the amount that the carrying value of the locations exceeded the estimated fair value. The calculated long-lived asset impairment charge was allocated to each of the categories of long-lived assets at each location pro rata based on the long-lived assets' carrying values, except that individual assets cannot be impaired below their individual fair values when those fair values can be determined without undue cost and effort. For most of these locations, the operating lease right-of-use assets and furniture and equipment were written down to their individual fair values and the remaining impairment charge was allocated to the remaining long-lived assets up to the fair value estimated on these assets based on liquidation value estimates.

The following table details long-lived asset impairment charges by type of long-lived asset (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Long-lived asset impairment charges:			
Leasehold improvements	$ 2,557	$ 721	$ 2,374
Furniture and equipment	61	196	2,588
Buildings	—	—	1,461
Operating lease right-of-use assets	1,613	2,127	5,930
Total long-lived asset impairment charges	4,231	3,044	12,353
Less: portion unrelated to 2019 Strategic Shift	(2,617)	(1,645)	(64)
2019 Strategic Shift long-lived asset impairment charges	$ 1,614	$ 1,399	$ 12,289

6. Property and Equipment, net

Property and equipment consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Land	$ 132,728	$ 95,724
Buildings and improvements	265,621	208,136
Leasehold improvements	301,055	255,378
Furniture and equipment	232,449	201,083
Software	87,327	78,592
Construction in progress and software in development	81,256	58,694
	1,100,436	897,607
Less: accumulated depreciation and amortization	(342,155)	(298,283)
Property and equipment, net	$ 758,281	$ 599,324

Depreciation expense for the years ended December 31, 2022, 2021, and 2020 was $48.7 million, $61.6 million and $47.4 million, respectively.

7. Goodwill and Intangible Assets

Goodwill

The following is a summary of changes in the Company's goodwill by business line for the years ended December 31, 2022 and 2021 (in thousands):

	Good Sam Services and Plans	RV and Outdoor Retail	Consolidated
Balance at January 1, 2021 (excluding impairment charges)	$ 70,713	$ 584,247	$ 654,960
Accumulated impairment charges	(46,884)	(194,953)	(241,837)
Balance at January 1, 2021	23,829	389,294	413,123
Acquisitions	—	70,511	70,511
Balance at December 31, 2021	23,829	459,805	483,634
Acquisitions	405	138,384	138,789
Balance at December 31, 2022	$ 24,234	$ 598,189	$ 622,423

The Company evaluates goodwill for impairment on an annual basis as of the beginning of the fourth quarter, or more frequently if events or changes in circumstances indicate that the Company's goodwill or indefinite-lived intangible assets might be impaired. The Company assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the Company determines it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then it is required to perform a quantitative impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit. If the carrying amount of a reporting unit exceeds its fair value, then the Company records an impairment of goodwill equal to the amount that the carrying amount of a reporting unit exceeds its fair value.

In the fourth quarter of 2022 and 2021, the Company performed its annual goodwill impairment test of the RV and Outdoor Retail, the Good Sam Show, and GSS Enterprise reporting units. The Good Sam Media reporting unit was also included in the 2022 impairment test as the goodwill for that reporting unit related to a 2022 acquisition of a publication business. The RV and Outdoor Retail reporting unit is comprised of the entire RV and Outdoor Retail segment. The Good Sam Show, GSS Enterprise, and Good Sam Media reporting units are comprised of a portion of the Good Sam Services and Plans Segment. These annual goodwill impairment tests resulted in the determination that the estimated fair value of these reporting units exceeded their carrying value. Therefore, no impairment charge was recorded during the years ended December 31, 2022 and 2021. The Company estimated the fair value of these reporting units using a combination of the guideline public company method under the market approach and the discounted cash flow analysis method under the income approach.

Intangible Assets

Finite-lived intangible assets and related accumulated amortization consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022		
	Cost or Fair Value	Accumulated Amortization	Net
Good Sam Services and Plans:			
Membership, customer lists and other	$ 9,640	(8,971)	$ 669
Trademarks and trade names	2,132	(95)	2,037
Websites	3,050	(682)	2,368
RV and Outdoor Retail:			
Customer lists and domain names	5,626	(2,880)	2,746
Supplier lists	1,696	(763)	933
Trademarks and trade names	29,564	(19,691)	9,873
Websites	7,519	(5,200)	2,319
	$ 59,227	$ (38,282)	$ 20,945

	December 31, 2021		
	Cost or Fair Value	Accumulated Amortization	Net
Good Sam Services and Plans:			
Membership, customer lists and other	$ 9,140	$ (8,748)	$ 392
Websites	2,500	(253)	2,247
RV and Outdoor Retail:			
Customer lists and domain names	5,626	(2,298)	3,328
Supplier lists	1,696	(424)	1,272
Trademarks and trade names	29,564	(9,465)	20,099
Websites	7,185	(3,553)	3,632
	$ 55,711	$ (24,741)	$ 30,970

As of December 31, 2022, the approximate weighted average useful lives of our Good Sam Services and Plans finite-lived intangible assets for membership and customer lists are 5.3 years, trademarks and trade names are 15.0 years, and websites are 7.0 years. The approximate weighted average useful lives of our RV and Outdoor Retail finite-lived intangible assets are as follows: customer lists and domain names are 7.0 years, suppliers lists are 5.0 years, trademarks and trade names are 14.4 years, and websites are 10.1 years. The weighted-average useful life of all our finite-lived intangible assets is approximately 11.4 years.

During the first quarter of 2022, the Company recorded $8.8 million of incremental accelerated amortization from the adjustment of the useful lives of certain trademark and trade name intangible assets relating to brands not traditionally associated with RVs that the Company is phasing out.

Amortization expense of finite-lived intangibles for the years ended December 31, 2022, 2021, and 2020 was $13.5 million, $4.8 million and $4.6 million, respectively. The aggregate future five-year amortization of finite-lived intangibles at December 31, 2022, was as follows (in thousands):

2023	$ 2,580
2024	2,108
2025	1,808
2026	1,218
2027	1,218
Thereafter	12,013
	$ 20,945

8. Accrued Liabilities

Accrued liabilities consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Compensation and benefits[(1)]	$ 45,043	$ 64,313
Other accruals	102,790	125,282
	$ 147,833	$ 189,595

(1) At December 31, 2021, this amount included a deferral of payroll taxes under the CARES Act of $14.6 million, all of which was paid in 2022.

9. Long-Term Debt

The following reflects outstanding long-term debt as of December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Term Loan Facility [(1)]	$ 1,360,454	$ 1,367,277
Real Estate Facilities [(2)]	145,911	22,896
Other Long-Term Debt	3,280	3,400
Subtotal	1,509,645	1,393,573
Less: current portion	(25,229)	(15,822)
Total	$ 1,484,416	$ 1,377,751

(1) Net of $14.2 million and $16.8 million of original issue discount at December 31, 2022 and 2021, respectively, and $5.8 million and $6.9 million of finance costs at December 31, 2022 and 2021, respectively.
(2) Net of $3.4 million and $0.2 million of finance costs at December 31, 2022 and 2021, respectively.

The aggregate future maturities of long-term debt at December 31, 2022, were as follows (in thousands):

Long-term debt instruments	
2023	$ 25,229
2024	22,017
2025	21,492
2026	37,586
2027	116,222
Thereafter	1,310,410
Total	1,532,956

Senior Secured Credit Facilities

As of December 31, 2022 and 2021, CWGS Group, LLC (the "Borrower"), a wholly-owned subsidiary of CWGS, LLC, was party to a credit agreement (the "Credit Agreement") for a senior secured credit facility (the "Senior Secured Credit Facilities"). The Senior Secured Credit Facilities consist of a $1.4 billion term loan facility (the "Term Loan Facility") and a $65.0 million revolving credit facility (the "Revolving Credit Facility").

The funds available under the Revolving Credit Facility may be utilized for borrowings or letters of credit; however, a maximum of $25.0 million may be allocated to such letters of credit. The Revolving Credit Facility matures in June 2026, and the Term Loan Facility matures in June 2028. The Term Loan Facility requires mandatory principal payments in equal quarterly installments of $3.5 million. The December 31, 2022 principal payment was due in January 2023, since December 31, 2022 was on a weekend. Additionally, the Company is required to prepay the term loan borrowings in an aggregate amount up to 50% of excess cash flow, as defined in the Credit Agreement, for such fiscal year depending on the Total Leverage Ratio (as defined by the Credit Agreement) beginning with the year ended December 31, 2022. No additional excess cash flow payment was required relating to 2022 and the Company does not expect an additional excess cash flow payment to be required relating to 2023.

Under the Senior Secured Credit Facilities, the Company has the ability to request to increase the amount of term loans or revolving loans in an aggregate amount not to exceed the greater of (a) a “fixed” amount set at $725.0 million and (b) 100% of consolidated EBITDA for the most recent four consecutive fiscal quarters on a pro forma basis (as defined in the Credit Agreement). The Company had requested and received an increase in the Term Loan Facility of $300.0 million in December 2021. The lenders under the Senior Secured Credit Facilities are not under any obligation to provide commitments in respect of any such increase.

As of December 31, 2022 and 2021, the average interest rate on the Term Loan Facility was 6.80% and 3.25%, respectively, and the effective interest rate on the Term Loan Facility was 7.03% and 3.46%, respectively. The following table details the outstanding amounts and available borrowings under the Senior Secured Credit Facilities as of (in thousands):

	December 31, 2022	December 31, 2021
Senior Secured Credit Facilities:		
Term Loan Facility:		
Principal amount of borrowings	$ 1,400,000	$ 1,400,000
Less: cumulative principal payments	(19,515)	(9,004)
Less: unamortized original issue discount	(14,224)	(16,826)
Less: unamortized finance costs	(5,807)	(6,893)
	1,360,454	1,367,277
Less: current portion	(14,015)	(14,015)
Long-term debt, net of current portion	$ 1,346,439	$ 1,353,262
Revolving Credit Facility:		
Total commitment	$ 65,000	$ 65,000
Less: outstanding letters of credit	(4,930)	(4,930)
Additional borrowing capacity	$ 60,070	$ 60,070

The Senior Secured Credit Facilities are fully and unconditionally guaranteed, jointly and severally, on a senior secured basis by each of the Company’s existing and future domestic restricted subsidiaries with the exception of FreedomRoads Intermediate Holdco, LLC, the direct parent of FR, and FR, and its subsidiaries. The Credit Agreement contains certain restrictive covenants pertaining to, but not limited to, mergers, changes in the nature of the business, acquisitions, additional indebtedness, sales of assets, investments, and the payment of dividends subject to certain limitations and minimum operating covenants. Additionally, management has determined that the Senior Secured Credit Facilities include subjective acceleration clauses, which could impact debt classification. Management believes that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause.

The Credit Agreement requires the Borrower and its subsidiaries to comply on a quarterly basis with a maximum Total Net Leverage Ratio (as defined in the Credit Agreement), which covenant is in effect only if, as of the end of each calendar quarter, the aggregate amount of borrowings under the revolving credit facility (including swingline loans), letters of credit and unreimbursed letter of credit disbursements outstanding at such time is greater than 35% of the total commitment on the Revolving Credit Facility (excluding (i) up to $15.0 million attributable to any outstanding undrawn letters of credit and (ii) any cash collateralized or backstopped letters of credit), as defined in the Credit Agreement. As of December 31, 2022, the Company was not subject to this covenant as borrowings under the Revolving Credit Facility did not exceed the 35% threshold. The Company was in compliance with all applicable debt covenants at December 31, 2022 and 2021.

Real Estate Facilities

On October 27, 2022, subsidiaries of FRHP Lincolnshire, LLC (“FRHP”), an indirect wholly-owned subsidiary of CWGS, LLC, entered into a credit agreement with a syndication of banks for a real estate credit facility (the “M&T Real Estate Facility”) with aggregate maximum principal capacity of $250.0 million with an option that allows FRHP to request an additional $100.0 million of principal capacity. The lenders under the M&T Real Estate Facility are not under any obligation to provide commitments in respect of any such increase. The M&T Real Estate Facility bears interest at FRHP’s option of either (as defined in the credit agreement for the M&T Real Estate Facility): (a) the Secured Overnight Financing Rate (“SOFR”) plus the applicable rate of 2.30% or (b) the highest of (i) the Federal Funds Rate plus 1.80%, (ii) the Prime Rate plus 1.30%, or (iii) SOFR plus 2.30%. The M&T Real Estate Facility has an unused commitment fee of 0.20% of the aggregate unused principal amount and it matures in October 2027. Additionally, the M&T Real Estate Facility is subject to a debt service coverage ratio covenant (as defined in the credit agreement for the M&T Real Estate Facility). All obligations under the M&T Real Estate Facility and the guarantees of those obligations, are secured, subject to certain exceptions, by the mortgaged real property assets.

In November 2018, September 2021, and December 2021, Camping World Property, Inc. (the ‘‘Real Estate Borrower’’), an indirect wholly-owned subsidiary of CWGS, LLC, and CIBC Bank USA (“Lender”), entered into loan and security agreements for real estate credit facilities (as amended from time to time, the “First CIBC Real Estate Facility”, the “Second CIBC Real Estate Facility”, and the “Third CIBC Real Estate Facility”, respectively, and collectively the “CIBC Real Estate Facilities”) with aggregate maximum principal capacities of $21.5 million, $9.0 million, and $10.1 million for the First CIBC Real Estate Facility, Second CIBC Real Estate Facility, and Third CIBC Real Estate Facility, respectively. Borrowings under the CIBC Real Estate Facilities are guaranteed by CWGS Group, LLC, a wholly-owned subsidiary of CWGS, LLC. The CIBC Real Estate Facilities may be used to finance the acquisition of real estate assets and are secured by first priority security interest on the real estate assets acquired with the proceeds of the CIBC Real Estate Facilities. The First CIBC Real Estate Facility, the CIBC Second Real Estate Facility, and Third CIBC Real Estate Facility mature in October 2023, September 2026, and December 2026, respectively.

The following table shows a summary of the outstanding balances, remaining available borrowings, and weighted average interest rate under the M&T Real Estate Facility and the CIBC Real Estate Facilities (collectively the “Real Estate Facilities”) at December 31, 2022:

	As of December 31, 2022		
(In thousands)	Principal Outstanding(1)	Remaining Available(2)	Wtd. Average Interest Rate
Real Estate Facilities			
M&T Real Estate Facility	$ 124,655	$ 122,134 (3)	6.39%
First CIBC Real Estate Facility	3,934	—	6.39%
Second CIBC Real Estate Facility	7,779	—	6.39%
Third CIBC Real Estate Facility	9,543	—	6.14%
	$ 145,911	$ 122,134	

(1) Outstanding principal amounts are net of unamortized finance costs.

(2) Amounts cannot be reborrowed.

(3) Additional borrowings on the M&T Real Estate Facility are subject to a debt service coverage ratio covenant and to the property collateral requirements under the M&T Real Estate Facility.

Management has determined that the credit agreements governing the Real Estate Facilities include subjective acceleration clauses, which could impact debt classification. Management believes that no events have occurred at December 31, 2022 that would trigger a subjective acceleration clause. Additionally, the Real Estate Facilities are subject to certain cross default provisions, a debt service coverage ratio, and other customary covenants. The Company was in compliance with all debt covenants at December 31, 2022 and 2021.

Other Long-Term Debt

In December 2021, FRHP Lincolnshire, LLC, an indirect wholly-owned subsidiary of CWGS, LLC, assumed a mortgage as part of a real estate acquisition. This mortgage is secured by the acquired property and is guaranteed by CWGS Group, LC, a wholly-owned subsidiary of CWGS, LLC. As of December 31, 2022, the outstanding principal balance of the mortgage was $3.3 million with an interest rate of 3.50%. The mortgage matures in December 2026.

10. Lease Obligations

The Company leases most of the properties for its retail locations through 241 operating leases and 10 finance leases. The Company also leases billboards and certain of its equipment. The related operating lease assets and finance lease assets are included in the operating lease assets and property and equipment, respectively, in the accompanying consolidated balance sheets.

As of December 31, 2022 and 2021, finance lease assets of $88.1 million and $75.7 million, respectively, were included in property and equipment, net in the accompanying consolidated balance sheets.

The following presents certain information related to the costs for leases (in thousands):

	Year Ended December 31,	
	2022	2021
Operating lease cost	$ 113,411	$ 120,096
Finance lease cost:		
Amortization of finance lease assets	11,931	6,016
Interest on finance lease liabilities	5,005	2,353
Short-term lease cost	1,880	1,958
Variable lease cost	23,607	23,512
Sublease income	(1,713)	(1,915)
Net lease costs	$ 154,121	$ 152,020

The following presents supplemental cash flow information related to leases (in thousands):

	Year Ended December 31,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 114,176	$ 121,394
Operating cash flows for finance leases	4,928	2,287
Financing cash flows for finance leases	5,977	2,923
Lease assets obtained in exchange for lease liabilities:		
New, remeasured and terminated operating leases	$ 52,698	$ 44,041
New, remeasured and terminated finance leases	24,440	51,920

The following presents other information related to leases:

	December 31, 2022
Weighted average remaining lease term:	
Operating leases	11.8 years
Financing leases	15.4 years
Weighted average discount rate:	
Operating leases	6.9 %
Financing leases	5.7 %

The following reconciles the undiscounted cash flows for each of the first five years and total of the remaining years to the lease liabilities in the accompanying consolidated balance sheet as of December 31, 2022 (in thousands):

	Operating Leases	Finance Leases
2023	$ 115,455	$ 10,831
2024	115,031	10,566
2025	111,757	9,694
2026	104,745	9,612
2027	95,811	9,059
Thereafter	679,905	106,006
Total lease payments	1,222,704	155,768
Less: Imputed interest	(396,124)	(51,308)
Total lease obligations	826,580	104,460
Less: current portion	(61,745)	(10,244)
Noncurrent lease obligations	$ 764,835	$ 94,216

Sale-Leaseback Arrangement Recorded as Financing Transaction

On February 8, 2022, FRHP Lincolnshire, LLC sold three properties for a total sale price of $28.0 million. Concurrent with the sale of these properties, the Company entered into three separate twenty-year lease agreements, whereby the Company will lease back the properties from the acquiring company. Under each lease agreement, FR has four consecutive options to extend the lease term for additional periods of five years for each option. This transaction is accounted for as a financing transaction. The Company recorded a liability for the amount received, will continue to depreciate the non-land portion of the assets, and has imputed an interest rate so that the net carrying amount of the financial liability and remaining non-land assets will be zero at the end of the initial lease terms. The financial liability is included in other long-term liabilities in the condensed consolidated balance sheet as of December 31, 2022.

