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

FORM 10-Q

(Mark One)

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

For the quarterly period ended July 3, 2026
OR

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

For the transition period from _____ to _____
Commission File Number: 001-36040

Fox Factory Holding Corp.
(Exact name of registrant as specified in its charter)

Delaware	**26-1647258**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

2055 Sugarloaf Circle, Suite 300, Duluth GA 30097
(Address of principal executive offices) (Zip Code)

(831) 274-6500
(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
Common Stock, par value $0.001 per share	FOXF	The NASDAQ Stock Market LLC (NASDAQ Global Select Market)

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	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

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

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

As of July 31, 2026, there were 42,031,001 shares of the registrant's common stock outstanding.

Fox Factory Holding Corp.
FORM 10-Q
Table of Contents

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

FOX FACTORY HOLDING CORP.
Condensed Consolidated Balance Sheets
(in thousands, except per share data)
(unaudited)

	As of July 3, 2026	As of January 2, 2026
Assets		
Current assets:		
Cash and cash equivalents	$ 61,276	$ 58,008
Accounts receivable (net of allowances of $3,265 and $2,881, respectively)	198,817	190,670
Inventory	382,897	388,635
Prepaids and other current assets	121,157	108,424
Total current assets	764,147	745,737
Property, plant and equipment, net	211,138	234,635
Lease right-of-use assets	82,722	99,002
Deferred tax assets	85,500	90,397
Goodwill	83,575	83,575
Trademarks and brands, net	231,931	241,820
Customer and distributor relationships, net	126,529	137,648
Core technologies, net	18,415	19,950
Other assets	32,499	18,985
Total assets	$ 1,636,456	$ 1,671,749
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 134,886	$ 141,378
Accrued expenses	84,350	92,095
Current portion of long-term debt	26,875	26,875
Total current liabilities	246,111	260,348
Revolver	163,000	150,000
Term loan, less current portion	477,827	496,663
Other liabilities	82,691	94,733
Total liabilities	969,629	1,001,744
Commitments and contingencies (Refer to Note 8 - Commitments and Contingencies)		
Non-controlling interest	(220)	(179)
Stockholders' equity		
Preferred stock, $0.001 par value — 10,000 authorized and no shares issued or outstanding as of July 3, 2026 and January 2, 2026	—	—
Common stock, $0.001 par value — 90,000 authorized; 42,921 shares issued and 42,031 outstanding as of July 3, 2026; 42,692 shares issued and 41,802 outstanding as of January 2, 2026	42	42
Additional paid-in capital	358,084	352,239
Treasury stock, at cost; 890 common shares as of July 3, 2026 and January 2, 2026	(13,754)	(13,754)
Accumulated other comprehensive income	2,793	832
Retained earnings	319,882	330,825
Total stockholders' equity	667,047	670,184
Total liabilities and stockholders' equity	$ 1,636,456	$ 1,671,749

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Net sales	$ 358,122	$ 374,864	$ 726,779	$ 729,894
Cost of sales	248,429	257,873	510,698	503,224
Gross profit	109,693	116,991	216,081	226,670
Operating expenses:				
Goodwill impairment	—	—	—	262,129
General and administrative	34,197	39,044	72,843	76,375
Sales and marketing	29,408	31,216	62,710	64,063
Research and development	18,598	17,847	37,052	34,886
Amortization of purchased intangibles	9,983	10,356	20,018	21,276
Total operating expenses	92,186	98,463	192,623	458,729
Income (loss) from operations	17,507	18,528	23,458	(232,059)
Interest expense	11,875	14,388	23,813	27,322
Other (income) expense, net	(676)	(1,365)	8,969	(1,515)
Income (loss) before income taxes	6,308	5,505	(9,324)	(257,866)
Provision (benefit) for income taxes	2,274	2,800	1,660	(837)
Net income (loss)	$ 4,034	$ 2,705	$ (10,984)	$ (257,029)
Less: net loss attributable to non-controlling interest	(19)	(39)	(41)	(79)
Net income (loss) attributable to FOX stockholders	$ 4,053	$ 2,744	$ (10,943)	$ (256,950)
Earnings (net loss) per share:				
Basic	$ 0.10	$ 0.07	$ (0.26)	$ (6.15)
Diluted	$ 0.10	$ 0.07	$ (0.26)	$ (6.15)
Weighted-average shares used to compute earnings per share:				
Basic	42,005	41,788	41,933	41,749
Diluted	42,275	41,866	41,933	41,749

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(in thousands)
(unaudited)

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Net income (loss)	$ 4,034	$ 2,705	$ (10,984)	$ (257,029)
Other comprehensive income (loss)				
Interest rate swap				
Change in net unrealized gains	2,048	2,130	4,666	(1,818)
Reclassification of net gains on interest rate swap to net earnings	(499)	(1,097)	(970)	(3,004)
Tax effects	369	249	879	(1,147)
Net change, net of tax effects	1,918	1,282	4,575	(5,969)
Foreign currency translation adjustments	(579)	10,908	(2,614)	13,790
Other comprehensive income	1,339	12,190	1,961	7,821
Comprehensive income (loss)	$ 5,373	$ 14,895	$ (9,023)	$ (249,208)
Less: comprehensive loss attributable to non-controlling interest	(19)	(39)	(41)	(79)
Comprehensive income (loss) attributable to FOX stockholders	$ 5,392	$ 14,934	$ (8,982)	$ (249,129)

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands)
(unaudited)

	Common Stock		Treasury		Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total stockholders' equity	Non-controlling interest
	Shares	Amount	Shares	Amount					
Balance - January 3, 2025	42,574	$ 42	890	$ (13,754)	$ 339,266	$ 224	$ 875,404	$ 1,201,182	$ (38)
Issuance of common stock under equity compensation plans, net of shares repurchased for income tax withholding	28	—	—	—	(580)	—	—	(580)	—
Stock-based compensation expense	—	—	—	—	3,355	—	—	3,355	—
Other comprehensive loss	—	—	—	—	—	(4,369)	—	(4,369)	—
Net loss	—	—	—	—	—	—	(259,694)	(259,694)	(40)
Balance - April 4, 2025	42,602	$ 42	890	$ (13,754)	$ 342,041	$ (4,145)	$ 615,710	$ 939,894	$ (78)
Issuance of common stock under equity compensation plans, net of shares repurchased for income tax withholding	89	—	—	—	(671)	—	—	(671)	
Stock-based compensation expense	—	—	—	—	4,562	—	—	4,562	—
Other comprehensive income	—	—	—	—	—	12,190	—	12,190	—
Net income (loss)	—	—	—	—	—	—	2,744	2,744	(39)
Balance - July 4, 2025	42,691	$ 42	890	$ (13,754)	$ 345,932	$ 8,045	$ 618,454	$ 958,719	$ (117)