11. Income Taxes

CWH is organized as a Subchapter C corporation ("C-Corp") and, as of December 31, 2022, is a 50.2% owner of CWGS, LLC (see Note 18 — Stockholders' Equity and Note 19 — Non-Controlling Interests). CWGS, LLC is organized as a limited liability company ("LLC") and treated as a partnership for U.S. federal and most applicable state and local income tax purposes and as such, is generally not subject to any U.S. federal entity-level income taxes. However, certain CWGS, LLC subsidiaries, including Americas Road and Travel Club, Inc., Camping World, Inc. ("CW") prior to the LLC Conversion (defined below), and FreedomRoads RV, Inc. and their wholly-owned subsidiaries, are subject to entity-level taxes as they are C-Corps.

Income Tax Expense

The components of the Company's income tax expense from operations for the years ended December 31, 2022, 2021 and 2020 consisted of (in thousands):

	2022	2021	2020
Current:			
Federal	$ 44,613	$ 74,124	$ 38,843
State	11,170	23,890	12,294
Deferred:			
Federal	17,588	13,024	5,016
State	25,713	(18,914)	1,590
Income tax expense	$ 99,084	$ 92,124	$ 57,743

A reconciliation of income tax expense from operations to the federal statutory rate for the years ended December 31, 2022, 2021 and 2020 were as follows (in thousands):

	2022	2021	2020
Income taxes computed at federal statutory rate[1]	$ 94,524	$ 154,182	$ 84,411
State income taxes – net of federal benefit[1]	8,362	15,261	3,741
Other differences:			
State and local taxes on pass-through entities	3,736	5,004	2,965
Income taxes computed at the effective federal and state statutory rate for pass-through entities not subject to tax for the Company [2]	(53,461)	(81,013)	(53,147)
Effect of LLC Conversion[3]	208,833	—	—
(Decrease) increase in valuation allowance[4]	(164,257)	(2,234)	19,058
Impact of other state tax rate changes	967	1,927	(915)
Other	380	(1,003)	1,630
Income tax expense	$ 99,084	$ 92,124	$ 57,743

(1) Federal and state income tax for 2021 includes $0.7 million of income tax expense relating to the revaluation in the Tax Receivable Agreement liability due to fluctuations in state income tax rates. The amounts related to 2022 and 2020 were insignificant.

(2) The related income is taxable to the non-controlling interest.

(3) These amounts represent the tax impact of the LLC Conversion (defined and discussed below), which is comprised of a $209.4 million adjustment to CW's deferred tax assets inclusive of tax operating losses, net of a $0.6 million reduction to CWH's outside basis deferred tax asset.

(4) For 2022, these amounts include a $180.4 million decrease in valuation allowance associated with the LLC Conversion, partially offset by $16.8 million of increases to the valuation allowance for activity not related to the LLC conversion, which is primarily resulting from losses of CW for which no benefit is recognized for the U.S. federal and non-unitary states, net of a $0.6 million decrease in valuation allowance associated with CWH's outside basis deferred tax asset. During 2021, and as a result of CWH's ownership of CWGS increasing above 50% during the first quarter of 2021, the amount for the year ended December 31, 2021 included a decrease in the valuation allowance of CW in certain state deferred tax assets of $15.2 million, partially offset by $13.0 million of increases to the valuation allowance primarily resulting from losses of CW for which no benefit is recognized for the U.S. federal and non-unitary states.

LLC Conversion

CW, including certain of its subsidiaries, were taxable as C-Corps and subject to entity-level taxes. CW had historically generated operating losses for tax purposes. Only losses subject to taxes in certain state jurisdictions were available to offset taxable income generated by the Company's other businesses. The Company completed the steps necessary to convert CW and certain of its subsidiaries from C-Corps to LLCs with an effective date of January 2, 2023 (the "LLC Conversion"). All required filings for conversion to LLC were made by December 31, 2022. Accordingly, the effect of the LLC Conversion was recorded during the year ended December 31, 2022, as the filings were perfunctory pursuant to the rules prescribed under ASC 740, Income Taxes. Beginning with the year ending December 31, 2023, the operating losses of CW and its subsidiaries will offset taxable income generated by the Company's other LLC businesses. As a result, both income tax expense recognized by CWH and the amount of required tax distributions paid to holders of common units in CWGS, LLC, under the CWGS LLC Agreement, will decrease. The LLC Conversion will allow the Company to more easily integrate its retail and dealership operations and more seamlessly share resources within the RV and Outdoor Retail segment, while providing an expected future cash flow benefit for the operating companies.

The LLC Conversion resulted in additional income tax expense in the year ended December 31, 2022 of $28.4 million, which was comprised of $208.8 million of gross deferred tax assets written off, partially offset by the release of $180.4 million of valuation allowance (see table above for reconciliation of income tax expense from operations to the federal statutory rate).

Deferred Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and operating loss and tax credit carryforwards. Significant items comprising the net deferred tax assets at December 31, 2022 and 2021 were (in thousands):

	2022	2021
Deferred tax liabilities		
Operating lease assets	$ (5,897)	$ (63,143)
Other	(80)	(3,456)
	(5,977)	(66,599)
Deferred tax assets		
Investment impairment	—	20,619
Investment in partnership ("Outside Basis Deferred Tax Asset")[1]	253,550	271,513
Tax Receivable Agreement liability	43,223	46,328
Net operating loss carryforward	22	137,377
Operating lease liabilities	6,150	73,476
Other reserves	1,234	28,695
	304,179	578,008
Valuation allowance	(154,975)	(312,088)
Net deferred tax assets	$ 143,227	$ 199,321

(1) This amount is the deferred tax asset the Company recognizes for its book to tax basis difference in its investment in CWGS, LLC.

The Company evaluates its deferred tax assets on a quarterly basis to determine if they can be realized and establishes valuation allowances when it is not more likely than not that all or a portion of the deferred tax assets can be realized. At December 31, 2022 and 2021, the Company determined that all of its deferred tax assets (except those of CW at December 31, 2021 and the Outside Basis Deferred Tax Asset at December 31, 2022 and 2021) are more likely than not to be realized. Prior to the LLC Conversion discussed above, the Company maintained a valuation allowance against the deferred tax assets of CW, excluding certain state deferred tax assets included in the state combined unitary income tax returns. At December 31, 2022 , as a result of the LLC Conversion, the Company wrote off all of the remaining deferred tax assets and related valuation allowance associated with CW. The Company maintains a valuation allowance against the Outside Basis Deferred Tax Asset pertaining to the portion that is not amortizable for tax purposes, since the Company would likely only realize the non-amortizable portion of the Outside Basis Deferred Tax Asset if the investment in CWGS, LLC was divested.

Net Operating Loss Carryforwards

At December 31, 2022, certain subsidiaries of CWH had federal and state net operating loss carryforwards of approximately $622.5 million and $461.4 million, respectively, which will no longer be available after the LLC Conversion effective date on January 2, 2023. The income tax expense associated with writing off these operating loss carryforwards at December 31, 2022 was $14.7 million, which consisted of $158.9 million of operating loss carryforward deferred tax assets, partially offset by the release of the related valuation allowance of $144.2 million.

Tax Legislation

As further described in Note 1 — Summary of Significant Accounting Policies — COVID-19, in response to the COVID-19 pandemic, many governments had enacted measures to provide aid and economic stimulus. The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which was enacted on March 27, 2020 in the U.S., included measures to assist companies, including temporary changes to income and non-income-based tax laws. For the years ended December 31, 2022 and 2021, there were no material impacts to the Company’s consolidated financial statements relating to the CARES Act other than the deferral of non-income-based payroll taxes of $29.2 million for the year ended December 31, 2020 of which $14.6 million was paid during each of the years ended December 31, 2022 and 2021. Of this deferred amount, $14.6 million was included in accrued liabilities in the accompanying consolidated balance sheet at December 31, 2021. Furthermore, on March 11, 2021 the American Rescue Plan Act, a $1.9 trillion tax-and-spending package aimed at addressing the continuing economic and health impacts of the coronavirus pandemic, was enacted. The

American Rescue Plan Act provisions do not have a material impact on the Company's income tax expense and effective tax rate.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was signed into law. The IRA contains several revisions to the Internal Revenue Code, including a 15% corporate minimum income tax and a 1% excise tax on corporate stock repurchases in tax years beginning after December 31, 2022 with certain exclusions for (a) repurchased shares for withholding taxes on vested restricted stock units ("RSUs") and (b) treasury shares reissued in the same tax year for settlement of stock option exercises or vesting of RSUs. While these tax law changes have no immediate effect and are not expected to have a material adverse effect on our results of operations going forward, the Company will continue to evaluate its impact as further information becomes available.

Uncertain Tax Positions

As of December 31, 2022 and 2021, the balance of the Company's uncertain tax positions was $4.5 million and $2.9 million, respectively. The Company does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months.

Tax Receivable Agreement

The Company is party to a tax receivable agreement (the "Tax Receivable Agreement") that provides for the payment by the Company to the Continuing Equity Owners and Crestview Partners II GP, L.P. of 85% of the amount of tax benefits, if any, the Company actually realizes, or in some circumstances is deemed to realize, as a result of (i) increases in the tax basis from the purchase of common units from Crestview Partners II GP, L.P. in exchange for Class A common stock in connection with the consummation of the IPO and the related transactions and any future redemptions that are funded by the Company and any future redemptions of common units by Continuing Equity Owners as described above and (ii) certain other tax benefits attributable to payments made under the Tax Receivable Agreement. The above payments are predicated on CWGS, LLC making an election under Section 754 of the Internal Revenue Code effective for each tax year in which a redemption of common units for cash or stock occur. These tax benefit payments are not conditioned upon one or more of the Continuing Equity Owners or Crestview Partners II GP, L.P. maintaining a continued ownership interest in CWGS, LLC. In general, the Continuing Equity Owners' or Crestview Partners II GP, L.P.'s rights under the Tax Receivable Agreement are assignable, including to transferees of its common units in CWGS, LLC (other than the Company as transferee pursuant to a redemption of common units in CWGS, LLC). The Company expects to benefit from the remaining 15% of the tax benefits, if any, which may be realized. During the twelve months ended December 31, 2022 and 2021, 50,000 and 4,722,251 common units in CWGS, LLC, respectively, were redeemed for Class A common stock subject to the provisions of the Tax Receivable Agreement. The Company recognized a liability for the Tax Receivable Agreement payments due to those parties that redeemed common units, representing 85% of the aggregate tax benefits the Company expects to realize from the tax basis increases related to the redemption, after concluding it was probable that the Tax Receivable Agreement payments would be paid based on estimates of future taxable income. As of December 31, 2022, and December 31, 2021, the amount of Tax Receivable Agreement payments due under the Tax Receivable Agreement was $170.6 million and $182.4 million, respectively, of which $10.9 million and $11.3 million, respectively, were included in current portion of the Tax Receivable Agreement liability in the accompanying consolidated balance sheets.

During the year ended December 31, 2022, the Continuing Equity Owners redeemed 50,000 common units in CWGS, LLC for 50,000 shares of the Company's Class A common stock. During the year ended December 31, 2022, the Tax Receivable Agreement liability and Deferred Tax Assets increased $0.5 million and $0.6 million, respectively, as a result of common unit redemptions and were recorded to additional paid-in capital (see the consolidated statements of stockholders' equity). Payments pursuant to the Tax Receivable Agreement relating to this redemption will begin during the year ending December 31, 2023.

During the year ended December 31, 2021, the Continuing Equity Owners, primarily Crestview Partners II GP, L.P., redeemed a combined 4.7 million common units in CWGS, LLC for 4.7 million shares of the Company's Class A common stock. During the year ended December 31, 2021, the Tax Receivable Agreement liability and Deferred Tax Assets increased $41.7 million and $26.5 million, respectively, as a result of common unit redemptions and were recorded to additional paid-in capital (see the consolidated statements of stockholders' equity). Payments pursuant to the Tax Receivable Agreement relating to these redemptions began during the year ended December 31, 2022.

On January 1, 2023, transferees of common units transferred by CWGS Holding, LLC, a wholly owned subsidiary of ML Acquisition Company, LLC, which is indirectly owned by Stephen Adams, a former member of the Company's Board of Directors, and Marcus Lemonis, the Company's Chairman and Chief Executive Officer, redeemed 2.0 million common units in CWGS, LLC for 2.0 million shares of the Company's Class A common stock (see Note 19 — Non-Controlling Interests). The estimated increase in deferred tax assets, the non-current portion of the Tax Receivable Agreement liability, and additional paid-in capital resulting from these redemptions is $6.3 million, $5.4 million, and $0.9 million, respectively. Payments pursuant to the Tax Receivable Agreement relating to these redemptions would begin during the year ending December 31, 2024.

Income Tax Audits

For tax years beginning on or after January 1, 2018, CWGS, LLC is subject to partnership audit rules enacted as part of the Bipartisan Budget Act of 2015 (the "Centralized Partnership Audit Regime"). Under the Centralized Partnership Audit Regime, any IRS audit of CWGS, LLC would be conducted at the CWGS, LLC level, and if the IRS determines an adjustment, the default rule is that CWGS, LLC would pay an "imputed underpayment" including interest and penalties, if applicable. CWGS, LLC may instead elect to make a "push-out" election, in which case the partners for the year that is under audit would be required to take into account the adjustments on their own personal income tax returns. If CWGS, LLC does not elect to make a "push-out" election, CWGS, LLC has agreements in place requiring former partners to indemnify CWGS, LLC for their share of the imputed underpayment. The partnership agreement does not stipulate how CWGS, LLC will address imputed underpayments. If CWGS, LLC receives an imputed underpayment, a determination will be made based on the relevant facts and circumstances that exist at that time. Any payments that CWGS, LLC ultimately makes on behalf of its current partners will be reflected as a distribution, rather than tax expense, at the time such distribution is declared.

The Company and its subsidiaries file U.S. federal income tax returns and tax returns in various states. During the year ended December 31, 2022, one of CWGS, LLC's indirect wholly-owned subsidiaries was notified by the Internal Revenue Service that their 2020 tax year was under examination. The Company does not expect any material adjustments as a result of the examination. The Company will continue to monitor the examination progress and evaluate its impact as further information becomes available. The Company is not under any other material audits in any jurisdiction. With few exceptions, the Company is no longer subject to U.S. federal, state, and local income tax examinations by tax authorities for years before 2019.

12. Fair Value Measurements

Accounting guidance for fair value measurements establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

For floor plan notes payable under the Floor Plan Facility, the amounts reported in the accompanying Consolidated Balance Sheets approximate the fair value due to their short-term nature or the existence of variable interest rates that approximate prevailing market rates.

There have been no transfers of assets or liabilities between the fair value measurement levels and there were no material re-measurements to fair value during 2022 and 2021 of assets and liabilities that are not measured at fair value on a recurring basis.

The following table presents the reported carrying value and fair value information for the Company's debt instruments. The fair values shown below for the Term Loan Facility, as applicable, are based on quoted prices in the inactive market for identical assets (Level 2) and the fair values shown below for the Floor Plan Facility, the Revolving Line of Credit, the Real Estate Facilities and the Other Long-Term Debt are estimated by discounting the future contractual cash flows at the current market interest rate that is available based on similar financial instruments.

($ in thousands)	Fair Value Measurement	December 31, 2022 Carrying Value	December 31, 2022 Fair Value	December 31, 2021 Carrying Value	December 31, 2021 Fair Value
Term Loan Facility	Level 2	$ 1,360,454	$ 1,394,290	$ 1,367,277	$ 1,382,372
Floor Plan Facility Revolving Line of Credit	Level 2	20,885	19,823	20,885	20,885
Real Estate Facilities	Level 2	145,911	145,664	22,896	22,981
Other Long-Term Debt	Level 2	3,280	2,944	3,400	3,400

13. Commitments and Contingencies

Sponsorship and Other Agreements

The Company enters into sponsorship and brand licensing agreements from time to time. Current sponsorship agreements run through 2024. The sponsorship and brand licensing agreements consist of annual fees payable in aggregate of $6.1 million in 2023, $5.4 million in 2024, $1.0 million in 2025, $1.0 million in 2026, $0.4 million in 2027 and $0.4 million thereafter, which are recognized to expense over the expected benefit period.

The Company enters into subscription agreements from time to time. Currently there are 87 subscription agreements for future software services consisting of annual fees payable as follows: $15.9 million in 2023, $1.4 million in 2024, $0.1 million in 2025. Expense is recognized ratably over the term of the agreement.