	Common Stock		Treasury		Additional paid-in capital	Accumulated other comprehensive income	Retained earnings	Total stockholders' equity	Non-controlling interest
	Shares	Amount	Shares	Amount					
Balance - January 2, 2026	42,692	$ 42	890	$ (13,754)	$ 352,239	$ 832	$ 330,825	$ 670,184	$ (179)
Issuance of common stock under equity compensation plans, net of shares repurchased for income tax withholding	134	—	—	—	(1,175)	—	—	(1,175)	—
Stock-based compensation expense	—	—	—	—	4,121	—	—	4,121	—
Other comprehensive income	—	—	—	—	—	622	—	622	—
Net loss	—	—	—	—	—	—	(14,996)	(14,996)	(22)
Balance - April 3, 2026	42,826	$ 42	890	$ (13,754)	$ 355,185	$ 1,454	$ 315,829	$ 658,756	$ (201)
Issuance of common stock under equity compensation plans, net of shares repurchased for income tax withholding	95	—	—	—	(473)	—	—	(473)	—
Stock-based compensation expense	—	—	—	—	3,372	—	—	3,372	—
Other comprehensive income	—	—	—	—	—	1,339	—	1,339	—
Net income (loss)	—	—	—	—	—	—	4,053	4,053	(19)
Balance - July 3, 2026	42,921	$ 42	890	$ (13,754)	$ 358,084	$ 2,793	$ 319,882	$ 667,047	$ (220)

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	For the six months ended	
	July 3, 2026	July 4, 2025
OPERATING ACTIVITIES:		
Net loss	$ (10,984)	$ (257,029)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Goodwill impairment	—	262,129
Depreciation and amortization	41,207	45,462
Provision for inventory reserve	2,138	3,313
Stock-based compensation	7,492	7,925
Amortization of acquired inventory step-up	—	342
Amortization of loan fees	1,289	2,704
Amortization of deferred gains on prior swap settlements	—	(783)
Loss on divestiture	10,612	—
Deferred taxes	(281)	(5,082)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Accounts receivable	(12,990)	(15,396)
Inventory	(17,400)	(2,131)
Income taxes	(1,648)	(3,996)
Prepaids and other assets	3,917	19,796
Accounts payable	(5,928)	(11,147)
Accrued expenses and other liabilities	(4,274)	(8,631)
Net cash provided by operating activities	13,150	37,476
INVESTING ACTIVITIES:		
Purchases of property and equipment	(9,472)	(19,644)
Proceeds from sale of property and equipment	2,762	232
Proceeds from divestitures, net of cash divested, including collections of promissory note principal	7,369	—
Net cash provided by (used in) investing activities	659	(19,412)
FINANCING ACTIVITIES:		
Proceeds from revolver	107,000	57,000
Payments on revolver	(94,000)	(53,000)
Repayment of term debt	(18,438)	(12,142)
Repurchases from stock compensation program, net	(1,648)	(1,259)
Deferred debt issuance/modification costs	(2,432)	—
Net cash used in financing activities	(9,518)	(9,401)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,023)	1,114
CHANGE IN CASH AND CASH EQUIVALENTS	3,268	9,777
CASH AND CASH EQUIVALENTS—Beginning of period	58,008	71,674
CASH AND CASH EQUIVALENTS—End of period	$ 61,276	$ 81,451

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	For the six months ended	
SUPPLEMENTAL CASH FLOW INFORMATION:	July 3, 2026	July 4, 2025
Cash paid during the period for:		
Income tax payment	$ 3,668	$ 8,257
Interest	$ 22,670	$ 25,380
Amounts included in the measurement of lease liabilities	$ 9,181	$ 10,453
Non-cash operating activities:		
Right-of-use assets obtained in exchange for lease obligations	$ 3,511	$ 2,524
Non-cash investing and financing activities:		
Note receivable from divestiture	$ 22,575	$ —
Capital expenditures included in accounts payable	$ 703	$ 1,028

The accompanying notes are an integral part of these condensed consolidated financial statements.

FOX FACTORY HOLDING CORP.
Notes to Condensed Consolidated Financial Statements
(in thousands)
(unaudited)

1. Description of the Business, Basis of Presentation, and Summary of Significant Accounting Policies - Fox Factory Holding Corp. (the “Company”) designs, engineers, manufactures, and markets premium products and systems that deliver championship-level performance for customers worldwide. Our premium brand, performance-defining products and systems are used primarily on bicycles (“bikes”), side-by-side vehicles (“side-by-sides”), on-road vehicles with and without off-road capabilities, off-road vehicles and trucks, all-terrain vehicles (“ATVs”), snowmobiles, motorcycles, and specialty vehicles and applications. In addition, we currently offer premium baseball and softball gear and equipment. Certain of our products are specifically designed and marketed to some of the leading cycling and powered vehicle original equipment manufacturers (“OEMs”), while others are distributed to consumers through a global network of dealers and distributors and through direct-to-customer channels.

Throughout this Form 10-Q, unless stated otherwise or as the context otherwise requires, the “Company,” “FOX,” “Fox Factory,” “we,” “us,” “our,” and “ours” refer to Fox Factory Holding Corp. and its operating subsidiaries on a consolidated basis.

Basis of Presentation - The accompanying condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) in the United States of America (“U.S.” or “United States”) and applicable rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) regarding interim financial reporting. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by GAAP. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended January 2, 2026 included in the Company’s Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026. In management’s opinion, the unaudited interim condensed consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for any quarter are not necessarily indicative of the results for the full fiscal year.

Fiscal Year Calendar - The Company operates on a 52-53-week fiscal year calendar. For 2026 and 2025, the Company’s fiscal year will end or has ended on January 1, 2027 and January 2, 2026, respectively. The 12-month periods ended January 1, 2027 and January 2, 2026, will include or have included 52 weeks. The three and six-month periods ended July 3, 2026 and July 4, 2025 each included 13 weeks and 26 weeks, respectively.

Principles of Consolidation - These condensed consolidated financial statements include the Company and its subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Summary of Significant Accounting Policies - There have been no changes to our significant accounting policies described in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026, that had a material impact on our condensed consolidated financial statements and related notes.

Revenue Recognition - Revenues are generated from the sale of performance-defining products and systems to customers worldwide. The Company’s performance-defining products and systems are solutions that improve performance of powered vehicles, bikes, and baseball and softball gear and equipment. Powered vehicles include side-by-sides, on-road vehicles with and without off-road capabilities, purpose-built off-road vehicles and trucks, ATVs, snowmobiles, specialty vehicles and applications, motorcycles, and commercial trucks.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a product to a customer, generally at the time of shipment. Substantially all of the Company’s revenue is recognized at a point in time. Contracts are generally in the form of purchase orders and are governed by standard terms and conditions. For larger OEMs, the Company may also enter into master agreements. Sales tax and other similar taxes are excluded from revenues. Tariff surcharges consisting of amounts billed to customers to recover tariff costs are recorded as revenue when the associated products are recognized as revenue. Revenues generated from upfit packages generally do not include the vehicle chassis, as the Company is not the principal in this arrangement and the automotive dealer purchases the chassis directly from the OEM. The Company is required to place a deposit on vehicle chassis manufactured by Stellantis N.V. (“Stellantis”); however, that deposit is refunded when the chassis is sold through to our customer. For other chassis, the Company entered into floor plan financing agreements, in which the

Company pays interest expense based on the duration of time the chassis stay on the Company's premises. Revenues generated from custom upfit packages from the Outside Van and Upfit UTV subsidiaries generally include the vehicle chassis, of which the Company takes on the risks and rewards of ownership.

As a practical expedient, we elected to not capitalize the incremental costs to obtain contracts with customers since the amortization period would have been one year or less.

Provisions for discounts, rebates, sales incentives, returns, and other adjustments are generally provided for in the period the related sales are recorded, based on management's assessment of historical trends and projection of future results.

Segments - We have three operating and reportable segments: Powered Vehicles Group ("PVG"), Aftermarket Applications Group ("AAG"), and Specialty Sports Group ("SSG"). The Company considers operating segments to be components of the Company in which separate financial information is available that is evaluated regularly by the Company's chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. The CODM for the Company is the Chief Executive Officer.

Goodwill, Intangible Assets, and Long-Lived Assets

Goodwill

Goodwill represents the excess of purchase price over the fair value of the net assets of businesses acquired. On an annual basis, the Company performs a qualitative assessment to determine if it is more likely than not that the fair value of the reporting unit is less than its carrying amount, including goodwill. If the Company determines that it is more likely than not that the fair value of the reporting unit is less than its carrying amount, it will perform a quantitative analysis; otherwise, no further evaluation is necessary.

For the quantitative impairment test, the Company compares the fair value of the reporting unit to its carrying value, including goodwill. The Company determines the fair value of the reporting unit based on a weighting of income and market approaches. The income approach employs a discounted cash flow model, projecting revenue and cash flows over a multi-year period. These projections are based on management's estimates, historical performance trends, and industry outlooks. These cash flows, along with a terminal value, are discounted to their present value using a weighted-average cost of capital ("WACC") that reflects a market rate appropriate for each reporting unit. The market approach employs multiples for public companies that reasonably compare to the reporting units. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that reporting unit, goodwill is not impaired and no further testing is performed. If the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, then the Company will recognize a loss equal to the excess, limited to the total amount of goodwill allocated to that reporting unit. All impairments, if any, are charged directly to earnings.

Indefinite-lived intangible assets

Certain trademarks and trade names, including FOX and others from certain subsidiaries, are considered to be indefinite life intangibles, and are not amortized but are subject to testing for impairment annually.

Finite-lived intangible assets and other long-lived assets

We assess the recoverability of identifiable finite-lived intangible assets whenever events or changes in circumstances indicate that an asset or asset group's carrying amount may be impaired. Impairment of certain finite-lived intangible assets, particularly customer relationships, certain trade names, and core technology, is measured by comparing the carrying amount of the asset group to which the assets are assigned to the sum of the undiscounted estimated future cash flows the asset group is expected to generate. If the asset or asset group is considered to be impaired, the amount of such impairment would be measured by the difference between the carrying amount of the asset and its fair value.

The Company reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset is impaired or the estimated useful life is no longer appropriate. If indicators of impairment exist and the undiscounted projected cash flows associated with such asset are less than the carrying amount of the asset, an impairment loss is recorded to write the asset down to its estimated fair value. Fair value is estimated based on discounted future cash flows.

Use of Estimates - The preparation of the Company's condensed 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 financial statements and the reported amounts of income and expenses during the reporting period. These estimates are based on information available as of the date of the financial statements; therefore, actual results could differ from management's estimates.

Reclassifications - We reclassified certain prior period amounts within our condensed consolidated statement of cash flows to conform to our current year presentation. The reclassifications did not have any impact on net income.

Certain Significant Risks and Uncertainties - As of July 3, 2026, the Company is subject to those risks common in manufacturing-driven markets, including, but not limited to, competitive forces, dependence on key personnel, customer demand for its products, disruptions in the operations of its or its customers' facilities, or along its global supply chain, the successful protection of its proprietary technologies, compliance with government regulations, and the possibility of not being able to obtain additional financing when needed.

The impact of geopolitical conflicts, including, among others, continuing tensions between Taiwan and China, and the war in Iran continue to create uncertainty in global economic conditions and volatility in energy, raw materials, and supply chains, which may negatively impact the Company's business and operations. Additionally, the imposition of U.S. tariffs on more than 60 countries, including China, Canada, Mexico, and Taiwan, as well as potential changes to or expansions of such tariffs and related retaliatory trade measures, disrupt supply chains and impact demand for the Company's products. Furthermore, domestic and foreign political instability and uncertainty may create economic volatility, regulatory changes, and trade disruptions that pose additional risks to the Company's business environment.

Fair Value Measurements and Financial Instruments - The Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, that requires the valuation of assets and liabilities required or permitted to be either recorded or disclosed at fair value based on hierarchy of available inputs as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices for similar assets and liabilities in active markets, quoted prices for identical assets and liabilities in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The carrying amounts of the Company's financial instruments, including cash, receivables, accounts payable, accrued liabilities, and current portion of long-term debt approximate their fair values due to their short-term nature. The carrying amounts of the Company's revolver and long-term debt, excluding current portion, approximate their fair values because the interest rates vary with the market.