Self-Insurance Program

Self-insurance reserves represent amounts established as a result of insurance programs under which the Company self-insures portions of the business risks. The Company carries substantial premium-paid, traditional risk transfer insurance for various business risks. The Company self-insures and establishes reserves for the retention on workers' compensation insurance, general liability, automobile liability, and employee health claims. The self-insured claims liability was approximately $26.3 million and $22.3 million at December 31, 2022 and 2021, respectively. The determination of such claims and expenses and the appropriateness of the related liability are continually reviewed and updated. The self-insurance accruals are calculated by actuaries and are based on claims filed and include estimates for claims incurred but not yet reported. Projections of future losses, including incurred but not reported losses, are inherently uncertain because of the varying nature of insurance claims and could be substantially affected if occurrences and claims differ significantly from these assumptions and historical trends. In addition, the Company has obtained letters of credit as required by insurance carriers. As of December 31, 2022 and 2021, these letters of credit were approximately $16.3 million and $16.4 million, respectively. This includes $11.4 million and $11.5 million as of December 31, 2022 and 2021, respectively, issued under the Floor Plan Facility (see Note 4 — Inventories and Floor Plan Payables), and the balance issued under the Company's Senior Secured Credit Facilities (see Note 9 — Long-Term Debt).

Litigation

Janssen and Sandler Complaints

On August 6, 2019, two shareholder derivative suits, styled Janssen v. Camping World Holdings, Inc., et al., and Sandler v. Camping World Holdings, Inc. et al., were filed in the U.S. District Court for the District of Delaware. Both actions name the Company as a nominal defendant, and name certain of the Company's officers and directors, Crestview Partners II GP, L.P. and Crestview Advisors, L.L.C. as defendants, and allege: (i) violations of Section 14(a) of the Securities Exchange Act for issuing proxy statements that allegedly omitted material information and allegedly included materially false and misleading financial statements; (ii) violations of Section 10(b) and 20(a) of the Securities Exchange Act of 1934, seeking contribution for causing the Company to issue allegedly false and misleading statements and/or allegedly omit material information in public statements and/or the Company's filings concerning the Company's financial performance, the effectiveness of internal controls to ensure accurate financial reporting, and the success and profitability of the integration and rollout of Gander Outdoors (now Gander RV) stores; (iii) breaches of fiduciary duty, unjust enrichment, abuse of control, and gross mismanagement for allegedly causing or allowing the Company to disseminate to Camping World shareholders materially misleading and inaccurate information through the Company's SEC filings; and (iv) breach of fiduciary duties for alleged insider selling and misappropriation of information (together, the "Janssen and Sandler Complaints"). The Janssen and Sandler Complaints seek restitutionary and/or compensatory damages, injunctive relief, disgorgement of all profits, benefits, and other compensation obtained by certain of the Company's officers and directors, attorneys' fees and costs, and any other and further relief the court deems just and proper. On December 2, 2022, the Janssen and Sandler Complaints were voluntarily dismissed without prejudice, no compensation in any form having passed directly or indirectly from any of the defendants to the plaintiffs or counsel for plaintiffs, and no promise to give any such compensation having been made with each party to bear their own costs.

Weissmann Complaint

On June 22, 2021, CWH filed a one-count complaint captioned FreedomRoads Holding Company, LLC v. Steve Weissmann in the Circuit Court of Cook County, Illinois against Steve Weissmann ("Weissmann") for breach of contractual obligation under note guarantee (the "Note") (the "Weissmann Complaint"). On October 8, 2021, Weissmann brought a counterclaim against FreedomRoads and Third-Party Defendants Marcus Lemonis, NBCUniversal Media, LLC, the Consumer National Broadcasting Company, CW, and Machete Productions ("Machete") (the "Weissmann Counterclaim"), in which he alleges claims in connection with the Note and his appearance on the reality television show The Profit. Weissmann alleges the following causes of action against FreedomRoads and all third-party defendants, including CW: (i) fraud; (ii) fraud in the inducement; (iii) fraudulent concealment; (iv) breach of fiduciary duty; (v) defamation; (vi) defamation per se; (vii) false light; (viii) intentional infliction of emotional distress; (ix) negligence; (v) unjust enrichment; and (vi) RICO § 1962. Weissmann seeks costs and damages in an amount to be proven at trial but no less than the amount in the Note (approximately $2.5 million); in connection with his RICO claim, Weissmann asserts he is entitled to damages in the amount of three times the Note. On February 18, 2022, NBCUniversal, CNBC, and Machete filed a motion to compel arbitration (the "NBC Arbitration Motion"). On May 5, 2022, an agreed order was filed staying the litigation in favor of arbitration. On May 31, 2022, CWH filed an arbitration demand against Weissmann for collection on the Note. Weissmann filed his response and counterclaims, and third-party claims against FreedomRoads Holding Company, LLC, CW, Marcus Lemonis, NBCUniversal, and Machete on July 7, 2022. On or about July 21, 2022, CWH and the other respondents filed their responses and affirmative defenses.

Tumbleweed Complaint

On November 10, 2021, Tumbleweed Tiny House Company, Inc. filed a complaint against FreedomRoads, Marcus Lemonis, NBCUniversal Media, LLC, and Machete Productions in which Tumbleweed alleges claims in connection with the Note and its appearance on the reality television show The Profit (the "Tumbleweed Complaint"). Tumbleweed alleges the following claims against the defendants, including FreedomRoads and CWH: (i) fraud; (ii) false promise; (iii) breach of fiduciary duty (and aiding and abetting the same); (iv) breach of contract; (v) breach of oral contract; (vi) tortious interference with prospective economic advantage; (vii) fraud in the inducement; (viii) negligent misrepresentation; (ix) fraudulent concealment; (x) conspiracy; (xi) unlawful business practices; (xii) defamation; and (xiii) declaratory judgment. On April 21, 2022, the Court granted a motion to compel arbitration filed by NBCUniversal and joined by all defendants, including FreedomRoads, CWH, and Marcus Lemonis, compelling Tumbleweed's claims to arbitration. Tumbleweed served its arbitration demand on FreedomRoads, CW, and Marcus Lemonis on May 17, 2022. CWH and Marcus Lemonis filed responses and affirmative defenses on May 31, 2022. On July 20, 2022, pursuant to the JAMS streamlined arbitration rules, the Tumbleweed Complaint was consolidated together with the Weissmann Complaint. The parties have exchanged initial discovery, but the Arbitrator has not yet set a schedule in the case.

Precise Complaint

On May 3, 2022, Lynn E. Feldman, Esquire, in her capacity as the Chapter 7 Trustee for the Estate of Precise Graphix, LLC filed a complaint against NBCUniversal Media, LLC, Machete Corporation, and CW in which Trustee Feldman alleges claims on behalf of Precise Graphix in connection with its appearance on The

Profit and subsequent commercial relationship with CWH (the “Precise Complaint”). Trustee Feldman alleges the following claims against defendants, including CWH: (i) Fraud; (ii) False Promise; (iii) Breach of Fiduciary Duty; (iv) Breach of Contract; (v) Breach of Oral Contract; (vi) Fraud in the Inducement; (vii) Fraud in the Inducement; (viii) Negligent Misrepresentation; (ix) Fraudulent Concealment; (x) Conspiracy; (xi) Unlawful Business Practices in Violation of California Business and Professions Code §17200; (xii) Aiding and Abetting Breach of Fiduciary Duty; and (xiii) Declaratory Judgment. Precise did not serve the Precise Complaint on CWH. On July 3, 2022, Precise Graphix filed its arbitration demand against CWH, NBCUniversal, and Machete alleging substantially similar claims as the Precise Complaint. On or about July 19, 2022, CWH and the other respondents filed their responses and affirmative defenses. The parties have exchanged initial discovery and set the matter for a two week hearing to begin April 3, 2023.

General

While the outcome of litigation cannot be predicted with certainty, and some of these lawsuits, claims or proceedings may be determined adversely to the Company, management does not believe that the disposition of any such pending matters is likely to have a material adverse effect on the Company’s financial statements. The Company does not have sufficient information to estimate a possible loss or range of possible loss for the matters discussed above. No assurance can be made that these or similar suits will not result in a material financial exposure in excess of insurance coverage, which could have a material adverse effect upon the Company’s financial condition and results of operations.

From time to time, the Company is involved in other litigation arising in the normal course of business operations.

Employment Agreements

The Company has employment agreements with certain officers. The agreements include, among other things, an annual bonus based on adjusted earnings before interest, taxes, depreciation and amortization, and up to one year’s severance pay beyond termination date.

Financial Assurances

In the normal course of business, the Company obtains standby letters of credit and surety bonds from financial institutions and other third parties. These instruments guarantee the Company’s own future performance and provide third parties with financial and performance assurance in the event that the Company does not perform. These instruments support a wide variety of the Company’s business activities. As of December 31, 2022 and December 31, 2021, outstanding standby letters of credit issued through our Floor Plan Facility were $11.4 million and $11.5 million, respectively, and outstanding standby letters of credit issued through the Senior Secured Credit Facilities were $4.9 million and $4.9 million, respectively (see Note 4 — Inventories and Floor Plan Payables and Note 9 — Long-Term Debt). As of December 31, 2022 and December 31, 2021, outstanding surety bonds were $22.0 million and $19.1 million, respectively. The underlying liabilities insured by these instruments are reflected on the Company’s accompanying consolidated balance sheets, where applicable. Therefore, no additional liability is reflected for the letters of credit and surety bonds themselves.

14. Related Party Transactions

Transactions with Directors, Equity Holders and Executive Officers

FR leases various retail locations from managers and officers. During 2022, 2021 and 2020, the related party lease expense for these locations were $3.4 million, $2.2 million and $2.0 million, respectively.

In January 2012, FR entered into a lease for the offices in Lincolnshire, Illinois, which was amended as of March 2013, November 2019, October 2020, and October 2021 (the “Lincolnshire Lease”). For the years ended December 31, 2022, 2021, and 2020, rental payments for the Lincolnshire Lease, including common area maintenance charges, were $0.9 million, $0.8 million, and $0.9 million, respectively. The Company’s Chairman and Chief Executive Officer has personally guaranteed the Office Lease.

The Company had an expense reimbursement payable to Mr. Lemonis of $0.1 million at December 31, 2021, relating primarily to advertising expenses for the Company that were processed through Mr. Lemonis' social media accounts, which was paid in 2022.

In October 2022, the Company purchased a property to be used as office space in Lincolnshire, Illinois, for $4.5 million from the Company's Chairman and Chief Executive Officer.

Other Transactions

The Company does business with certain companies in which Mr. Lemonis has a direct or indirect material interest. The Company purchased fixtures for interior store sets at the Company's retail locations from Precise Graphix. Mr. Lemonis exited his economic interest in Precise Graphix. The Company received refunds from Precise Graphix totaling $0.2 million in 2021 and incurred expenses of $0.3 million for the year ended December 31, 2020.

The Company paid Adams Outdoor Advertising, Inc., an entity controlled by Stephen Adams, a former member of the Company's Board of Directors and for which Andris A. Baltins serves as a member of its Board of Directors, $0.1 million for the year ended December 31, 2022 for advertising services.

The Company paid Kaplan, Strangis and Kaplan, P.A., of which Andris A. Baltins is a member, and a member of the Company's Board of Directors, $0.2 million, $0.3 million and $0.2 million for the years ended December 31, 2022, 2021 and 2020, respectively, for legal services.

15. Acquisitions

In 2022 and 2021, subsidiaries of the Company acquired the assets of multiple RV dealerships that constituted businesses under accounting rules. The Company used cash and borrowings under its Floor Plan Facility to complete these acquisitions. The Company considers acquisitions of independent dealerships to be a fast and capital efficient alternative to opening new retail locations to expand its business and grow its customer base. In April 2022, the Good Sam Services and Plans segment acquired an outdoor publication for $3.4 million that the Company considers as a furtherance of its strategy to target a younger demographic of RV enthusiasts. The acquired businesses were recorded at their estimated fair values under the acquisition method of accounting. The balance of the purchase prices in excess of the fair values of net assets acquired were recorded as goodwill.

In 2022, the RV and Outdoor Retail segment acquired the assets of various RV dealerships and one RV service center comprised of 11 locations for an aggregate purchase price of approximately $213.6 million. The purchases were partially funded through $59.9 million of borrowings under the Floor Plan Facility. One of these acquired locations was not opened in 2022.

In 2021, the RV and Outdoor Retail segment acquired the assets of various RV dealerships comprised of 12 locations for an aggregate purchase price of approximately $100.1 million. The purchases were partially funded through $19.5 million of borrowings under the Floor Plan Facility. All of these acquired locations were opened in 2021.

In 2022 and 2021, the Company purchased real property of $55.7 million and $129.2 million, respectively, of which $19.7 million and $31.4 million, respectively, was from parties related to the sellers of the businesses.

The estimated fair values of the assets acquired and liabilities assumed for the acquisitions of dealerships and the outdoor publication consist of the following:

	Year Ended December 31,	
($ in thousands)	2022	2021
Tangible assets (liabilities) acquired (assumed):		
Accounts receivable, net	$ (68)	$ 601
Inventories, net	75,766	27,746
Prepaid expenses and other assets	207	125
Property and equipment, net	583	1,348
Operating lease assets	1,558	1,222
Accrued liabilities	(687)	(214)
Current portion of operating lease liabilities	(500)	(195)
Other current liabilities	(188)	—
Operating lease liabilities, net of current portion	(1,058)	(1,027)
Total tangible net assets acquired	75,613	29,606
Total intangible assets acquired	2,632	—
Goodwill	138,789	70,511
Cash paid for acquisitions, net of cash acquired	217,034	100,117
Inventory purchases financed via floor plan	(59,935)	(19,537)
Cash payment net of floor plan financing	$ 157,099	$ 80,580

The fair values above for the year ended December 31, 2022 are preliminary as they are subject to measurement period adjustments for up to one year from the date of acquisition as new information is obtained about facts and circumstances that existed as of the acquisition date relating to the valuation of the acquired assets, primarily the acquired inventories. For the year ended December 31, 2022, the fair values above include measurement period adjustments for valuation of acquired inventories, accounts receivable, accrued liabilities, and other current liabilities relating to dealership acquisitions during the year ended December 31, 2021. For the year ended December 31, 2021, the fair values above include measurement period adjustments for valuation of acquired inventories, property and equipment, and accrued liabilities relating to dealership acquisitions during the year ended December 31, 2020.

The primary items that generated the goodwill are the value of the expected synergies between the acquired businesses and the Company and the acquired assembled workforce, neither of which qualify for recognition as a separately identified intangible asset. For the years ended December 31, 2022 and 2021, acquired goodwill of $138.8 million and $70.5 million is expected to be deductible for tax purposes.

Included in the consolidated financial results for the years ended December 31, 2022 and 2021 were $83.3 million and $145.0 million of revenue, respectively, and $2.0 million of pre-tax loss and $13.0 million of pre-tax income, respectively, from the acquisitions as of their applicable acquisition dates. Pro forma information on these acquisitions has not been included, because the Company has deemed them to not be individually or cumulatively material.

16. Statements of Cash Flows

Supplemental disclosures of cash flow information for the following periods (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Cash paid during the period for:			
Interest	$ 106,997	$ 58,424	$ 72,458
Income taxes	54,579	99,557	52,938
Non-cash investing activities:			
Leasehold improvements paid by lessor	361	—	37
Vehicles transferred to property and equipment from inventory	979	931	70
Capital expenditures in accounts payable and accrued liabilities	12,377	9,726	3,738
Non-cash financing activities:			
Par value of Class A common stock issued for redemption of common units in CWGS, LLC	1	47	48
Par value of Class A common stock issued for vested restricted stock units	—	—	3
Cost of treasury stock issued for vested restricted stock units	42,640	34,756	8,556
Cost of treasury stock issued for stock award to employee	—	19,586	—

17. Benefit Plan

The Freedom Roads 401(k) Defined Contribution Plan (“FreedomRewards 401(k) Plan”) is qualified under Sections 401(a) and 401(k) of the Internal Revenue Service Code of 1986, as amended. All employees over age 18, including the executive officers, are eligible to participate in the Freedom Rewards 401(k) Plan. Any favorable vesting was permitted for any affected participants pursuant to FreedomRewards 401(k) Plan Amendment No. 3 signed December 15, 2011, and effective January 1, 2012. Non-highly compensated employees may defer up to 75% of their eligible compensation up to the Internal Revenue Service limits. Highly compensated employees may defer up to 15% of their eligible compensation up to the Internal Revenue Service limits. There were no contributions by the Company to the Company’s 401(k) Plan in 2022, 2021 or 2020.

18. Stockholders’ Equity

CWGS, LLC Ownership

CWH is the sole managing member of CWGS, LLC and, although CWH had a minority economic interest in CWGS, LLC through March 11, 2021 before obtaining a majority economic interest in CWGS, LLC, CWH has the sole voting power in, and controls the management of, CWGS, LLC (See Note 19 – Non-Controlling Interests for further information about the ownership of CWGS, LLC). The remaining interest in CWGS, LLC, was held by the “Continuing Equity Owners,” whom the Company defines as collectively, ML Acquisition Company, a Delaware limited liability company, indirectly owned by each of the Company’s former director, Stephen Adams, and the Company’s Chairman and Chief Executive Officer, Marcus Lemonis ("ML Acquisition”), funds controlled by Crestview Partners II GP, L.P. and, collectively, the Company’s named executive officers (excluding Marcus Lemonis and Matthew Wagner), Andris A. Baltins and K. Dillon Schickli, who are members of the Company’s Board of Directors, and certain other current and former non-executive employees and former directors, in each case, who held profits units in CWGS, LLC pursuant to CWGS, LLC’s equity incentive plan that was in existence prior to the Company’s IPO and who received common units of CWGS, LLC in exchange for their profits units in connection with the reorganization transactions at the time of the IPO (collectively, the “Former Profits Unit Holders”) and each of their permitted transferees that own common units in CWGS, LLC and who may redeem at each of their options their common units for, at the Company’s election (determined solely by the Company’s independent directors (within the meaning of the rules of the New York Stock Exchange) who are disinterested), cash or newly issued shares of the Company’s Class A common stock. Accordingly, the Company consolidated the financial results of CWGS, LLC and reported a non-controlling interest in its consolidated financial statements. In accordance with the CWGS LLC

Agreement, CWGS, LLC has made cash distributions to all common unit holders of CWGS, LLC in an amount sufficient for 1) CWH to pay the portion of its regular quarterly cash dividend to holders of its Class A common stock that is unrelated to tax distributions and 2) the common unit holders of CWGS, LLC to pay their income tax obligation on their allocated portion of CWGS, LLC income at the highest tax rate for all common unit holders of CWGS, LLC. The payment of these cash distributions by CWGS, LLC to Continuing Equity Owners are recorded as distributions to holders of CWGS, LLC common units in the accompanying Consolidated Statements of Stockholders' Equity and Consolidated Statements of Cash Flows. The payment of these cash distributions by CWGS, LLC to CWH are within the consolidated group and, therefore, are not included in the distributions to holders of CWGS LLC common units in the accompanying Consolidated Statements of Stockholders' Equity and Consolidated Statements of Cash Flows.