Recent Accounting Pronouncements

In November 2024 and January 2025, respectively, the FASB issued Accounting Standard Update ("ASU") 2024-03 and ASU 2025-01, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which adds new disclosure requirements, including more detailed information about certain income statement expense captions and a separate disclosure for selling expenses. The guidance is effective for annual reporting periods beginning after December 15, 2026 and interim periods within annual reporting periods beginning after December 15, 2027, with retrospective application and early adoption permitted. The Company is currently evaluating the impact of the accounting standard updates on its consolidated financial statements and related disclosures.

In July 2025, the FASB issued ASU 2025-05, "Financial Instrument - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets." The ASU provides a practical expedient for estimating current expected credit losses by allowing entities to assume that conditions existing as of the balance sheet date do not change for the remaining life of the assets. The guidance is effective for interim and annual reporting periods beginning after December 15, 2025. The Company elected the practical expedient starting the first quarter of fiscal 2026 and applied the guidance prospectively. The adoption of this guidance did not have a material impact on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software." The amendments in ASU 2025-06 clarify and modernize the capitalization of costs related to internal-use software. The ASU removes all references to project stages throughout Subtopic 350-40 and clarifies the threshold entities apply to begin capitalizing costs. The guidance is effective for interim and annual reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact of the accounting standard updates on its consolidated financial statements and related disclosures.

In November 2025, the FASB issued ASU 2025-09, "Derivatives and Hedging (Topic 815): Hedge Accounting Improvements." The amendments introduce targeted improvements across several areas, including similar-risk assessments for groups of forecasted transactions, hedging interest payments on choose-your-rate debt instruments, and cash flow hedges of nonfinancial forecasted transactions. The guidance is intended to better align hedge accounting with entities' risk-management activities and reduce unintuitive hedge dedesignation events. The guidance is effective for annual reporting periods, including interim periods within those periods, beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of the ASU and does not expect it to have a material effect on its consolidated financial statements or related disclosures.

In December 2025, the FASB issued ASU 2025-10, "Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities." The ASU establishes authoritative guidance on the recognition, measurement, and presentation of government grants received by business entities, leveraging principles from IAS 20 and introducing targeted improvements to U.S. GAAP. The ASU also modifies certain existing disclosure requirements in ASC 832 to enhance transparency of government assistance. The guidance is effective for annual periods beginning after December 15, 2028 for public business entities, and one year later for all other entities, with early adoption permitted. The Company is currently evaluating the impact of the ASU on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, "Interim Reporting (Topic 270): Narrow-Scope Improvements." The amendments clarify that Topic 270 applies to all entities providing interim financial statements under GAAP, consolidate required interim disclosures, introduce a disclosure principle for material post–year-end events, and refine guidance on the form and content of interim financial statements. The amendments do not change the nature or scope of existing interim reporting requirements. The guidance is effective for interim reporting periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact of these updates on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-12, "Codification Improvements." The ASU introduces various technical corrections, clarifications, and minor improvements across a wide range of ASC Topics, which are not expected to significantly affect current accounting practice or impose significant costs on most entities. General transition guidance is provided in ASC 105-10-65-10, with separate transition provisions for the earnings-per-share amendments in ASC 260. The guidance is effective for annual periods beginning after December 15, 2026, including interim periods within those fiscal years. The Company is currently evaluating the impact of these updates and does not expect them to have a material impact on its consolidated financial statements and related disclosures.

FOX FACTORY HOLDING CORP.
Notes to Condensed Consolidated Financial Statements
(in thousands)
(unaudited)

2. Revenues

The following table summarizes total net sales by segment:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Powered Vehicles Group	$ 124,227	$ 123,514	$ 267,606	$ 245,612
Aftermarket Applications Group	109,553	114,144	224,337	226,058
Specialty Sports Group	124,342	137,206	234,836	258,224
Total net sales	$ 358,122	$ 374,864	$ 726,779	$ 729,894

The following table summarizes total net sales by sales channel:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
OEM	$ 165,095	$ 173,757	$ 334,382	$ 330,078
Aftermarket/Non-OEM[(1)]	193,027	201,107	392,397	399,816
Total net sales	$ 358,122	$ 374,864	$ 726,779	$ 729,894

(1) Aftermarket/non-OEM sales include sales to dealers and dealerships, distributors, sales through our websites, retail sales, and various others, including sales from our Marucci Sports, LLC subsidiary within each of these respective channels as applicable.

The following table summarizes total net sales generated by geographic location of the customer:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
North America	$ 262,805	$ 271,676	$ 548,265	$ 543,977
Europe	52,761	58,147	98,333	106,424
Asia	36,486	38,741	67,661	66,550
Rest of the world	6,070	6,300	12,520	12,943
Total net sales	$ 358,122	$ 374,864	$ 726,779	$ 729,894

3. Inventory

Inventory consisted of the following:

	July 3, 2026	January 2, 2026
Raw materials	$ 238,765	$ 226,341
Work-in-process	13,806	22,440
Finished goods	130,326	139,854
Total inventory	$ 382,897	$ 388,635

(in thousands)

4. Prepaids and Other Current Assets

Prepaids and other current assets consisted of the following:

	July 3, 2026	January 2, 2026
Prepaid chassis deposits	$ 70,198	$ 67,203
Advanced payments and prepaid contracts	19,909	26,139
Other current assets	31,050	15,082
Total prepaid and other current assets	$ 121,157	$ 108,424

5. Property, Plant and Equipment, net

Property, plant and equipment, net consisted of the following:

	July 3, 2026	January 2, 2026
Machinery and manufacturing equipment	$ 189,727	$ 193,865
Building and building improvements	83,353	83,550
Leasehold improvements	43,310	44,279
Internal-use computer software	40,527	40,399
Information systems, office equipment and furniture	34,139	32,412
Transportation equipment	20,633	25,609
Land and land improvements	15,675	15,561
Total property, plant and equipment	427,364	435,675
Less: accumulated depreciation and amortization	(216,226)	(201,040)
Total property, plant and equipment, net	$ 211,138	$ 234,635

The Company’s long-lived assets by geographic location are as follows:

	July 3, 2026	January 2, 2026
United States	$ 176,225	$ 196,439
International	34,913	38,196
Total long-lived assets	$ 211,138	$ 234,635

(in thousands)

6. Accrued Expenses

Accrued expenses consisted of the following:

	July 3, 2026	January 2, 2026
Payroll and related expenses	$ 29,569	$ 32,743
Warranty	14,201	15,173
Current portion of lease liabilities	12,459	16,221
Accrued sales rebate	9,185	7,031
Income tax payable	8,600	7,354
Other accrued expenses	10,336	13,573
Total accrued expenses	$ 84,350	$ 92,095

The Company generally provides a limited warranty for products for a one-, two-, or three-year period beginning on: (i) in the case of OEM sales, the date the bike or powered vehicle is purchased from an authorized OEM where the product is incorporated as original equipment on the purchased bike or powered vehicle; (ii) in the case of aftermarket/non-OEM sales, the date the product is originally purchased from an authorized dealer; or (iii) in the case of upfitting sales, the date of the retail sale to an end customer. Activity related to warranties is as follows:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Beginning warranty liability	$ 13,881	$ 19,113	$ 15,173	$ 21,593
Charge to cost of sales	4,581	2,679	8,627	4,147
Costs incurred	(4,261)	(3,249)	(9,599)	(7,197)
Ending warranty liability	$ 14,201	$ 18,543	$ 14,201	$ 18,543

**All changes to warranty liability were within normal course of business.*

7. Debt

Credit Agreement

On April 5, 2022, the Company entered into a new credit agreement with Wells Fargo Bank, National Association, and other named lenders (the "Credit Agreement"). The Credit Agreement, which was set to mature on April 5, 2027, provides for revolving loans, swingline loans, and letters of credit up to an aggregate amount of $650,000.

The Company may borrow, prepay, and re-borrow principal under the Credit Agreement during its term. Advances under the Credit Agreement can be either Adjusted Term Secured Overnight Financing Rate ("SOFR") loans or base rate loans. SOFR rate revolving loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to Term SOFR for such calculation plus 0.10% plus a margin ranging from 1.00% to 2.25%. Base rate revolving loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the lender as its "prime rate", and (iii) Adjusted Term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth therein, plus a margin ranging from 0.00% to 1.00%.

On November 14, 2023, in connection and concurrently with the closing of the Marucci acquisition, the Company entered into the First Incremental Facility Amendment (the "First Amendment") amending the Credit Agreement. The First Amendment provided the Company with a term loan in an amount of $400,000 (the "Incremental Term A Loan") and a delayed draw term loan in an amount of $200,000 (the "Delayed Draw Term Loan" and, together with the Incremental Term A Loan, the "Incremental Term Loans"), each of which are permitted under the Credit Agreement, subject to satisfaction of certain conditions. The Incremental Term A Loan was fully funded on November 14, 2023 and used to fund a portion of the consideration owed under the Marucci acquisition. The Delayed Draw Term Loan was available to the Company from and including December 6, 2023, until the earlier of (a) May 14, 2024 and (b) the date on which the Delayed Draw Term commitments have been terminated. Each Incremental Term Loan is subject to quarterly amortization payments of principal at a rate of 5.00% per annum. The Incremental Term Loans are in the form of term SOFR loans and base rate loans, at the option of the Company, and have an applicable margin ranging from 0.50% to 1.50% for base rate loans and 1.50% to 2.50% for term SOFR loans, subject to adjustment provisions. Each Incremental Term Loan has a maturity date of April 5, 2027, consistent with the Credit Agreement.

The Company paid $10,063 in debt issuance and amendment costs, of which $6,709 were allocated to the Term A Loan and $3,354 were allocated to the Delayed Draw Term Loan. The costs allocated to the Term A Loan are amortized using the interest method over the term of the Credit Facility. Loan fees allocated to the Delayed Draw Term Loan were deferred as an asset until the debt was drawn. On May 13, 2024, the Company borrowed the full amount of $200,000 of the Delayed Draw Term Loan. The fees were reclassified to a contra-liability account and amortized over the term of the drawn debt using the interest method.

On July 31, 2024 and December 20, 2024, the Company entered into the Third and Fourth Amendments to the Credit Agreement, respectively, to secure an improved covenant profile on its capital structure to provide more flexibility given the uncertain macro environment. The Company paid $3,490 in debt amendment costs and related fees for the Third and Fourth Amendments, of which $3,433 were allocated among the revolver and the Incremental Term Loans to be amortized over the remaining term of the Credit Agreement.

Fifth Amended Credit Agreement

On October 24, 2025, the Company entered into the Fifth Amendment to the Credit Agreement (the "Fifth Amendment"), which amended the Credit Agreement, dated as of April 5, 2022, as amended prior to the Fifth Amendment and as amended by the Fifth Amendment (the "Fifth Amended Credit Agreement").

The Fifth Amendment, among other things, amends the Credit Agreement to replace the existing loans provided under the Credit Agreement with (i) the Term Loan in the aggregate outstanding amount of $537,500, which will be repaid by the Company in quarterly installments in the amount of $6,719, (ii) the Revolving Credit Facility in an aggregate amount of up to $500,000, with sub-facilities for swing line loans in an aggregate amount of up to $25,000 and letters of credit in an aggregate amount of up to $25,000, and (iii) an incremental loan facility, subject to additional terms set forth in the Amended Credit Agreement, in an aggregate amount of up to $175,000 plus an unlimited amount so long as after giving effect to the incurrence of such incremental loans, on a pro forma basis, the Consolidated Net Leverage Ratio is less than 3.25. To the extent not previously paid, all then-outstanding amounts under the Term Loan and the Revolving Credit Facility are due and payable on October 24, 2030.

The Term Loan and advances under the Revolving Credit Facility can be either SOFR loans or base rate loans. SOFR loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to the term SOFR for such calculation plus a margin ranging from 1.00% to 2.50%. Base rate loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” and (iii) term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth in the Fifth Amended Credit Agreement, plus a margin ranging from 0.00% to 1.50%.

In connection with the Fifth Amendment, the Company borrowed $710,000 under the Fifth Amended Credit Agreement consisting of the $537,500 Term Loan and $172,500 under the Revolving Credit Facility, which was used to repay all outstanding amounts owed under the Credit Agreement prior to the Fifth Amendment and for general corporate purposes.

The Company paid $6,012 in debt issuance and amendment costs in connection with the Fifth Amendment, of which $5,782 was allocated between the Term Loan and the Revolving Credit Facility to be amortized over the term of the Fifth Amended Credit Agreement. Additionally, the Company had $8,090 of remaining unamortized debt issuance costs related to the Credit Agreement, of which $6,313 was carried forward to the Fifth Amended Credit Agreement and $1,777 was written off as a loss on debt extinguishment during the fourth quarter of fiscal year 2025.

Sixth Amended Credit Agreement

On May 6, 2026, the Company entered into the Sixth Amendment to the Credit Agreement (the “Sixth Amendment”). The Sixth Amendment amends the Credit Agreement, dated April 5, 2022, as amended prior to the Sixth Amendment, and as amended by the Sixth Amendment (the “Sixth Amended Credit Agreement”).

The Sixth Amendment, among other things, amends the margins for interest under the Credit Agreement, pursuant to which the term loan and advances under the revolving credit facility can be either SOFR loans or base rate loans. Pursuant to the Sixth Amendment, SOFR loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to the term SOFR for such calculation period plus a margin ranging from 1.00% to 2.75%, based on the levels of Consolidated Net Leverage Ratio. Base rate loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” and (iii) term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth in the Sixth Amended Credit Agreement, plus a margin ranging from 0.00% to 1.75%, based on the levels of Consolidated Net Leverage Ratio.

The Sixth Amendment also amends the definition of Consolidated Net Leverage Ratio and modifies the provisions for the mandatory prepayment of the loans with the net proceeds of asset sales. In addition, the Sixth Amendment tightens certain negative covenants on the Company, including restrictions on indebtedness, investments, and restricted payments during the period beginning on the effective date of the Sixth Amendment and ending on the date a compliance certificate is delivered by the Company for the fiscal quarter ending June 30, 2028, provided that no default or event of default has occurred and is continuing on such date of delivery (the “Covenant Relief Period”).

Under the Sixth Amendment, the Company is required to maintain (i) a Consolidated Net Leverage Ratio not to exceed (a) 5.00 as of the end of each fiscal quarter ending July 3, 2026 through January 1, 2027, (b) 4.75 as of the end of each fiscal quarter ending April 2, 2027 through July 2, 2027, (c) 4.50 as of the end of each fiscal quarter ending October 1, 2027 through December 31, 2027, (d) 4.25 as of the end of the fiscal quarter ending March 31, 2028, and (e) 4.00 as of the end of the fiscal quarters ending June 30, 2028 and thereafter, each of which will be, at the Company’s election, increased by 0.50 (but not to exceed 4.50) for the four fiscal quarters after the consummation of certain permitted acquisitions exceeding $75,000 (provided that such increase is not permitted during the Covenant Relief Period), and (ii) a Consolidated Interest Coverage Ratio of not less than (a) 2.50 as of the end of each fiscal quarter ending July 3, 2026 through June 30, 2028, and (b) 2.75 as of the end each fiscal quarter ending September 29, 2028 and thereafter.

The Company paid $2,536 in debt amendment costs in connection with the Sixth Amendment, of which $2,432 was allocated between the Term Loan and the Revolving Credit Facility to be amortized over the term of the Sixth Amended Credit Agreement.

Debt issuance and amendment costs allocated to the Term Loan are presented as a direct deduction from the carrying amount of long-term debt on the consolidated balance sheet and are amortized using the effective interest method over the term of the Term Loan. Debt issuance and amendment costs allocated to the Revolving Credit Facility are presented in other non-current assets and are amortized on a straight-line basis over the term of the Revolving Credit Facility.

FOX FACTORY HOLDING CORP.
Notes to Condensed Consolidated Financial Statements
(in thousands)
(unaudited)

The Sixth Amended Credit Agreement is secured by substantially all of the Company’s assets, restricts the Company’s ability to make certain payments and engage in certain transactions, and requires that the Company satisfy customary financial ratios. The Company was in compliance with the covenants as of July 3, 2026.

At July 3, 2026, the one-month SOFR and three-month SOFR rates were 3.63% and 3.63%, respectively. At July 3, 2026, our weighted-average interest rate on outstanding borrowing was 6.05%.

The following table summarizes the revolver:

	July 3, 2026	January 2, 2026
Amount outstanding	$ 163,000	$ 150,000
Standby letters of credit	295	167
Available borrowing capacity	336,705	349,833
Total borrowing capacity	$ 500,000	$ 500,000

As of July 3, 2026, future principal payments for term loan debt, including the current portion, are summarized as follows:

For fiscal year	July 3, 2026
2026	$ 13,438
2027	26,875
2028	26,875
2029	26,875
2030	418,281
Total	$ 512,344
Debt issuance cost	(7,642)
Long-term debt, net of issuance cost	$ 504,702
Less: current portion	(26,875)
Long-term debt less current portion	$ 477,827

The Company hedges the variability of cash flows in interest payments associated with the first $500,000 of its variable rate debt through swap agreements. Refer to Note 9 - Derivatives and Hedging for further details.

8. Commitments and Contingencies

Indemnification Agreements - In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, and other parties with respect to certain matters, including, but not limited to, losses arising out of breach of such agreements, services to be provided by the Company or intellectual property infringement claims made by third parties. In addition, the Company entered into indemnification agreements with directors and certain officers and employees that will require the Company, among other things, to indemnify them against certain liabilities that may arise because of their status or service as directors, officers or employees. While the outcome of these matters cannot be predicted with certainty, the Company does not believe that the outcome of any claims under indemnification arrangements will have a material effect on the Company's results of operations, financial position or liquidity.

Legal Proceedings - On February 20, 2024, a complaint alleging violations of federal securities laws and seeking certification as a class action was filed against the Company and certain of its current and former officers in the United States District Court for the Northern District of Georgia in Atlanta. On August 16, 2024, the plaintiff filed an amended complaint that purported to seek damages on behalf of a putative class of persons who purchased the Company's common stock between May 6, 2021 and November 2, 2023. The amended complaint asserted claims under Sections 10(b) and 20 of the Securities Exchange Act and alleged that the Company and certain current and former officers made material misstatements and omissions to investors regarding demand for the Company's products and its inventory levels. The amended complaint generally sought money damages, interest, attorneys' fees, and other costs. On October 15, 2024, the defendants filed a motion to dismiss the amended complaint, which plaintiff opposed. On March 13, 2025, the court dismissed the amended complaint but granted plaintiff leave to file a second amended complaint. On April 14, 2025, plaintiff filed a second amended complaint asserting essentially the same claims and relief. On February 10, 2026, the court issued its opinion and order dismissing with prejudice the second amended complaint for failing to state a claim. Judgment was entered on February 12, 2026, and plaintiff did not file an appeal, concluding the case.