Common Stock Economic and Voting Rights

Each share of the Company's Class A common stock and Class B common stock entitles its holders to one vote per share on all matters presented to the Company's stockholders generally; provided that, for as long as ML Acquisition Company, LLC, a Delaware limited liability company, indirectly owned by each of the Company's former director, Stephen Adams, and the Company's Chairman and Chief Executive Officer, Marcus Lemonis, and its permitted transferees of common units (collectively, the "ML Related Parties"), directly or indirectly, beneficially own in the aggregate 27.5% or more of all of the outstanding common units of CWGS, LLC, the shares of Class B common stock held by the ML Related Parties will entitle the ML Related Parties to the number of votes necessary such that the ML Related Parties, in the aggregate, cast 47% of the total votes eligible to be cast by all of the Company's stockholders on all matters presented to a vote of the Company's stockholders generally. Additionally, the one share of Class C common stock entitles its holder to the number of votes necessary such that the holder casts 5% of the total votes eligible to be cast by all of the Company's stockholders on all matters presented to a vote of the Company's stockholders generally. The one share of Class C common stock is owned by ML RV Group, LLC, a Delaware limited liability company, wholly-owned by the Company's Chairman and Chief Executive Officer, Marcus Lemonis.

Holders of the Company's Class B and Class C common stock are not entitled to receive dividends and will not be entitled to receive any distributions upon the liquidation, dissolution or winding up of the Company. Shares of Class B common stock may only be issued to the extent necessary to maintain the one-to-one ratio between the number of common units of CWGS, LLC held by funds controlled by Crestview Partners II GP, L.P. and the ML Related Parties (the "Class B Common Owners") and the number of shares of Class B common stock held by the Class B Common Owners. Shares of Class B common stock are transferable only together with an equal number of common units of CWGS, LLC. Only permitted transferees of common units held by the Class B Common Owners will be permitted transferees of Class B common stock. Shares of Class B common stock will be canceled on a one-for-one basis upon the redemption of any of the outstanding common units of CWGS, LLC held by the Class B Common Owners. Upon the occurrence of certain change in control events, the Class C common stock would no longer have any voting rights, such share of the Company's Class C common stock will be cancelled for no consideration and will be retired, and the Company will not reissue such share of Class C common stock.

The Company must, at all times, maintain a one-to-one ratio between the number of outstanding shares of Class A common stock and the number of common units of CWGS, LLC owned by CWH (subject to certain exceptions for treasury shares and shares underlying certain convertible or exchangeable securities).

Short-Swing Profit Disgorgement

In November 2022, the Company received approximately $58,000 from short-swing profit disgorgement remitted by Marcus A. Lemonis, Chairman and Chief Executive Officer of the Company, which is included as an increase to additional paid-in capital in the consolidated statement of stockholders' equity and as a financing activity in the consolidated statement of cash flows.

Stock Repurchase Program

In October 2020, the Company's Board of Directors initially authorized a stock repurchase program for the repurchase of up to $100.0 million of the Company's Class A common stock, expiring on October 31, 2022.

In August 2021 and January 2022, the Company's Board of Directors authorized increases to the stock repurchase program for the repurchase of up to an additional $125.0 million and $152.7 million, respectively, of the Company's Class A common stock and extended the stock repurchase program to expire on August 31, 2023 and December 31, 2025, respectively. Repurchases under the program are subject to any applicable limitations on the availability of funds to be distributed to the Company by CWGS, LLC to fund repurchases and may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases to be determined at the Company's discretion, depending on market conditions and corporate needs. Open market repurchases will be structured to occur in accordance with applicable federal securities laws, including within the pricing and volume requirements of Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of its shares under this authorization. This program does not obligate the Company to acquire any particular amount of Class A common stock and the program may be extended, modified, suspended or discontinued at any time at the Board's discretion. The Company expects to fund the repurchases using cash on hand.

During the years ended December 31, 2022 and 2021, the Company repurchased 2,592,524 and 3,988,881 shares of Class A common stock, respectively, under this program for approximately $79.8 million and $156.3 million, respectively, including commissions paid, at a weighted average price per share of $30.76 and $39.17, respectively, which is recorded as treasury stock on the accompanying consolidated balance sheets. Class A common stock held as treasury stock is not considered outstanding. During the years ended December 31, 2022 and 2021, the Company reissued 852,508 and 1,171,197 shares of Class A common stock, respectively, from treasury stock to settle the exercises of stock options, vesting of restricted stock units, and settlement of other equity-based awards under the Company's 2016 Incentive Award Plan (the "2016 Plan") (see Note 20 — Equity-Based Compensation Plans). As of December 31, 2022, the remaining approved amount for repurchases of Class A common stock under the share repurchase program was approximately $120.2 million.

As described in Note 11 — Income Taxes, the IRA imposes a 1% excise tax on corporate stock repurchases in tax years beginning after December 31, 2022 with certain exclusions for (a) repurchased shares for withholding taxes on vested RSUs and (b) treasury shares reissued in the same tax year for settlement of stock option exercises or vesting of RSUs.

19. Non-Controlling Interests

As described in Note 18 — Stockholders' Equity, CWH is the sole managing member of CWGS, LLC and, as a result, consolidates the financial results of CWGS, LLC. The Company reports a non-controlling interest representing the common units of CWGS, LLC held by Continuing Equity Owners. Changes in CWH's ownership interest in CWGS, LLC while CWH retains its controlling interest in CWGS, LLC will be accounted for as equity transactions. As such, future redemptions of common units of CWGS, LLC by the Continuing Equity Owners will result in a change in ownership and reduce or increase the amount recorded as non-controlling interest and increase or decrease additional paid-in capital when CWGS, LLC has positive or negative net assets, respectively. At the end of each period, the Company will record a non-controlling interest adjustment to additional paid-in capital such that the non-controlling interest on the accompanying consolidated balance sheet is equal to the non-controlling interest's ownership share of the underlying CWGS, LLC net assets (see the consolidated statement of stockholders' equity).

The following table summarizes the CWGS, LLC common unit ownership by CWH and the Continuing Equity Owners:

	As of December 31, 2022		As of December 31, 2021	
	Common Units	Ownership %	Common Units	Ownership %
CWH	42,440,940	50.2%	44,130,956	51.2%
Continuing Equity Owners	42,044,536	49.8%	42,094,536	48.8%
Total	84,485,476	100.0%	86,225,492	100.0%

During the years ended December 31, 2022 and 2021, CWGS Holding, LLC, a wholly owned subsidiary of ML Acquisition Company, LLC, which is indirectly owned by each of Stephen Adams, a former member of the Company's Board of Directors, and Marcus Lemonis, the Company's Chairman and Chief Executive Officer gifted 2,000,000 and 540,699 common units of CWGS, LLC, respectively, in total to a college and hospital in 2022 ("2022 Common Unit Giftees") and in total to a high school, university, and a charitable organization in 2021 ("2021 Common Unit Giftees"), which resulted in the corresponding 2,000,000 and 540,699 shares of Class B common stock, respectively, being transferred to the 2022 Common Unit Giftees and 2021 Common Unit Giftees, respectively. On January 1, 2023, the 2022 Common Unit Giftees redeemed the 2,000,000 common units of CWGS, LLC for 2,000,000 shares of the Company's Class A common stock, which also resulted in the cancellation of 2,000,000 shares of the Company's Class B common stock that had been transferred to the 2022 Common Unit Giftees with no additional consideration provided. During December 2021, on the day following each of the gifts, the 2021 Common Unit Giftees redeemed the 540,699 common units of CWGS, LLC for 540,699 shares of the Company's Class A common stock, which also resulted in the cancellation of 540,699 shares of the Company's Class B common stock that had been transferred to the 2021 Common Unit Giftees with no additional consideration provided.

During the years ended December 31, 2021 and 2020, the funds controlled by Crestview Partners II GP, L.P. redeemed 4.0 million and 4.7 million common units of CWGS, LLC, respectively, for 4.0 million and 4.7 million shares of the Company's Class A common stock, respectively, which also resulted in the cancellation of 4.0 million and 4.7 million shares of the Company's Class B common stock, respectively, that was previously held by the funds controlled by Crestview Partners II GP, L.P. with no additional consideration provided.

The following table summarizes the effects of changes in ownership in CWGS, LLC on the Company's equity:

($ in thousands)	Year Ended December 31, 2022	2021	2020
Net income attributable to Camping World Holdings, Inc.	$ 136,947	$ 278,461	$ 122,345
Transfers to non-controlling interests:			
Decrease in additional paid-in capital as a result of the purchase of common units from CWGS, LLC with proceeds from the exercise of stock options	(245)	(2,017)	(2,602)
Decrease in additional paid-in capital as a result of the vesting of restricted stock units	(35,831)	(28,493)	(6,398)
Increase (decrease) in additional paid-in capital as a result of repurchases of Class A common stock for withholding taxes on vested RSUs	2,371	(989)	(1,910)
Decrease in additional paid-in capital as a result of the stock award to employee	—	(15,551)	—
Decrease in additional paid-in capital as a result of repurchases of Class A common stock for withholding taxes on stock award to employee	—	(160)	—
Increase in additional paid-in capital as a result of repurchases of Class A common stock for treasury stock	27,561	74,487	11,616
Increase in additional paid-in capital as a result of the redemption of common units of CWGS, LLC	424	15,685	25,565
Change from net income attributable to Camping World Holdings, Inc. and transfers to non-controlling interests	$ 131,227	$ 321,423	$ 148,616

20. Equity-Based Compensation Plans

The following table summarizes the equity-based compensation that has been included in the following line items within the consolidated statements of operations during:

($ in thousands)	Year Ended December 31, 2022	2021	2020
Equity-based compensation expense:			
Costs applicable to revenue	$ 689	$ 762	$ 903
Selling, general, and administrative	33,158	47,174	19,758
Total equity-based compensation expense	$ 33,847	$ 47,936	$ 20,661
Total income tax benefit recognized related to equity-based compensation	$ 3,809	$ 5,982	$ 2,176

2016 Incentive Award Plan

In October 2016, the Company adopted the 2016 Plan under which the Company may grant up to 14,693,518 stock options, restricted stock units, and other types of equity-based awards to employees, consultants or non-employee directors of the Company. The Company does not intend to use cash to settle any of its equity-based awards. Upon the exercise of a stock option award, the vesting of a restricted stock unit or the award of common stock or restricted stock, shares of Class A common stock are issued from authorized but unissued shares or from shares held in treasury. Stock options and restricted stock units granted to employees generally vest in equal annual installments over a three to five-year period and are canceled upon termination of employment. Stock options are granted with an exercise price equal to the fair market value of the Company's Class A common stock on the date of grant. Stock option grants expire after ten years unless canceled earlier due to termination of employment. Restricted stock units granted to non-employee directors vest in equal annual installments over a one-year or three-year period subject to voluntary deferral elections made prior to the grant.

The Company did not grant any stock options during the years ended December 31, 2022, 2021 and 2020. A summary of stock option activity for the year ended December 31, 2022 is as follows:

	Stock Options (in thousands)	**Weighted Average Exercise Price**	**Aggregate Intrinsic Value** (in thousands)	**Weighted Average Remaining Contractual Life** (years)
Outstanding at December 31, 2021	272	$ 21.93		
Exercised	(25)	$ 22.00		
Forfeited	(9)	$ 22.00		
Outstanding and exercisable at December 31, 2022	238	$ 21.92	$ 96	3.7

At December 31, 2022, all stock options were fully vested. The intrinsic value of stock options exercised was $0.2 million, $3.5 million and $2.3 million for the years ended December 31, 2022, 2021 and 2020, respectively. The actual tax benefit for the tax deductions from the exercise of stock options was not significant, $0.6 million and $0.3 million for the years ended December 31, 2022, 2021 and 2020, respectively.

A summary of restricted stock unit activity for the year ended December 31, 2022 is as follows:

	Restricted Stock Units (in thousands)	**Weighted Average Grant Date Fair Value**
Outstanding at December 31, 2021	4,177	$ 32.54
Granted	228	$ 23.12
Vested	(1,211)	$ 30.87
Forfeited	(645)	$ 34.32
Outstanding at December 31, 2022	2,549	$ 32.08

The weighted-average grant date fair value of restricted stock units granted during the years ended December 31, 2022, 2021 and 2020 was $23.12, $35.31, and $32.54, respectively. At December 31, 2022, the intrinsic value of unvested restricted stock units was $56.9 million. At December 31, 2022, total unrecognized compensation cost related to unvested restricted stock units was $73.8 million and is expected to be recognized over a weighted-average period of 3.2 years.

The fair value of restricted stock units that vested during the years ended December 31, 2022, 2021 and 2020 was $35.1 million, $38.7 million, and $16.7 million, respectively. The actual tax benefit for the tax deductions from the vesting of restricted stock units was $4.9 million, $5.6 million, and $2.1 million for the years ended December 31, 2022, 2021, and 2020, respectively. A portion of the actual tax benefit for tax deductions from the vesting of restricted stock units relating to the year ended December 31, 2022 was subject to limitations on deductibility of executive compensation. The restricted stock units that vested were typically net share settled such that the Company withheld shares with value equivalent to the employees' minimum statutory obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total shares withheld were based on the value of the restricted stock units on their respective vesting dates as determined by the Company's closing stock price. Total payments for the employees' tax obligations to taxing authorities are reflected as a financing activity within the Consolidated Statements of Cash Flows. These net share settlements had the effect of share repurchases by the Company as they reduced the number of shares that would have otherwise been issued as a result of the vesting and did not represent an expense to the Company.

In December 2021, the Board of Directors of the Company awarded Marcus Lemonis, the Company's Chairman and Chief Executive Officer, an award of 510,986 shares of the Company's Class A common stock having an aggregate grant-date fair value of $20.0 million or $39.14 per share, which was recognized as equity-based compensation expense during the year ended December 31, 2021. The award was made in consideration of the Company's strong performance. Mr. Lemonis has not received compensation since the time of the Company's initial public offering other than Company-provided benefits such as medical and dental insurance. Similar to the vesting of restricted stock units discussed above, this award to Mr. Lemonis was net share settled such that the Company withheld shares with value equivalent to Mr. Lemonis' minimum statutory obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total shares withheld were based on the value of the shares of Class A common stock on the date of the award as determined by the Company's closing stock price. Total payments for Mr. Lemonis' tax obligations to taxing authorities are reflected as a financing activity within the Consolidated Statements of Cash Flows. This net share settlement had the effect of a share repurchase by the Company as they reduced the number of shares that would have otherwise been issued as a result of the award and did not represent an expense to the Company. The actual tax benefit for the tax deduction for this award was $2.6 million for the year ended December 31, 2021, which was subject to limitations on deductibility of executive compensation.

In June 2020, the Company entered into a consulting agreement with Melvin Flanigan that became effective after his resignation as the Company's Chief Financial Officer and Secretary on June 30, 2020. Prior to Mr. Flanigan's resignation from his employment with the Company, he was previously granted awards of (a) 62,500 restricted stock units ("RSU") on January 21, 2019 (the "First Award"), and (b) 60,000 RSUs on November 12, 2019 (the "Second Award") pursuant to the Company's 2016 Plan. The consulting agreement provided, among other things, that (i) the remaining unvested 41,667 RSUs held by Mr. Flanigan pursuant to the First Award would vest on January 1, 2021, provided that the consulting agreement had not been terminated prior to December 31, 2020, and (ii) 20,000 unvested RSUs held by Mr. Flanigan pursuant to the Second Award that were scheduled to vest on November 15, 2020 would vest on such date, provided that the Consulting Agreement had not been terminated prior to such date. This modification resulted in an incremental equity-based compensation charge of $1.3 million relating to the modified RSUs, which was recorded between June 2020 and December 31, 2020.

21. Earnings Per Share

Basic and Diluted Earnings Per Share

Basic earnings per share of Class A common stock is computed by dividing net income available to Camping World Holdings, Inc. by the weighted-average number of shares of Class A common stock outstanding during the period. Diluted earnings per share of Class A common stock is computed by dividing net income available to Camping World Holdings, Inc. by the weighted-average number of shares of Class A common stock outstanding adjusted to give effect to potentially dilutive securities.

The following table sets forth reconciliations of the numerators and denominators used to compute basic and diluted earnings per share of Class A common stock:

(In thousands except per share amounts)	Year Ended December 31, 2022	2021	2020
Numerator:			
Net income	$ 351,031	$ 642,075	$ 344,215
Less: net income attributable to non-controlling interests	(214,084)	(363,614)	(221,870)
Net income attributable to Camping World Holdings, Inc. — basic	136,947	278,461	122,345
Add: reallocation of net income attributable to non-controlling interests from the assumed dilutive effect of stock options and RSUs	938	—	1,304
Add: reallocation of net income attributable to non-controlling interests from the assumed redemption of common units of CWGS, LLC for Class A common stock	—	266,381	—
Net income attributable to Camping World Holdings, Inc. — diluted	$ 137,885	$ 544,842	$ 123,649
Denominator:			
Weighted-average shares of Class A common stock outstanding — basic	42,386	45,009	39,383
Dilutive options to purchase Class A common stock	56	150	79
Dilutive restricted stock units	412	1,165	547
Dilutive common units of CWGS, LLC that are convertible into Class A common stock	—	43,438	—
Weighted-average shares of Class A common stock outstanding — diluted	42,854	89,762	40,009
Earnings per share of Class A common stock — basic	$ 3.23	$ 6.19	$ 3.11
Earnings per share of Class A common stock — diluted	$ 3.22	$ 6.07	$ 3.09
Weighted-average anti-dilutive securities excluded from the computation of diluted earnings per share of Class A common stock:			
Stock options to purchase Class A common stock	—	—	361
Restricted stock units	2,146	6	1,349
Common units of CWGS, LLC that are convertible into Class A common stock	42,045	—	49,916

Shares of the Company’s Class B common stock and Class C common stock do not share in the earnings or losses of the Company and are therefore not participating securities. As such, separate presentation of basic and diluted earnings per share of Class B common stock or Class C common stock under the two-class method has not been presented.

22. Segment Information

The Company has the following two reportable segments: (i) Good Sam Services and Plans, and (ii) RV and Outdoor Retail (see Note 1 – Summary of Significant Accounting Policies – Description of the Business for a discussion of the primary revenue generating activities of each segment).

The reportable segments identified above are the business activities of the Company for which discrete financial information is available and for which operating results are regularly reviewed by the Company’s chief operating decision maker to allocate resources and assess performance. The Company’s chief operating decision maker is a group comprised of the Chief Executive Officer and the President. Segment revenue includes intersegment revenue. Segment income includes intersegment allocations for subsidiaries and shared resources.

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Reportable segment revenue, segment income, floor plan interest expense, depreciation and amortization, other interest expense, net, total assets, and capital expenditures are as follows:

($ in thousands)	Year Ended December 31, 2022 Good Sam Services and Plans	RV and Outdoor Retail	Intersegment Eliminations	Total
Revenue:				
Good Sam services and plans	$ 192,622	$ —	$ (494)	$ 192,128
New vehicles	—	3,234,016	(5,939)	3,228,077
Used vehicles	—	1,881,468	(3,867)	1,877,601
Products, service and other	—	1,000,170	(956)	999,214
Finance and insurance, net	—	641,087	(17,631)	623,456
Good Sam Club	—	46,537	—	46,537
Total consolidated revenue	$ 192,622	$ 6,803,278	$ (28,887)	$ 6,967,013

($ in thousands)	Year Ended December 31, 2021 Good Sam Services and Plans	RV and Outdoor Retail	Intersegment Eliminations	Total
Revenue:				
Good Sam services and plans	$ 180,926	$ —	$ (204)	$ 180,722
New vehicles	—	3,306,002	(6,548)	3,299,454
Used vehicles	—	1,689,855	(3,638)	1,686,217
Products, service and other	—	1,102,407	(1,465)	1,100,942
Finance and insurance, net	—	613,086	(14,611)	598,475
Good Sam Club	—	47,944	—	47,944
Total consolidated revenue	$ 180,926	$ 6,759,294	$ (26,466)	$ 6,913,754

($ in thousands)	Year Ended December 31, 2020 Good Sam Services and Plans	RV and Outdoor Retail	Intersegment Eliminations	Total
Revenue:				
Good Sam services and plans	$ 182,758	$ —	$ (1,781)	$ 180,977
New vehicles	—	2,829,296	(5,985)	2,823,311
Used vehicles	—	987,389	(2,536)	984,853
Products, service and other	—	950,247	(1,357)	948,890
Finance and insurance, net	—	474,196	(9,935)	464,261
Good Sam Club	—	44,299	—	44,299
Total consolidated revenue	$ 182,758	$ 5,285,427	$ (21,594)	$ 5,446,591

($ in thousands)	Year Ended December 31, 2022	2021	2020
Segment income:[1]			
Good Sam Services and Plans	$ 90,857	$ 74,765	$ 88,288
RV and Outdoor Retail	528,564	798,846	429,950
Total segment income	619,421	873,611	518,238
Corporate & other	(12,619)	(9,679)	(9,751)
Depreciation and amortization	(80,304)	(66,418)	(51,981)
Other interest expense, net	(75,745)	(46,912)	(54,689)
Tax Receivable Agreement liability adjustment	114	(2,813)	141
Loss and expense on debt restructure	—	(13,468)	—
Other expense, net	(752)	(122)	—
Income before income taxes	$ 450,115	$ 734,199	$ 401,958

(1) Segment income is defined as income from operations before depreciation and amortization plus floor plan interest expense.

($ in thousands)	Year Ended December 31, 2022	2021	2020
Depreciation and amortization:			
Good Sam Services and Plans	$ 3,353	$ 3,009	$ 3,474
RV and Outdoor Retail	76,951	63,409	48,507
Total depreciation and amortization	$ 80,304	$ 66,418	$ 51,981

($ in thousands)	Year Ended December 31, 2022	2021	2020
Other interest expense, net:			
Good Sam Services and Plans	$ 57	$ (3)	$ 5
RV and Outdoor Retail	14,802	7,759	8,081
Subtotal	14,859	7,756	8,086
Corporate & other	60,886	39,156	46,603
Total other interest expense, net	$ 75,745	$ 46,912	$ 54,689

($ in thousands)	As of December 31, 2022	2021
Assets:		
Good Sam Services and Plans	$ 130,841	$ 158,988
RV and Outdoor Retail	4,448,354	3,849,217
Subtotal	4,579,195	4,008,205
Corporate & other	220,952	364,724
Total assets	$ 4,800,147	$ 4,372,929

($ in thousands)	Year Ended December 31, 2022	2021	2020
Capital expenditures:			
Good Sam Services and Plans	$ 5,099	$ 1,856	$ 2,553
RV and Outdoor Retail	205,491	246,084	82,243
Subtotal	210,590	247,940	84,796
Corporate and other	2	(129)	127
Total capital expenditures	$ 210,592	$ 247,811	$ 84,923

Schedule I: Condensed Financial Information of Registrant

Camping World Holdings, Inc.
Condensed Balance Sheets
(Parent Company Only)
(In Thousands Except Share Amounts)

	December 31, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 70,262	$ 70,998
Prepaid income taxes and other	5,577	6,677
Total current assets	75,839	77,675
Deferred tax asset	141,807	183,272
Investment in subsidiaries	100,800	79,505
Total assets	$ 318,446	$ 340,452
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of liabilities under Tax Receivable Agreement	10,873	11,322
Total current liabilities	10,873	11,322
Liabilities under Tax Receivable Agreement, net of current portion	159,743	171,073
Total liabilities	170,616	182,395
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value $0.01 per share – 20,000,000 shares authorized; none issued and outstanding as of December 31, 2022 and 2021	—	—
Class A common stock, par value $0.01 per share – 250,000,000 shares authorized; 47,571,087 issued and 42,440,940 outstanding as of December 31, 2022 and 47,805,259 issued and 44,130,956 outstanding as of December 31, 2021	476	475
Class B common stock, par value $0.0001 per share – 75,000,000 shares authorized; 41,466,964 issued and outstanding as of December 31, 2022; 69,066,445 issued and 41,466,964 outstanding as of December 31, 2021	4	4
Class C common stock, par value $0.0001 per share – one share authorized, issued and outstanding as of December 31, 2022 and 2021	—	—
Additional paid-in capital	106,051	98,113
Treasury stock, at cost; 5,130,147 and 3,390,131 shares as of December 31, 2022 and 2021, respectively	(179,732)	(130,006)
Retained earnings	221,031	189,471
Total stockholders' equity	147,830	158,057
Total liabilities and stockholders' equity	$ 318,446	$ 340,452

See accompanying Notes to Condensed Financial Information

Schedule I: Condensed Financial Information of Registrant (continued)

Camping World Holdings, Inc.
Condensed Statements of Operations
(Parent Company Only)
(In Thousands)

	Year Ended December 31,		
	2022	2021	2020
Revenue:			
Intercompany revenue	$ 10,069	$ 9,551	$ 9,660
Total revenue	10,069	9,551	9,660
Operating expenses:			
Selling, general, and administrative	10,069	9,551	9,660
Total operating expenses	10,069	9,551	9,660
Income from operations	—	—	—
Interest income, net	477	46	103
Tax Receivable Agreement liability adjustment	114	(2,813)	141
Other income, net	139	402	—
Equity in net income of subsidiaries	215,271	378,657	173,618
Income before income taxes	216,001	376,292	173,862
Income tax expense	(79,054)	(97,831)	(51,517)
Net income	$ 136,947	$ 278,461	$ 122,345

See accompanying Notes to Condensed Financial Information

Schedule I: Condensed Financial Information of Registrant (continued)

Camping World Holdings, Inc.
Condensed Statements of Cash Flows
(Parent Company Only)
(In Thousands)

	For the Year Ended December 31,		
	2022	2021	2020
Operating activities			
Net income	$ 136,947	$ 278,461	$ 122,345
Adjustments to reconcile net income to net cash used in operating activities:			
Equity in net income of subsidiaries	(215,271)	(378,657)	(173,618)
Deferred tax expense	28,672	8,210	6,534
Tax Receivable Agreement liability adjustment	(114)	2,813	(141)
Change in assets and liabilities, net of acquisitions:			
Prepaid income taxes and other assets	2,914	(57)	(2,685)
Payment pursuant to Tax Receivable Agreement	(11,322)	(8,089)	(6,563)
Net cash used in operating activities	(58,174)	(97,319)	(54,128)
Investing activities			
Purchases of LLC Interest from CWGS, LLC	(541)	(4,111)	(4,635)
Return of LLC Interest to CWGS, LLC for funding of treasury stock purchases	79,757	156,256	21,522
Distributions received from CWGS, LLC	162,767	198,138	107,517
Net cash provided by investing activities	241,983	350,283	124,404
Financing activities			
Dividends paid to Class A common stockholders	(105,387)	(67,176)	(61,025)
Proceeds from exercise of stock options	541	4,111	4,635
Repurchases of Class A common stock to treasury	(79,757)	(156,256)	(21,522)
Disgorgement of short-swing profits by Section 16 officer	58	—	—
Net cash used in financing activities	(184,545)	(219,321)	(77,912)
(Decrease) increase in cash and cash equivalents	(736)	33,643	(7,636)
Cash and cash equivalents at beginning of year	70,998	37,355	44,991
Cash and cash equivalents at end of the year	$ 70,262	$ 70,998	$ 37,355

See accompanying Notes to Condensed Financial Information

Schedule I: Condensed Financial Information of Registrant (continued)

Camping World Holdings, Inc.
Notes to Condensed Financial Information
(Parent Company Only)
December 31, 2022

1. Organization

Camping World Holdings, Inc. (the “Parent Company”) was formed on March 8, 2016 as a Delaware corporation and is a holding company with no direct operations. The Parent Company's assets consist primarily of cash and cash equivalents, its equity interest in CWGS Enterprises, LLC ("CWGS, LLC”), and certain deferred tax assets.

The Parent Company's cash inflows are primarily from cash dividends or distributions and other transfers from CWGS, LLC. The amounts available to the Parent Company to fulfill cash commitments and pay cash dividends on its common stock are subject to certain restrictions in CWGS, LLC’s Senior Secured Credit Facilities. See Note 9 to the consolidated financial statements.

2. Basis of Presentation

These condensed parent company financial statements should be read in conjunction with the consolidated financial statements of Camping World Holdings, Inc. and the accompanying notes thereto, included in this Form 10-K. For purposes of this condensed financial information, the Parent Company's interest in CWGS, LLC is recorded based upon its proportionate share of CWGS, LLC's net assets (similar to presenting them on the equity method).

The Parent Company is the sole managing member of CWGS, LLC, and pursuant to the Amended and Restated LLC Agreement of CWGS, LLC (the “LLC Agreement”), receives compensation in the form of reimbursements for all costs associated with being a public company. Intercompany revenue consists of these reimbursement payments and is recognized when the corresponding expense to which it relates is recognized.

Certain intercompany balances presented in these condensed Parent Company financial statements are eliminated in the consolidated financial statements. For the years ended December 31, 2022, 2021, and 2020, the full amounts of intercompany revenue and equity in net income of subsidiaries in the accompanying Parent Company Statements of Operations were eliminated in consolidation. No intercompany receivable was owed to the Parent Company by CWGS, LLC at December 31, 2022 and 2021. Related party amounts that were not eliminated in the consolidated financial statements include the Parent Company's liabilities under the tax receivable agreement, which totaled $170.6 million and $182.4 million as of December 31, 2022 and 2021, respectively.

3. Commitments and Contingencies

The Parent Company is party to a tax receivable agreement with certain holders of common units in CWGS, LLC (the "Continuing Equity Owners") that provides for the payment by the Parent Company to the Continuing Equity Owners of 85% of the amount of any tax benefits that the Parent Company actually realizes, or in some cases are deemed to realize, as a result of certain transactions. See Note 11 to the consolidated financial statements for more information regarding the Parent Company's tax receivable agreement. As described in Note 11 to the consolidated financial statements, amounts payable under the tax receivable agreement are contingent upon, among other things, (i) generation of future taxable income of Camping World Holdings, Inc. over the term of the tax receivable agreement and (ii) future changes in tax laws. As of December 31, 2022 and 2021, liabilities under the tax receivable agreement totaled $170.6 million and $182.4 million, respectively.

See Note 13 to the consolidated financial statements for information regarding pending and threatened litigation and Note 1 to the consolidated financial statements for information about the February 2022 cybersecurity incident. Pursuant to the LLC Agreement, the Parent Company receives reimbursements for all costs associated with being a public company, which includes costs of litigation and cybersecurity incidents.

4. Income Taxes

CWGS, LLC completed the steps necessary to convert Camping World, Inc. ("CW") and certain of its subsidiaries from Subchapter C Corporations to limited liability companies ("LLCs") with an effective date of January 2, 2023 (the "LLC Conversion"). All required filings for conversion to LLC were made by December 31, 2022. Accordingly, the effect of the LLC Conversion was recorded during the year ended December 31, 2022, as the filings were perfunctory pursuant to the rules prescribed under ASC 740, Income Taxes. Beginning with the year ending December 31, 2023, the operating losses of CW and its subsidiaries will offset taxable income generated by CWGS, LLC's other LLC businesses. As a result, both income tax expense recognized by the Parent Company and the amount of required tax distributions paid to holders of common units in CWGS, LLC, under the CWGS LLC Agreement, will decrease. The LLC Conversion will allow CWGS, LLC to more easily integrate its retail and dealership operations and more seamlessly share resources within the RV and Outdoor Retail segment, while providing an expected future cash flow benefit for the operating companies.

During the year ended December 31, 2022, the above LLC Conversion resulted in additional income tax expense for the Parent Company of $13.3 million.

5. Stock Repurchase Program

During the year ended December 31, 2022 and 2021, the Parent Company repurchased 2,592,524 and 3,988,881 shares of Class A common stock, respectively, under this program for approximately $79.8 million and $156.3 million, respectively, including commissions paid, at a weighted average price per share of $30.76 and $39.17, respectively, which is recorded as treasury stock on the Parent Company's balance sheet. During the years ended December 31, 2022 and 2021, the $79.8 million and $156.3 million, respectively, was concurrently funded by CWGS, LLC in exchange for the return of 2,592,524 and 3,988,881 common units in CWGS, LLC, respectively, which reduced the Parent Company's ownership interest in CWGS, LLC. Class A common stock held as treasury stock is not considered outstanding. During the years ended December 31, 2022 and 2021, the Parent Company reissued 852,508 and 1,171,197 shares of Class A common stock, respectively, from treasury stock to settle the exercises of stock options, vesting of restricted stock units, and settlement of other equity-based awards under the Parent Company's 2016 Plan. As of December 31, 2022, the remaining approved amount for repurchases of Class A common stock under the share repurchase program was approximately $120.2 million.

6. Statements of Cash Flows

Supplemental disclosures of cash flow information are as follows (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Cash paid during the period for:			
Interest	$ —	$ —	$ —
Income taxes	47,601	87,588	47,668
Non-cash financing activities:			
Par value of Class A common stock issued for redemption of common units in CWGS, LLC	1	47	48
Par value of Class A common stock issued for vested restricted stock units	—	—	3
Cost of treasury stock issued for vested restricted stock units	42,640	34,756	8,556
Cost of treasury stock issued for stock award to employee	—	19,586	—

Schedule II: Valuation and Qualifying Accounts

(In Thousands)	Balance at Beginning of Period	Additions Charged to Expense[1]	Charged to Other Accounts[2]	Charges Utilized (Write-offs)	Balance at End of Period
Accounts receivable allowance[3]:					
Year ended December 31, 2022	$ 4,711	$ 675	$ 297	$ (1,461)	$ 4,222
Year ended December 31, 2021	3,393	$ 1,568	$ 74	$ (324)	$ 4,711
Year ended December 31, 2020	3,717	1,068	(142)	(1,250)	3,393

(1) Additions to allowance for doubtful accounts are charged to expense.
(2) Additions to returns allowances are credited against revenue.
(3) Accounts receivable allowance includes the allowance for doubtful accounts and the allowance for returns.