On October 9, 2024, and October 29, 2024, two stockholder derivative complaints were filed in the United States District Court for the Northern District of Georgia against certain of the Company's officers and its directors, with the Company named as a nominal defendant. The cases are assigned to the same judge presiding over the securities fraud class action. The complaints are premised on substantially the same factual allegations as the securities fraud class action, but in these complaints, the plaintiff claims that the Company's officers and directors breached their fiduciary duties or otherwise engaged in wrongdoing by allowing the underlying securities fraud to occur. Following the dismissal of the securities fraud litigation in February 2026, plaintiff agreed to voluntarily dismiss these cases without prejudice. On March 30, 2026, the parties filed a joint motion to voluntarily dismiss without prejudice, and on May 1, 2026, the court granted the motion.

Bailment Pool Arrangements - The Company has relationships with several OEM partners, including General Motors ("GM"), Ford Motor Company ("Ford"), and Stellantis to obtain truck chassis. For Stellantis chassis, the Company pays a cash deposit upon transfer of the chassis to the Company's premises and records the chassis within prepaids and other current assets on the condensed consolidated balance sheets until the chassis are transferred to the dealer customer's floor plan, at which time the cash deposit is returned to the Company. For GM and Ford, the Company entered into floor plan financing agreements with the OEM. The Company receives an allocation of chassis and pays interest expense on the allocated value of chassis based on the duration of time they are on the Company's premises. Bailment, which is the non-ownership transfer of the chassis from GM and Ford to the Company, ends when the vehicle is sold to an authorized dealer, or upon authorized return of the vehicle to the manufacturer. The Company does not pay a cash deposit to obtain GM and Ford chassis and accordingly it does not recognize an asset or a liability related to these chassis. Interest payments made to manufacturer-affiliated finance companies are classified as operating activities in the condensed consolidated statements of cash flows.

At July 3, 2026 and January 2, 2026, the Company utilized $19,522 and $9,566, out of a maximum of $30,500 and $38,300 of Ford allocation of chassis, respectively, and $28,840 and $11,152, out of a maximum of $49,500 and $49,500 of GM allocation of chassis, respectively.

The Company incurred interest expenses related to bailment of $453 and $677 during the three months July 3, 2026 and January 2, 2026, respectively and $935 and $1,898 during the six months ended July 3, 2026 and January 2, 2026, respectively.

(in thousands)

9. Derivatives and Hedging

The Company is exposed to certain risks relating to its ongoing business operations. The primary risk managed by using derivative instruments is interest rate risk. The Company utilizes interest rate swaps to limit its exposure to interest rate risk by converting a portion of its floating-rate debt to a fixed-rate basis, thus reducing the impact of interest rate changes on future interest expense. Interest rate swaps involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments based on the SOFR over the lives of the agreements without an exchange of the underlying principal amounts. The Company hedges the variability of cash flows in interest payments associated with the first $500,000 of its variable rate debt through the interest rate swaps.

As of July 3, 2026 and January 2, 2026, the Company had the following interest rate swap contracts:

			July 3, 2026	January 2, 2026
Effective Date	Termination Date	Notional Amount	Unrealized Gain in AOCI	Unrealized Gain (Loss) in AOCI
April 5, 2022	April 5, 2027	$100,000	$ 1,089	$ 1,068
September 20, 2024	December 25, 2026	$200,000	220	(407)
September 20, 2024	September 21, 2029	$100,000	1,516	(86)
December 26, 2025	December 22, 2028	$100,000	1,177	(269)
Total			$ 4,002	$ 306

On April 5, 2022, the Company entered into a new interest rate swap agreement with a notional amount of $100,000. On August 26, 2024, the Company entered into new interest rate swap agreements with an aggregate notional amount of $400,000, one of which matured on December 26, 2025. On December 16, 2025, the Company entered into a new three-year interest rate swap agreement, effective December 26, 2025, with a notional amount of $100,000.

The interest rate swaps are indexed to a three-month Term SOFR as defined in the agreements. The interest rate swaps met the criteria as cash flow hedges under ASC 815, Derivatives and Hedging ("ASC 815"), and are recorded to prepaids and other current assets, other assets, accrued expenses, or other liabilities on the condensed consolidated balance sheets. Refer to Note 10 - Fair Value Measurements and Financial Instruments for additional information on determining the fair value. The unrealized gains or losses, after tax, will be recorded in accumulated other comprehensive income, a component of equity, and are expected to be reclassified into interest expense on the condensed consolidated statements of operations when the forecasted transactions affect earnings. As required under ASC 815, the interest rate swap contracts' effectiveness will be assessed on a quarterly basis using a quantitative regression analysis.

The unrealized gains and losses deferred to accumulated other comprehensive income resulting from the derivative instruments designated as cash flow hedges for the three and six months ended July 3, 2026 were net gains of $2,048 and $4,666, respectively; and for July 4, 2025 were a net gain of $2,130 and a loss of $1,818, respectively. The reclassifications of unrealized gains from accumulated other comprehensive income into earnings related to the derivative instruments designated as cash flow hedges during the three and six months ended July 3, 2026 were $499 and $970 respectively; and for July 4, 2025 were $1,097 and $3,004, respectively. The aggregate tax effects on activity in accumulated other comprehensive income associated with the derivative instruments designated as cash flow hedges during three and six months ended July 3, 2026 were losses of $369 and $879, respectively; and for July 4, 2025 were a gain of $249 and a loss of $1,147, respectively.

Over the next 12 months, the Company estimates that $1,733 of existing net gain in accumulated other comprehensive income ("AOCI") related to the interest rate swap contracts will be reclassified as a decrease to interest expense.