(In Thousands)	Balance at Beginning of Period	Additions Charged to Expense	Charged to Other Accounts	Charges Utilized (Write-offs)	Balance at End of Period
Noncurrent other assets allowance:					
Year ended December 31, 2022	$ 42	$ (5)	$ —	$ —	$ 37
Year ended December 31, 2021	—	42	—	—	42
Year ended December 31, 2020	2,753	—	—	(2,753)	—

(In Thousands)	Balance at Beginning of Period	Tax Valuation Allowance Charged to Income Tax Provision	Tax Valuation Allowance Credited to Income Tax Provision	Charged to Other Accounts[1]	Balance at End of Period
Valuation allowance for deferred tax assets:					
Year ended December 31, 2022	$ 312,088	$ —	$ (164,257)	$ 7,145	$ 154,976
Year ended December 31, 2021	295,946	—	(2,234)	18,376	312,088
Year ended December 31, 2020	266,452	19,058	—	10,436	295,946

(1) Amounts charged to additional paid-in capital relating to the outside basis in the investment in CWGS, LLC.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the "Exchange Act,") as of the end of the period covered by this Annual Report on Form 10-K. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2022.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. Management conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Our management has excluded from its assessment of internal control over financial reporting at December 31, 2022 the internal control over financial reporting of several of our recently acquired businesses in 2022, comprised of nine dealerships (the "Excluded Acquisitions"). The Excluded Acquisitions constituted $74.3 million and $9.9 million of total assets and net assets, respectively, as of December 31, 2022, and $42.5 million and $2.3 million of revenues and pre-tax loss, respectively, for the year then ended.

Based on our assessment, our management concluded that our internal control over financial reporting was effective as of December 31, 2022.

Our internal control over financial reporting as of December 31, 2022, has been audited by Deloitte & Touche LLP, the independent registered public accounting firm who has also audited our consolidated financial statements, as stated in their report which is included on page 142.

Changes in Internal Control over Financial Reporting

During the quarter ended December 31, 2022, we completed the process of incorporating the internal controls for the businesses we acquired in 2021, comprised of nine dealerships (the "2021 Excluded Acquisitions"), into our internal control over financial reporting and extending our Section 404 compliance program under the Sarbanes-Oxley Act of 2002 and the applicable rules and regulations under such Act to include the 2021 Excluded Acquisitions.

Except as otherwise described above, there was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) identified in connection with the evaluation of our internal control performed during the fiscal quarter ended December 31, 2022, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Camping World Holdings, Inc. and subsidiaries

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Camping World Holdings, Inc. and subsidiaries (the "Company") as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2022, of the Company and our report dated February 23, 2023, expressed an unqualified opinion on those financial statements.

As described in Management's Annual Report on Internal Control over Financial Reporting in Item 9A, management excluded from its assessment the internal control over financial reporting at the Company's recently acquired businesses in 2022, comprised of nine dealerships (the "Excluded Acquisitions"). The Excluded Acquisitions constituted $74.3 million and $9.9 million of total assets and net assets, respectively, as of December 31, 2022. They represented $42.5 million of revenue and decreased pre-tax income by $2.3 million for the year ended December 31, 2022.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

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

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

/s/ Deloitte & Touche LLP

Los Angeles, California
February 23, 2023

ITEM 9B. Other Information

Not applicable

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

We have adopted a written code of business conduct and ethics, which applies to all of our directors, officers and employees, including our principal executive officer and our principal financial and accounting officer. Our Code of Business Conduct and Ethics is available on our website www.campingworld.com in the "Investor Relations" section under "Governance." In addition, we intend to post on our website all disclosures that are required by law or New York Stock Exchange listing rules concerning any amendments to, or waivers from, any provision of our Code of Business Conduct and Ethics. The information contained on our website is not incorporated by reference into this Form 10-K.

The information concerning our executive officers and directors in response to this item is contained above in part under the caption "Information About Our Executive Officers and Directors" at the end of Part I of this Form 10-K. Other Information required by this item will be included under the captions "Proposal 1: Election of Directors", "Corporate Governance", "Committees of the Board", and, if applicable, "Delinquent Section 16(a) Reports" in our Proxy Statement for our 2023 Annual Meeting of Stockholders and, upon filing, is incorporated herein by reference.

ITEM 11. Executive Compensation

The information required by this item will be included under the captions "Executive Compensation", "Director Compensation", "Compensation Committee Report", and "Compensation Committee Interlocks and Insider Participation" in our Proxy Statement for our 2023 Annual Meeting of Stockholders and, upon filing, is incorporated herein by reference.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table provides information about our compensation plans under which our Class A common stock is authorized for issuance, as of December 31, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuances under equity compensation plans
Equity compensation plans approved by security holders[1]	2,786,847	$21.92	7,290,505
Equity compensation plans not approved by security holders	—	—	—
Total	2,786,847	$21.92	7,290,505

(1) Includes awards granted and available to be granted under our 2016 Plan.

Other information required by this item with respect to security ownership of certain beneficial owners and management will be included under the caption "Security Ownership of Certain Beneficial Owners and

Management" and "Equity Compensation Plan Information" in our Proxy Statement for our 2023 Annual Meeting of Stockholders and, upon filing, is incorporated herein by reference.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be included under the captions "Certain Relationships and Related Person Transactions" and "Corporate Governance—Director Independence" in our Proxy Statement for our 2023 Annual Meeting of Stockholders and, upon filing, is incorporated herein by reference.

ITEM 14. Principal Accountant Fees and Services

The information required by this item will be included under the caption "Independent Registered Public Accounting Firm Fees and Other Matters" in our Proxy Statement for our 2023 Annual Meeting of Stockholders and, upon filing, is incorporated herein by reference.

PART IV

ITEM 15. Exhibits, Financial Statements and Schedules

(a)(1) Financial Statements.

See the table of contents under "Item 8. Financial Statements and Supplementary Data" in Part II of this Form 10-K above for the list of financial statements filed as part of this report.

(a)(2) Financial Statement Schedules.

All other schedules have been omitted because they are not required or because the required information is given in the Consolidated Financial Statements or Notes thereto set forth above under "Item 8. Financial Statements and Supplementary Data" in Part II of this Form 10-K, beginning on page 85.

(a)(3) Exhibits.

INDEX TO EXHIBITS

		Incorporated by Reference				
Exhibit Number	Exhibit Description	Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
3.1	Amended and Restated Certificate of Incorporation of Camping World Holdings, Inc.	10-Q	001-37908	3.1	11/10/16	
3.2	Amended and Restated Bylaws of Camping World Holdings, Inc.	10-Q	001-37908	3.2	11/10/16	
4.1	Specimen Stock Certificate evidencing the shares of Class A common stock	S-1/A	333-211977	4.1	9/13/16	
4.2	Description of Capital Stock	10-K	001-37908	4.2	2/28/20	
10.1	Tax Receivable Agreement, dated October 6, 2016	10-K	001-37908	10.1	3/13/17	
10.2	Voting Agreement, dated October 6, 2016	10-K	001-37908	10.2	3/13/17	
10.3	Amended and Restated LLC Agreement of CWGS Enterprises, LLC, dated October 6, 2016	10-K	001-37908	10.3	3/13/17	
10.4	Registration Rights Agreement, dated October 6, 2016	10-K	001-37908	10.4	3/13/17	
10.5	Eighth Amended and Restated Credit Agreement, dated September 30, 2021, among FreedomRoads, LLC, as the company and a borrower, certain subsidiaries of FreedomRoads, LLC, as subsidiary borrowers, Bank of America, N.A., as administrative agent and letter of credit issuer, and the other lenders party thereto	8-K	001-37908	10.1	10/6/21	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
10.6	Credit Agreement, dated June 3, 2021, by and among CWGS Enterprises, LLC, as holdings, CWGS Group, LLC, as borrower, the lenders party thereto and Goldman Sachs Bank USA, as administrative agent	8-K	001-37908	10.1	6/8/21	
10.7	Amendment No. 1 to Credit Agreement, dated December 20, 2021, by and among CWGS Enterprises, LLC, as holdings, CWGS Group, LLC, as borrower, the lenders party thereto and Goldman Sachs Bank USA, as administrative agent	8-K	001-37908	10.1	12/23/21	
10.8	Credit Agreement, dated as of October 27, 2022, by and among certain subsidiaries of FRHP Lincolnshire, LLC, as Holdings, certain subsidiaries of Holdings, as Borrowers, CWGS Group, LLC as Guarantor, Manufacturers and Traders Trust Company, as Administrative Agent, and the Financial Institutions Party thereto, as Lenders	10-Q	001-37908	10.1	11/2/22	
#10.9	Camping World Holdings, Inc. 2016 Incentive Award Plan	S-8	333-214040	4.4	10/11/16	
#10.10	Camping World Holdings, Inc. Non-Employee Director Compensation Policy	10-Q	001-37908	10.1	5/4/22	
#10.11	Camping World Holdings, Inc. Director Stock Ownership Policy	10-K	001-37908	10.21	3/13/17	
#10.12	Camping World Holdings, Inc. Executive Stock Ownership Policy	10-K	001-37908	10.22	3/13/17	
#10.13	Form of Employee Stock Option Agreement	S-1/A	333-211977	10.28	9/20/16	
#10.14	Form of Employee Restricted Stock Unit Agreement	10-Q	001-37908	10.2	8/10/17	
#10.15	Form of Director Restricted Stock Unit Agreement	10-Q	001-37908	10.3	8/10/17	
#10.16	Form of Indemnification Agreement	S-1/A	333-211977	10.31	9/26/16	
#10.17	Employment Agreement, dated June 10, 2016, by and between CWGS Enterprises, LLC, Camping World Holdings, Inc. and Marcus A. Lemonis	S-1/A	333-211977	10.12	9/20/16	
#10.18	Employment Agreement between Camping World Holdings, Inc. and Brent L. Moody, dated May 3, 2021	10-Q	001-37908	10.1	5/5/21	
#10.19	Employment Agreement with Karin L. Bell, dated July 1, 2020	10-Q	001-37908	10.2	8/6/20	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
#10.20	First Amendment to Employment Agreement with Karin L. Bell, dated June 1, 2022	10-Q	001-37908	10.1	8/3/22	
#10.21	Employment Agreement, effective as of January 1, 2023 between Camping World Holdings, Inc., CWGS Enterprises, LLC and Matthew Wagner.					*
#10.22	Transition Agreement, by and between CWGS Enterprises, LLC and Tamara Ward dated January 1, 2023	8-K	001-37908	10.1	1/17/23	
21.1	List of Subsidiaries of Camping World Holdings, Inc.					*
23.1	Consent of Independent Registered Public Accounting Firm					*
24.1	Power of Attorney					*
31.1	Rule 13a-14(a) / 15d-14(a) Certification of Chief Executive Officer					*
31.2	Rule 13a-14(a) / 15d-14(a) Certification of Chief Financial Officer					*
32.1	Section 1350 Certification of Chief Executive Officer					**
32.2	Section 1350 Certification of Chief Financial Officer					**
101.INS	Inline XBRL Instance Document – the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document					***
101.SCH	Inline XBRL Taxonomy Extension Schema Document					***
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					***
101.DEF	Inline XBRL Extension Definition Linkbase Document					***
101.LAB	Inline XBRL Taxonomy Label Linkbase Document					***
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					***
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					***

* Filed herewith

** Furnished herewith

*** Submitted electronically herewith

# Indicates management contract or compensatory plan

ITEM 16. Form 10-K Summary

None

Table of Contents

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Camping World Holdings, Inc.

Date: February 23, 2023

By: /s/ MARCUS A. LEMONIS
Marcus A. Lemonis
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities set forth opposite to their names and on the dates indicated.

Signature	Title	Date
/s/ MARCUS A. LEMONIS Marcus A. Lemonis	Chairman, Chief Executive Officer and Director (Principal Executive Officer)	February 23, 2023
/s/ KARIN L. BELL Karin L. Bell	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 23, 2023
* Andris A. Baltins	Director	
* Brian P. Cassidy	Director	
* Mary J. George	Director	
* Michael W. Malone	Director	
* Brent L. Moody	President, Camping World Holdings, Inc. and Director	
* K. Dillon Schickli	Director	

*By: /s/ MARCUS A. LEMONIS
Marcus A. Lemonis
Attorney-in-fact

February 23, 2023

Exhibit 10.21

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into effective as of the 1st day of January, 2023 (the "Effective Date"), by and between Matthew Wagner, an Illinois resident ("Employee"), Camping World Holdings, Inc., a Delaware corporation ("Camping World") and CWGS Enterprises, LLC, a Delaware limited liability company (the "Partnership" and, together with Camping World and any of the Affiliates of Camping World and the Partnership as may employ the Employee from time to time, and any successor(s) thereto, the "Company").

RECITALS

WHEREAS, the Company desires to enter into this Agreement with Employee, pursuant to which the Company will employ Employee on the terms set forth in this Agreement, and Employee desires to be employed by Company pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment. The Company agrees to employ Employee as the Company's Chief Operating Officer on the terms and conditions set forth in this Agreement and Employee accepts such employment and agrees to perform the services and duties for the Company as herein provided for the period and upon the other terms and conditions set forth in this Agreement. Employee shall be subject to the direction of the Company's Chairman, President, Chief Executive Officer, and Board of Directors.

2. Term. Subject to termination of Employee's employment pursuant to Section 7 below, the initial term of Employee's employment hereunder shall be for a period commencing as of the date of this Agreement and ending on December 31, 2025 (the "Term").

3. Position and Duties.

3.01 Title. During the Term, Employee agrees to serve as the Company's Chief Operating Officer and undertake such additional duties as may be directed by the Board of Directors or Chief Executive Officer.

3.02 Duties. (a) During the term of this Agreement, Employee agrees to serve the Company and Employee will faithfully and to the best of his ability discharge his duties and will devote his full time during business hours for the Company and to the business and affairs of the Company, its direct and indirect subsidiaries and certain Affiliates (as defined below) of the Company. Employee hereby confirms that during the term of this Agreement, he will not render or perform services for any other corporation, firm, entity or person, except as set forth below. In addition, Employee understands that the Company's Board of Directors or Chief Executive Officer may, from time to time, direct that Employee assist and provide services to one or more other entities directly or indirectly owned or controlled by, or under common ownership or control with, the Company ("Affiliates"). Employee recognizes that he will be required to travel to perform certain of his duties.

(b) Notwithstanding the foregoing, Employee shall be permitted to (i) serve as a member of the board of directors for one unrelated entity so long as such participation does not, in the judgment of the Company's Board of Directors, interfere with the performance of or create a potential conflict with Employee's duties hereunder and (ii) participate in, and be involved with, such community, educational, charitable, professional, and religious organizations so long as such participation does not, in the judgment of the Company's Board of Directors, interfere with the performance of or create a potential conflict with Employee's duties hereunder.

4. Compensation.

4.01 Base Salary. During the term of this Agreement, the Company shall pay to Employee a base annual salary of Three Hundred Thousand and No/100 Dollars ($300,000.00) ("Base Salary"), which salary shall be paid in accordance with the Company's normal payroll procedures and policies.

4.02 Incentive Compensation. During the Term and subject to continued employment by the Company through the date on which payment of the Incentive Compensation (as defined below) is due, the Company shall pay to Employee incentive compensation ("Incentive Compensation") equal to fifteen one hundredths of one percent (0.15%) (the "Applicable Percentage") of the Company's consolidated Adjusted EBITDA (as defined below). As used herein, "Adjusted EBITDA" shall mean (i) the consolidated net income of the Company derived from the ongoing consolidated business operations for such period plus, to the extent deducted in the determination of net income, interest (other than interest for floor plan financing), federal and state income taxes (or any provision for such taxes), depreciation and amortization and (ii) to the extent not otherwise reflected in net income for purposes of determining Adjusted EBITDA, gains on the sale of real property, including, without limitation, deferred gains on sale leaseback transactions, with further adjustments for the impact of certain noncash and other items the Company does not consider in its evaluation of ongoing operating performance as determined by the chief financial officer and defined on our Annual Report on Form 10-K and the Company's other reports filed with the Securities and Exchange Commission.

Net income shall be determined on the accrual method of accounting and in accordance with generally accepted accounting principles consistently applied, provided that (i) extraordinary items of revenue or expense, as determined by the chief financial officer (including revenue or expense from non-operating investments, revenue or expense from the sale or purchase of assets not in the ordinary course of business or revenue or expense not derived from normal business operations), shall not be reflected in net income, and (ii) amounts paid or received in settlement of (or payment of judgments in respect of) litigation which did not arise in the ordinary course of the business operations of such entity or entities or any of their respective subsidiaries, shall not be reflected in net income.

The Incentive Compensation will be paid in monthly draws based on the Company's estimated consolidated Adjusted EBITDA for the applicable calendar year, subject to adjustment up or down from time to time based on actual results compared to estimates and anticipated underpayments or overpayments of monthly draws.

Monthly payments of Incentive Compensation shall be subject to "true up" following the completion of the audited financial statements of the Company. In the event of any underpayment, the Company shall pay such underpayment within thirty (30) days following the completion of such audited financial statements. In the event of any overpayment, the amount of such overpayment(s) shall be deducted from Employee's Incentive Compensation for the next succeeding monthly Incentive Compensation payment(s) until such overpayment has been absorbed by such deductions. In the event any overpayments have not been fully recovered upon the expiration or termination of the Term of this Agreement, the amount of such un-recovered overpayment(s) shall be deducted from any amounts payable by the Company pursuant to Section 7.05 of this Agreement, or, if no amounts are payable by Company pursuant to Section 7.05, the amount of such un-recovered overpayments shall be paid by Employee to the Company within thirty (30) days following the Company's written request therefore.

4.02 Annual Bonus. During the Term, for each fiscal year, Employee shall have the opportunity to earn an annual bonus ("Annual Bonus") based on performance against specified performance objectives (including, without limitation, budgetary or Adjusted EBITDA-based performance criteria) established prior to or as soon as practicable following each fiscal year. For each fiscal year during the Term, Employee's target annual bonus for such year shall be $500,000.

4.03 Benefits. Employee may participate in all employee benefit plans or programs of Company consistent with such plans and programs of the Company. The Company does not guarantee the adoption or continuance of any particular employee benefit plan or program during the term of this Agreement, and Employee's participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

4.04 Expenses; Contributions. Company agrees to reimburse all reasonable business expenses incurred by Employee consistent with the Company's policies regarding reimbursement in the performance of Employee's duties under this Agreement.

4.05 Vacation and Sick leave. The Employee shall be entitled to vacation during each year of employment consistent with other senior executives of the Company. Such vacation shall be taken at such times as the Chief Executive Officer of the Company shall agree. The Employee shall be entitled to sick leave and holidays in accordance with the policy of the Company as to its employees.

4.06 Indemnification and Additional Insurance. The Company shall indemnify Employee with respect to matters relating to Employee's services as an officer of the Company, or any of its Affiliates, occurring during the course and scope of Employee's employment with the Company to the extent and pursuant to the provisions in the Delaware law. The foregoing indemnity is contractual and will survive any adverse amendment to or repeal of this Agreement. The Company will also cover Employee under a policy of officers' and directors' liability insurance providing coverage that is comparable to that provided now or hereafter to other senior executives of the Company. The provisions of this Section will survive the termination of this Agreement for any reason.

5. Confidential Information and Proprietary Information.

5.01 Confidential Information. During the Term and at all times thereafter, Employee shall not divulge, furnish or make accessible to anyone or use in any way (other than in the ordinary course of the business of the Company or any of its Affiliates) any confidential or secret knowledge or information of the Company or any of its Affiliates which Employee has acquired or become acquainted with prior to the termination of the period of his employment by the Company (including employment by the Company or any affiliated companies prior to the date of this Agreement), whether developed by himself or by others, including, without limitation, any trade secrets, confidential or secret designs, processes, formulae, plans, devices or material (whether or not patented or patentable) directly or indirectly useful in any aspect of the business of the Company or any of the Affiliates, any customer or supplier lists of the Company or any of the Affiliates, any confidential or secret development or research work of the Company or any of the Affiliates, or any other confidential information or secret aspect of the business of the Company or any of the Affiliates (collectively, "Confidential Information"). Employee acknowledges that (a) the Company and its Affiliates have expended and shall continue to expend substantial amounts of time, money and effort to develop business strategies, employee and customer relationships and goodwill and build an effective organization, (b) Employee is and shall become familiar with the Company's and its Affiliate's Confidential Information, including trade secrets, and that Employee's services are of special, unique and extraordinary value to the Company and its Affiliates, (c) the above-described knowledge or information constitutes a unique and valuable asset of the Company and its Affiliates and the Company and its Affiliates have a legitimate business interest and right in protecting its Confidential Information, business strategies, employee and customer relationships and goodwill and (d) any disclosure or other use of such knowledge or information other than for the sole benefit of the Company and any of the Affiliates would be wrongful and would cause irreparable harm to the Company and any of the Affiliates. However, the foregoing shall not apply to any knowledge or information which is now published, or which subsequently becomes generally publicly known in the form in which it was obtained from the Company or any of the Affiliates, other than as a direct or indirect result of the breach of this Agreement by Employee.

5.02 Proprietary Information. (a) Employee agrees that the results and proceeds of Employee's services for the Company or its Affiliates (including, but not limited to, any trade secrets, products, services, processes, know-how, designs, developments, innovations, analyses, drawings, reports, techniques, formulas, methods, developmental or experimental work, improvements, discoveries, inventions, ideas, source and object codes, programs, matters of a literary, musical, dramatic or otherwise creative nature, writings and other works of authorship) resulting from services performed while an employee of the Company and any works in progress, whether or not patentable or registrable under copyright or similar statutes, that were made, developed, conceived or reduced to practice or learned by Employee, either alone or jointly with others (collectively, "Inventions"), shall be works-made-for-hire and the Company (or, if applicable or as directed by the Company or any of its Affiliates) shall be deemed the sole owner throughout the universe of any and all trade secret, patent, copyright and other intellectual property rights (collectively, "Proprietary Rights") of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, with the right to use the same in perpetuity in any manner the Company determines in its sole discretion, without any further payment to Employee whatsoever. If, for any reason, any of such results and proceeds shall not legally be a work-made-for-hire and/or there are any Proprietary Rights which do not accrue to the Company (or, as the case may be, any of its Affiliates) under the immediately preceding sentence, then Employee hereby irrevocably assigns and agrees to assign any and all of Employee's right, title and interest thereto, including any and all Proprietary Rights of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, to the Company (or, if applicable or as directed by the Company or any of its Affiliates), and the Company or its Affiliates shall have the right to use the same in perpetuity throughout the universe in any manner determined by the Company or such Affiliates without any further payment to Employee whatsoever. As to any Invention that Employee is required to assign, Employee shall promptly and fully disclose to the Company all information known to Employee concerning such Invention.

(b) Employee agrees that, from time to time, as may be requested by the Company and at the Company's sole cost and expense, Employee shall do any and all things that the Company may reasonably deem useful or desirable to establish or document the Company's exclusive ownership throughout the United States of America or any other country of any and all Proprietary Rights in any such Inventions, including the execution of appropriate copyright and/or patent applications or assignments. To the extent Employee has any Proprietary Rights in the Inventions that cannot be assigned in the manner described above, Employee unconditionally and irrevocably waives the enforcement of such Proprietary Rights. This Section 5.02 is subject to and shall not be deemed to limit, restrict or constitute any waiver by the Company of any Proprietary Rights of ownership to which the Company may be entitled by operation of law by virtue of the Company's being Employee's employer. Employee further agrees that, from time to time, as may be requested by the Company and at the Company's sole cost and expense, Employee shall assist the Company in every proper and lawful way to obtain and from time to time enforce Proprietary Rights relating to Inventions in any and all countries. To this end, Employee shall execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such Proprietary Rights and the assignment thereof. In addition, Employee shall execute, verify, and deliver assignments of such Proprietary Rights to the Company or its designees. Employee's obligation to assist the Company with respect to Proprietary Rights relating to such Inventions in any and all countries shall continue beyond the termination of Employee's employment with the Company.

(c) Employee hereby waives and quitclaims to the Company any and all claims, of any nature whatsoever, that Employee now or may hereafter have for infringement of any Proprietary Rights assigned hereunder to the Company.

6. Non-competition and Non-solicitation Covenants and Adversarial Restrictions.

6.01 Non-competition. Employee agrees that, during the Term and for eighteen months after the termination of Employee's employment for any reason (the "Non-Compete Period"), other than by virtue of a breach by Company under Section 7.01(f) below, Employee shall not, directly or indirectly, (a) engage in activities or businesses (including without limitation by owning any interest in, managing, controlling, participating in, consulting with, advising, rendering services for, or in any manner engaging in the business of owning, operating or managing any business) in any geographic location in which the Company, its subsidiaries or Affiliates engage in, whether through selling, distributing, manufacturing, marketing, purchasing, or otherwise, that compete directly or indirectly with the Company or any of its subsidiaries or Affiliates ("Competitive Activities"), it being understood that Competitive Activities as of the date hereof include, without limitation, the publication, campground, online marketplace, and membership businesses of the Company or any subsidiary of Affiliate of the Company; the sale, rental, repair or service of recreational vehicles and boats or parts and accessories for recreational vehicles and boats or the sale of any ancillary products that are sold in connection with the sale of recreational vehicles and boats, including but not limited to credit life insurance, roadside assistance programs and mechanical breakdown and extended service contracts, in the recreational vehicle, camping and outdoor living markets; the business of developing, marketing, providing and implementing products and services (including insurance, financing, warranties and road-side assistance) to owners of recreational vehicles, automobiles, and motorcycles; the business of providing consumer shows to owners of recreational vehicles and boats; and the business of publishing digital and print media, including magazines, periodicals, books, and blogs and online communities directed to owners of recreational vehicles, all-terrain vehicles, boats and outdoor enthusiasts; or (B) assist any person in any way to do, or attempt to do, anything prohibited by Section 6.01(a) above. Employee acknowledges (i) that the business of the Company and its Affiliates is national in scope and without geographical limitation within the United States and (ii) notwithstanding the jurisdiction of formation or principal office of the Company and its Affiliates, or the location of any of their respective executives or employees (including, without limitation, Employee), it is expected that the Company and its Affiliates will have business activities and have valuable business relationships within their respective industries throughout the United States.

6.02 Indirect Competition. Employee further agrees that, during the Term and the Non-Compete Period, he will not, directly or indirectly, assist or encourage any other person in carrying out, direct or indirectly, any activity that would be prohibited by the above provisions of this Section 6 if such activity were carried out by Employee, either directly or indirectly; and in particular Employee agrees that he will not, directly or indirectly, induce any employee of the Company to carry out, directly or indirectly, any such activity.

6.03 Non-solicitation. Employee further agrees that, during the Term and for a period of one year after the termination of his employment (the "Non-Solicitation Period"), he will not, directly or indirectly, assist or encourage any other person in seeking to employ or hire any employee, consultant, advisor or agent of the Company or any of its Affiliates or encouraging any such employee, consultant, advisor or agent to discontinue employment with the Company or any of its Affiliates.

6.04 Adversarial Restrictions. During the Term and at any time thereafter, Employee shall not voluntarily aid, assist, or cooperate with any actual or potential claimants or plaintiffs or their attorneys or agents in any claims or lawsuits proposed to be asserted, pending or commenced on the date hereof or in the future against the Company or any of the Affiliates; provided, however, that nothing in this Section 6.05 will be construed to prevent Employee from testifying at an administrative hearing, a deposition, or in court in response to a lawful subpoena in any litigation or proceeding involving the Company or any Affiliate.

6.05 Tolling of Periods and Enforceability. The Non-Compete Period and Non-Solicitation Period shall be tolled during (and shall be deemed automatically extended by) any period in which Employee is in violation of the provisions of this Section 6. If a final and non-appealable judicial determination is made that any of the provisions of this Section 6 constitutes an unreasonable or otherwise unenforceable restriction against Employee, the provisions of this Section 6 will not be rendered void but will be deemed to be modified to the minimum extent necessary to remain in force and effect for the longest period and largest geographic area that would not constitute such an unreasonable or unenforceable restriction. Moreover, and without limiting the generality of Section 6, notwithstanding the fact that any provision of this Section 6 is determined to not be enforceable through specific performance, the Company will nevertheless be entitled to recover monetary damages as a result of Employee's breach of such provision.

6.06 Acknowledgement. Employee acknowledges that Employee has carefully read this Agreement and has given careful consideration to the restraints imposed upon Employee by this Agreement and is in full accord as to the necessity of such restraints for the reasonable and proper protection of the Confidential Information, business strategies, employee and customer relationships and goodwill of the Company and its subsidiaries and Affiliates now existing or to be developed in the future. Employee expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area. Employee further acknowledges that although Employee's compliance with the covenants contained in Sections 5 and 6 may prevent Employee from earning a livelihood in a business similar to the business of the Company, Employee's experience and capabilities are such that Employee has other opportunities to earn a livelihood and adequate means of support for Employee and Employee's dependents.

7. Termination.

7.01 Grounds for Termination. Employee's employment with the Company shall terminate under any of the circumstances set forth below.

a. If Employee shall die or become disabled (as defined in Section 7.03 below);
b. By mutual agreement of the Company and Employee;
c. By Employee for any reason upon notice to the Company;
d. By the Company for cause (as defined in Section 7.02 below);
e. By the Company without cause; provided that in such event and in exchange for a full release of claims from the Employee, the Company will pay Employee the amounts provided under Section 7.05 below;
f. By Employee in the event of a material default of this Agreement by the Company, which default remains uncured for ten (10) days following written notice thereof.

Notwithstanding any termination of this Agreement and Employee's employment by the Company, Employee, in consideration of his employment hereunder to the date of such termination, shall remain bound by the provisions of this Agreement which specifically relate to periods, activities or obligations upon or subsequent to the termination of Employee's employment including without limitation the provisions of Sections 5, 6 and 8 hereof.

7.02 For Cause Defined. Termination of Employee's employment by the Company for any of the following reasons shall be deemed termination for cause:

a. Employee shall have breached this Agreement in any material respect, which breach in the case of this clause is not cured by, or is not capable of being cured, within ten (10) days after written notice of such breach is delivered to Employee; or
b. Employee has engaged in misconduct (including violation of the Company's policies) that is materially injurious to the Company as reasonably determined by the Company's Board of Directors; or
c. Employee has been convicted of (i) any felony or (ii) any misdemeanor involving a crime of moral turpitude, theft or fraud; or
d. Employee uses illegal substances; or
e. Employee knowingly falsifies or causes to be falsified, in any material respect, the financial records and financial statements of the Company.

7.03 "Disability" Defined. The Company may determine that Employee is disabled if he shall fail, because of illness or incapacity, to render services of the character contemplated by this Agreement for a period of three (3) consecutive months.

7.04 Surrender of Records and Property. Upon termination of his employment with the Company for any reason, Employee shall deliver promptly to the Company all records, manuals, books, blank forms, documents, letters, memoranda, notes, notebooks, reports, data, tables, calculations or copies thereof, which are the property of the Company or any of its Affiliates or which relate in any way to the business, products, practices or techniques of the Company or any of its Affiliates, and all other property, trade secrets and confidential information of the Company or any of its Affiliates, including, but not limited to, all documents which in whole or in part contain any trade secrets or confidential information of the Company or any of its Affiliates, which in any of these cases are in his possession or under his control.

7.05 Payments Upon Termination. If this Agreement is terminated for any reason set forth in Section 7, then Employee shall be entitled to receive (a) his Base Salary through the date of the termination, (b) reimbursement of any business expenses incurred in the ordinary course of business through the date of termination that have not yet been reimbursed pursuant to Section 4.04. If Employee's employment is terminated pursuant to Section 7.01(a) then Employee, or Employee's heirs and assigns, as the case may be, shall be entitled to receive: (a) any Incentive Compensation pursuant to Section 4.02 for the preceding calendar year to the extent not yet paid when due and the amount which would be payable pursuant to Section 4.02 as if his employment had not terminated and Incentive Compensation for the calendar year in which Employee's employment is terminated which for purposes hereof shall be equal to the consolidated Adjusted EBITDA of the Company for the twelve month period ending on the last day of the calendar month immediately preceding the date of termination times the Applicable Percentage, multiplied by a fraction, (i) the numerator of which shall be the number of days Employee was employed during the then such current calendar year and (ii) the denominator of which shall be three hundred sixty-five (365) (for avoidance of doubt, the amount of draws paid by Company to Employee for Incentive Compensation during such calendar year as contemplated by Section 4.02, shall be credited against such amount), which payment shall be made within 120 days following the end of such calendar year in which the Employee's employment was so terminated, and (b) any Annual Bonus pursuant to Section 4.03 for the preceding calendar year to the extent not yet paid when such amount would have been payable pursuant to Section 4.03 if his employment had not terminated and the Annual Bonus for the calendar year in which Employee's employment is terminated which for purposes hereof shall be equal to Employee's target annual bonus for such year, multiplied by a fraction, (i) the numerator of which shall be the number of days Employee was employed during the then such current calendar year and (ii) the denominator of which shall be three hundred sixty-five (365), which payment shall be made within 90 days following the date on which the Employee's employment was so terminated. If Employee's employment is terminated pursuant to Section 7.01(e) or (f) and provided that Employee shall have executed and delivered to the Company the Company's standard form of release of claims and any period for rescission of such release shall have expired without Employee having rescinding such release, in addition to the foregoing, Employee shall be entitled to receive: (a) any Incentive Compensation pursuant to Section 4.02 for the preceding calendar year to the extent not yet paid when such amount would have been payable pursuant to Section 4.02 if his employment had not terminated; (b) Incentive Compensation for the calendar year in which Employee's employment is terminated which for purposes hereof shall be equal to the consolidated Adjusted EBITDA of the Company for the twelve month period ending on the last day of the calendar month immediately preceding the date of termination times the Applicable Percentage, multiplied by a fraction, (i) the numerator of which shall be the number of days Employee was employed during the then such current calendar year and (ii) the denominator of which shall be three hundred sixty-five (365) (for avoidance of doubt, the amount of draws paid by Company to Employee for Incentive Compensation during such calendar year as contemplated by Section 4.02, shall be credited against such amount), which payment shall be made within 90 days following such termination of employee's employment; (c) any Annual Bonus pursuant to Section 4.03 for the preceding calendar year to the extent not yet paid when such amount would have been payable pursuant to Section 4.03 if his employment had not terminated; (d) the Annual Bonus for the calendar year in which Employee's employment is terminated which for purposes hereof shall be equal to the Employee's target annual bonus for such year, multiplied by a fraction, (i) the numerator of which shall be the number of days Employee was employed during the then such current calendar year and (ii) the denominator of which shall be three hundred sixty-five (365), which payment shall be made within 90 days following such termination of employee's employment; (e) payment by the Company for COBRA benefits for a period of eighteen (18) months following termination for Employee and any dependents covered immediately prior to termination; and (f) the Severance Amount (as defined below), which Severance Amount shall be paid over a twelve (12) month period at the same times and in the same manner as base annual salary had been paid to Employee prior to the termination of his employment hereunder. As used herein, the "Severance Amount" shall be equal to the sum of (a) Base Salary for one year, (b) Incentive Compensation for one year, which for purposes hereof shall be equal to the consolidated Adjusted EBITDA of the Company for the twelve-month period ending on the last day of the calendar month immediately preceding the date of termination, multiplied by the Applicable Percentage, and (c) the Annual Bonus, which for purposes hereof shall be equal to the Employee's target annual bonus for the current year.

8. Miscellaneous.

8.01 Governing Law; Venue. This Agreement is made under and shall be governed by and construed in accordance with the laws of the State of Delaware.

8.02 Prior Agreements. This Agreement contains the entire agreement of the parties relating to the subject matter hereof and supersedes all prior agreements and understandings with respect to such subject matter, and the parties hereto have made no agreement, representations or warranties relating to the subject matter of this Agreement which are not set forth herein.

8.03 Withholding Taxes. The Company may withhold from any benefits payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or governmental regulation or ruling.

8.04 Amendments. No amendments or modifications of this Agreement shall be deemed effective unless made in writing and signed by the parties hereto.

8.05 No Waiver. No term or condition of this Agreement shall be deemed to have been waived, nor shall there by an estoppel to enforce any provisions of this Agreement, except by a statement in writing signed by the party against whom enforcement of the waiver or estoppel is sought. Any written waiver shall not be deemed a continuing waiver unless specifically stated, shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

8.06 Section 409A. (a) For purposes of this Agreement, "Section 409A" means Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (and such other Treasury or Internal Revenue Service guidance) as in effect from time to time. The parties intend that any amounts payable hereunder that could constitute "deferred compensation" within the meaning of Section 409A will be compliant with Section 409A or exempt from Section 409A. Notwithstanding the foregoing, Employee shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of Employee in connection with this Agreement (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its Affiliates shall have any obligation to indemnify or otherwise hold Employee (or any beneficiary) harmless from any or all of such taxes or penalties. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Employee or any other individual to the Company or any of its affiliates, employees or agents.

(b) Notwithstanding anything in this Agreement to the contrary, the following special rule shall apply, if and to the extent required by Section 409A, in the event that (i) Employee is deemed to be a "specified employee" within the meaning of Section 409A(a)(2)(B)(i), (ii) amounts or benefits under this Agreement or any other program, plan or arrangement of the Company or a controlled group affiliate thereof are due or payable on account of "separation from service" within the meaning of Treasury Regulations Section 1.409A-l(h) and (iii) Employee is employed by a public company or a controlled group affiliate thereof: no payments hereunder that are "deferred compensation" subject to Section 409A shall be made to Employee prior to the date that is six (6) months after the date of Employee's separation from service or, if earlier, Employee's date of death; following any applicable six (6) month delay, all such delayed payments will be paid in a single lump sum on the earliest permissible payment date.

(c) Each payment made under this Agreement (including each separate installment payment in the case of a series of installment payments) shall be deemed to be a separate payment for purposes of Section 409A. Amounts payable under this Agreement shall be deemed not to be a "deferral of compensation" subject to Section 409A to the extent provided in the exceptions in Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exception under subparagraph (iii)) and other applicable provisions of Section 409A. For purposes of this Agreement, with respect to payments of any amounts that are considered to be "deferred compensation" subject to Section 409A, references to "termination of employment," "termination," or words and phrases of similar import, shall be deemed to refer to Employee's "separation from service" as defined in Section 409A, and shall be interpreted and applied in a manner that is consistent with the requirements of Section 409A.

(d) Notwithstanding anything to the contrary in this Agreement, any payment or benefit under this Agreement or otherwise that is exempt from Section 409A pursuant to Treasury Regulation § 1.409A-l(b)(9)(v)(A) or (C) (relating to certain reimbursements and in-kind benefits) shall be paid or provided to Employee only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of the second calendar year following the calendar year in which Employee's "separation from service" occurs; and provided further that such expenses are reimbursed no later than the last day of the third calendar year following the calendar year in which Employee's "separation from service" occurs. To the extent any indemnification payment, expense reimbursement, or the provision of any in-kind benefit is determined to be subject to Section 409A (and not exempt pursuant to the prior sentence or otherwise), the amount of any such indemnification payment or expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the indemnification payment or provision of in-kind benefits or expenses eligible for reimbursement in any other calendar year (except for any life-time or other aggregate limitation applicable to medical expenses), and in no event shall any indemnification payment or expenses be reimbursed after the last day of the calendar year following the calendar year in which Employee incurred such indemnification payment or expenses, and in no event shall any right to indemnification payment or reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit.

(e) Notwithstanding anything to the contrary in this Agreement, to the extent that any payments of "nonqualified deferred compensation" (within the meaning of Section 409A) due under this Agreement as a result of the Employee's termination of employment with the Company are subject to the Employee's execution and delivery and non-revocation of the Release, (i) no such payments shall be made on or prior to the sixtieth (60th) day immediately following the Termination Date (the "Release Expiration Date"), (ii) the Company shall deliver the Release to the Employee within seven (7) days immediately following the Termination Date, (iii) if, as of the Release Expiration Date, the Employee has failed to execute the Release or has timely revoked his acceptance of the Release thereafter, the Employee shall not be entitled to any payments or benefits otherwise conditioned on the Release, and (iv) any such payments that are delayed pursuant to this Section 8.06 shall be paid in a lump sum on the first payroll date following the Release Expiration Date. For purposes of this Section 8.06, "Release Expiration Date" shall mean the date that is twenty-one (21) days following the date upon which the Company timely delivers the Release to the Employee, or, in the event that the Employee's termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment act of 1967), the date that is forty-five (45) days following such delivery date.

8.07 280G Parachute Payments. (a) Notwithstanding any other provision in this Agreement to the contrary, in the event that any payment or benefit received or to be received by you (including any payment or benefit received in connection with a Change in Control (as defined in the Camping World 2016 Incentive Award Plan, as amended from time to time) or the termination of your employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement) (all such payments and benefits being hereinafter referred to as the "Total Payments") would be subject (in whole or part), to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the cash severance payments shall first be reduced, and the noncash severance payments shall thereafter be reduced, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Employee would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the Total Payments the receipt or enjoyment of which the Employee shall have waived at such time and in such manner as not to constitute a “payment” within the meaning of Section 280G(b) of the Code shall be taken into account, (ii) no portion of the Total Payments shall be taken into account which, in the written opinion of independent auditors or consultants of nationally recognized standing (“Independent Advisors”) selected by the Company, does not constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of the Independent Advisors, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the Base Amount (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation, and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Independent Advisors in accordance with the principles of Section 280G(d)(3) and (4) of the Code.

8.08 Compensation Recovery Policy. The Employee acknowledges and agrees that, to the extent the Company adopts any clawback or similar policy pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise, and any rules and regulations promulgated thereunder, he shall take all action necessary or appropriate to comply with such policy (including, without limitation, entering into any further agreements, amendments or policies necessary or appropriate to implement and/or enforce such policy with respect to past, present and future compensation, as appropriate).

8.09 Severability. To the extent any provision of this Agreement shall be invalid or unenforceable, it shall be considered deleted herefrom and the remainder of such provision and of this Agreement shall be unaffected and shall continue in full force and effect. In furtherance and not in limitation of the foregoing, should the duration or geographical extent of, or business activities covered by, any provision of this Agreement be in excess of that which is valid and enforceable under applicable law, then such provision shall be construed to cover only that duration, extent or activities which may validly and enforceably be covered. Employee acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement be given the construction which renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

8.10 Assignment. This Agreement shall not be assignable, in whole or in part, by either party without the written consent of the other party. After any such assignment by the Company, the Company shall be discharged from all further liability hereunder and such assignee shall thereafter be deemed to be the Company for the purposes of all provisions of this Agreement including this Section 8.

8.11 Injunctive Relief. Employee agrees that it would be difficult to compensate the Company fully for damages for any violation of the provisions of this Agreement, including without limitation the provisions of Sections 5 and 6. Accordingly, Employee specifically agrees that the Company shall be entitled to temporary and permanent injunctive relief to enforce the provisions of this Agreement and that such relief may be granted without the necessity of proving actual damages. This provision with respect to injunctive relief shall not, however, diminish the right of the Company to claim and recover damages in addition to injunctive relief.

8.12 Attorneys’ Fees and Costs. The Company and Employee agree that in the event any litigation arises out of this Agreement between Company and Employee, the prevailing party in such litigation shall be entitled to recover its attorney’s fees and costs brought relating to such litigation.

8.13 No Mitigation Obligation. All amounts paid to Employee under this Agreement following Employee's termination of employment and this Agreement are acknowledged by the Company and Employee to be reasonable and to be liquidated damages, and Employee will not be required to reduce the amount of such payments by seeking other employment or otherwise, nor will any profits, income, earnings or other benefits from any source whatsoever (including from other employment) create any mitigation, offset, reduction or any other obligation on the part of Employee under this Agreement.

8.14 Notices. Any notice, payment, demand or communication required or permitted to be given by the provisions of this Agreement shall be deemed to have been effectively given and received on the date personally delivered to the respective party to whom it is directed, or five (5) days after the date when deposited by registered or certified mail, with postage and charges prepaid and addressed to such party at its address below its signature. Any party may change its address by delivering a written change of address to all of the other parties in the manner set forth in this Section 8.14.

8.15 Notice of Immunity. Notwithstanding any provision of this Agreement to the contrary, (i) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if Employee files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

8.16 Administration. In the event Employee shall disagree with the amount of Adjusted EBITDA, as determined by the Company (written notice of which shall be given by the Employee within thirty (30) days of the receipt of such determination by the Company), Adjusted EBITDA shall be determined by the independent certified public accountants of the Company or, if the Company has not then engaged a firm of independent certified public accountants, any nationally recognized firm of public accountants selected by the Company (the "Independent Accountant"). The Independent Accountant shall determine the Adjusted EBITDA within thirty (30) days after its appointment and shall be instructed to deliver to the Company and Employee a written report of its determination of the amount of Adjusted EBITDA. The cost of the accounting services performed by the Independent Accountant shall be borne by the Company (but the cost thereof shall be considered a liability of the Company) unless the amount of the Adjusted EBITDA as determined by the Independent Accountant is the same as the amount determined by the Company, in which event the entire cost of the services of the Independent Accountant shall be borne by the Employee.

[*Signatures on following page*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth in the first paragraph.

CAMPING WORLD HOLDINGS, INC.

By: /s/ Marcus Lemonis
Marcus Lemonis
Chairman and Chief Executive Officer

CWGS ENTERPRISES, LLC

By: /s/ Marcus Lemonis
Marcus Lemonis
Chairman and Chief Executive Officer

By: /s/ Matthew Wagner
Matthew Wagner
Address:
250 Parkway Dr, Suite 270
Lincolnshire, IL 60069

Exhibit 21.1

Legal Name	State of Incorporation
Active Sports, LLC	Minnesota
Affinity Brokerage, LLC	Delaware
Affinity Group Holding, LLC	Delaware
Affinity Guest Services, LLC	Delaware
Affinity Road & Travel Club, LLC	Texas
Affinity Service Plans, Inc.	Illinois
Affinity Service Plans, LLC	Illinois
AGI Intermediate Holdco, LLC	Minnesota
AGI Productions, LLC	Delaware
Allure RV, LLC	Delaware
American RV Centers, LLC	Minnesota
Americas Road & Travel Club, Inc.	Texas
Arizona RV Centers, LLC	Minnesota
Atlantic RV Centers, LLC	Minnesota
B & B RV, Inc.	California
Blaine Jensen RV Centers, LLC	Minnesota
Bodily RV II, Inc.	Idaho
Bodily RV, Inc.	Idaho
Burnside Brokers, LLC	Minnesota
Burnside Finance, LLC	Minnesota
Burnside RV Centers, LLC	Minnesota
Camp Coast to Coast, LLC	Delaware
Camping Time RV Centers, LLC	Minnesota
Camping World Card Services, Inc.	Ohio
Camping World Insurance Services of Kentucky, Inc.	Delaware
Camping World Insurance Services of Texas, Inc.	Texas
Camping World Leasing Company, LLC	Minnesota
Camping World Property, Inc.	Delaware
Camping World RV Sales, LLC	Minnesota
Camping World, Inc.	Kentucky
Coast Marketing Group, LLC	Delaware
Cullum & Maxey Camping Center, Inc.	Tennessee
CWFR Capital Corp.	Delaware
CWGS Enterprises, LLC	Delaware
CWGS Group, LLC	Delaware
CWGS Ventures, LLC	Delaware
CWH BR, LLC	Delaware
CWI, Inc.	Kentucky
CWRV Birch Run Brokers, LLC	Minnesota
CWRV Birch Run Finance, LLC	Minnesota
CWRV Broker Escanaba, LLC	Minnesota
CWRV Broker Ishpeming, LLC	Minnesota
CWRV Brokers, LLC	Minnesota
CWRV Finance, LLC	Minnesota
CWRV Brokers Belleville, LLC	Minnesota
CWRV Finance Belleville, LLC	Minnesota
CWRV Finance Chelsea, LLC	Minnesota

Legal Name	State of Incorporation
CWRV Finance Escanaba, LLC	Minnesota
CWRV Finance Ishpeming, LLC	Minnesota
CWRV Quincy Brokers, LLC	Minnesota
CWRV Quincy Finance, LLC	Minnesota
Dusty’s Camper World, LLC	Minnesota
Ehlert Publishing Group, LLC	Delaware
Emerald Coast RV Center, LLC	Minnesota
F2 Creative, LLC	Minnesota
Foley RV Center, LLC	Minnesota
FreedomCare Insurance Services, LLC	Minnesota
FreedomRoads Finance Company, LLC	Minnesota
FreedomRoads Holding Company, LLC	Minnesota
FreedomRoads Intermediate Holdco, LLC	Minnesota
FreedomRoads Operations Company, LLC	Minnesota
FreedomRoads Property Company, LLC	Minnesota
FreedomRoads RV, Inc.	Delaware
FreedomRoads, LLC	Minnesota
FRHP 1, LLC	Delaware
FRHP 2, LLC	Delaware
FRHP 3, LLC	Delaware
FRHP 4, LLC	Delaware
FRHP 5, LLC	Delaware
FRHP 6, LLC	Delaware
FRHP 7, LLC	Delaware
FRHP Holding 1, LLC	Delaware
FRHP Holding 2, LLC	Delaware
FRHP Holding 3, LLC	Delaware
FRHP Holding 4, LLC	Delaware
FRHP Holding 5, LLC	Delaware
FRHP Holding 6, LLC	Delaware
FRHP Holding 7, LLC	Delaware
FRHP Lincolnshire, LLC	Minnesota
FRI, LLC	Minnesota
Gander Outdoors, LLC	Delaware
Gary’s RV Centers, LLC	Minnesota
Golf Card International, LLC	Delaware
Golf Card Resort Services, LLC	Delaware
Good Sam Digital Solutions, LLC	Delaware
Good Sam Enterprises, LLC	Delaware
Good Sam Outdoors, LLC	Delaware
GSS Enterprises, LLC	Delaware
Hart City RV Center, LLC	Minnesota
Holiday Kamper Company of Columbia, LLC	Minnesota
ITM Holding Company #2, LLC	Minnesota
ITM Holding Company, LLC	Minnesota
K&C RV Centers, LLC	Minnesota
Meyer’s RV Centers, LLC	Minnesota
Northwest RV Centers, LLC	Minnesota
Olinger RV Centers, LLC	Minnesota

Legal Name	State of Incorporation
Outdoor Buys, Inc.	Kentucky
Power Sports Media, LLC	Delaware
RV World, LLC	Minnesota
RV'S.com, LLC	Minnesota
Shipp's RV Centers, LLC	Minnesota
Sirpilla RV Centers, LLC	Minnesota
Southwest RV Centers, LLC	Minnesota
Stier's RV Centers, LLC	Minnesota
Stout's RV Center, LLC	Minnesota
TL Enterprises, LLC	Delaware
Tom Johnson Camping Center Charlotte, Inc.	North Carolina
Tom Johnson Camping Center, Inc.	North Carolina
Uncle Dan's, LLC	Illinois
VBI, LLC	Delaware
Venture Out RV Centers, Inc.	California
Wheeler RV Las Vegas, LLC	Minnesota
W82, LLC	Minnesota

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-214040 on Form S-8 of our reports dated February 23, 2023, relating to the financial statements of Camping World Holdings, Inc. (the “Company”) and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2022.

/s/ Deloitte & Touche LLP

Los Angeles, California
February 23, 2023

Exhibit 24.1

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that CAMPING WORLD HOLDINGS, INC., a Delaware corporation (the "Company"), and each of the undersigned directors of the Company, hereby constitutes and appoints Marcus A. Lemonis and Karin L. Bell, and each of them (with full power to each of them to act alone), his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and on his or her behalf in his or her name, place and stead, in any and all capacities to sign, execute, affix his or her seal thereto and file, or cause such actions to be taken with regards to, the Company's Annual Report on Form 10-K for the year ended December 31, 2022 under the Securities Exchange Act of 1934, as amended, including any amendment or amendments thereto, with all exhibits and any all documents required to be filed with respect thereto with any regulatory authority.

There is hereby granted to said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, requisite and necessary to be done in respect of the foregoing as fully as he or she might or could do if personally present, thereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument and any of the undersigned directors may execute this Power of Attorney by signing any such counterpart.

Signature	Title	Date
/s/ Andris A. Baltins Andris A. Baltins	Director	February 21, 2023
/s/ Brian P. Cassidy Brian P. Cassidy	Director	February 21, 2023
/s/ Mary J. George Mary J. George	Director	February 21, 2023
/s/ Michael W. Malone Michael W. Malone	Director	February 21, 2023
/s/ Brent L. Moody Brent L. Moody	President, Camping World Holdings and Director	February 21, 2023
/s/ K. Dillon Schickli K. Dillon Schickli	Director	February 21, 2023

Exhibit 31.1

CERTIFICATIONS

I, Marcus A. Lemonis, certify that:

1. I have reviewed this Annual Report on Form 10-K of Camping World 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: February 23, 2023

By: /s/ Marcus A. Lemonis

Marcus A. Lemonis
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Karin L. Bell, certify that:

1. I have reviewed this Annual Report on Form 10-K of Camping World 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: February 23, 2023

By: /s/ Karin L. Bell
Karin L. Bell
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Camping World Holdings, Inc. (the "Company") for the period ended December 31, 2022, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), I, Marcus A. Lemonis, Chairman and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report 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 Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2023	By:	/s/ Marcus A. Lemonis
		Marcus A. Lemonis
		Chairman and Chief Executive Officer
		(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Camping World Holdings, Inc. (the “Company”) for the period ended December 31, 2022, as filed with the U.S. Securities and Exchange Commission on the date hereof (the “Report”), I, Karin L. Bell, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report 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 Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2023

By: /s/ Karin L. Bell
Karin L. Bell
Chief Financial Officer
(Principal Financial Officer)