(in thousands, except per share data)

10. Fair Value Measurements and Financial Instruments

The following table presents the Company's hierarchy for its assets and liabilities measured at fair value on a recurring basis as of the following periods:

	July 3, 2026				January 2, 2026			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Deferred compensation plan investments	$ 4,844	$ —	$ —	$ 4,844	$ 4,693	$ —	$ —	$ 4,693
Interest rate swaps	—	4,002	—	4,002	—	1,068	—	1,068
Total assets measured at fair value	$ 4,844	$ 4,002	$ —	$ 8,846	$ 4,693	$ 1,068	$ —	$ 5,761
Liabilities:								
Term loan	$ —	$ 512,344	$ —	$ 512,344	$ —	$ 530,781	$ —	$ 530,781
Revolver	—	163,000	—	163,000	—	150,000	—	150,000
Deferred compensation plan liabilities	4,842	—	—	4,842	4,675	—	—	4,675
Interest rate swaps	—	—	—	—	—	762	—	762
Total liabilities measured at fair value	$ 4,842	$ 675,344	$ —	$ 680,186	$ 4,675	$ 681,543	$ —	$ 686,218

There were no transfers of assets or liabilities between Level 1, Level 2, and Level 3 categories of the fair value hierarchy during the three and six months ended July 3, 2026.

As of July 3, 2026, the carrying amount of the principal under the Company's Sixth Amended Credit Agreement - Term Loan and Revolver approximated fair value because they had variable interest rates that reflected market changes in interest rates and changes in the Company's net leverage ratio.

The Company mitigates the cash flow risk associated with changes in interest rates on its variable rate debt through interest rate swap agreements. Refer to Note 9 - Derivatives and Hedging for additional details of the agreements. In accordance with ASC 815, interest rate swap contracts are recognized as assets or liabilities on the condensed consolidated balance sheets and are measured at fair values. The fair values were estimated based on expected cash flows over the life of the swaps. These expected cash flows were determined using a pricing model that incorporated reasonable assumptions and available market data.

The Company invests in marketable securities to mitigate the risk associated with the investment return on the non-qualified deferred compensation plan provided to executives and non-employee directors. The investments are recorded as cash and cash equivalents at their quoted market price. The corresponding deferred compensation plan liabilities are recorded at fair value based on the quoted market price of the underlying investments and are included in accrued expenses on the condensed consolidated balance sheets.

(in thousands, except per share data)

11. Stockholders' Equity

Share Repurchase Plan

On November 1, 2023, the Company's Board of Directors authorized a share repurchase plan for up to $300,000 in shares of the Company's common stock, par value $0.001 per share. The share repurchase program is scheduled to expire on November 1, 2028. Repurchases of shares of common stock under the stock repurchase plan will be made in accordance with applicable securities laws and may be made under a variety of methods, which may include open market purchases. The stock repurchase program does not obligate the Company to acquire any particular amount of common stock, and it may be suspended or terminated at any time at the Company's discretion.

There were no repurchases of common stock during the six months ended July 3, 2026 and July 4, 2025. As of July 3, 2026, authorized repurchases of $250,000 remain available to the Company.

Equity Incentive Plans

The following table summarizes the allocation of stock-based compensation in the accompanying condensed consolidated statements of operations:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Cost of sales	$ 239	$ 347	$ 522	$ 645
Sales and marketing	389	461	771	850
Research and development	511	395	944	727
General and administrative	2,233	3,359	5,255	5,695
Total	$ 3,372	$ 4,562	$ 7,492	$ 7,917

The Company grants both time-based and performance-based stock awards, which also include a time-based vesting feature. Compensation expense for time-based stock awards is measured at the grant date based on the closing market price of the Company's common stock and recognized ratably over the vesting period.

For performance-based stock awards, compensation expense is measured based on estimates of the number of shares ultimately expected to vest at each reporting date based on management's expectations regarding the relevant performance criteria. The recognition of compensation expense associated with performance-based stock awards requires defined criteria for assessing achievement and judgment in assessing the probability of meeting the performance goals.

The following table summarizes the activity for the Company's unvested restricted stock units ("RSUs") for the six months ended July 3, 2026:

	Unvested RSUs	
	Number of shares outstanding	Weighted-average grant date fair value
Unvested at January 2, 2026	746	$ 33.95
Granted	652	$ 18.03
Canceled	(48)	$ 28.18
Vested	(320)	$ 38.50
Unvested at July 3, 2026	1,030	$ 22.73

As of July 3, 2026, the Company had approximately $19,790 of unrecognized stock-based compensation expense related to RSUs, which will be recognized over the remaining weighted-average vesting period of approximately 1.97 years.

(in thousands, except per share data)

During the six months ended July 3, 2026, the Company issued performance-based restricted stock units ("PSUs") to certain executives that represent shares potentially issuable in the future. Issuance is based upon the Company's performance, over a three-year performance period, on certain measures including return on invested capital and free cash flow. The PSUs vest only upon the achievement of the applicable performance goals for the performance period and, depending on the actual achievement on the performance goals, the grantee may earn between 0% and 200% of the target PSUs.

The following table summarizes the activity for the Company's unvested PSUs for the six months ended July 3, 2026:

	Unvested PSUs	
	Number of shares outstanding	Weighted-average grant date fair value
Unvested at January 2, 2026	464	$ 35.03
Granted	595	$ 18.03
Canceled	(7)	$ 41.60
Vested	—	$ —
Unvested at July 3, 2026	1,052	$ 25.38

The fair value of PSUs is calculated based on the stock price on the grant date, assuming the performance goals will be achieved at target. The stock-based compensation expense recognized each period is dependent upon our estimate of the number of shares that will ultimately vest based on the achievement of certain performance conditions. Future stock-based compensation expense for unvested PSUs could reach a maximum of $25,314, assuming achievement at the maximum level. The unrecognized stock-based compensation expense is expected to be recognized over a weighted average period of 1.45 years.

(in thousands, except per share data)

12. Net Earnings (Loss) Per Share

Basic earnings per share amounts are computed by dividing earnings (net loss) for the period by the weighted average number of common shares outstanding during the period. Diluted earnings per share amounts are computed by dividing earnings (net loss) for the period by the weighted average number of shares of common stock and potentially dilutive common stock outstanding during the period. Potentially dilutive common shares include shares issuable upon the exercise of outstanding stock options and vesting of RSUs and PSUs, which are reflected in diluted earnings per share by application of the treasury stock method.

When the Company incurs a net loss for a period, all potential common shares are considered anti-dilutive in accordance with ASC 260. Accordingly, diluted net loss per share is the same as basic net loss per share for such periods, and the impact of stock-based awards and other potentially dilutive securities is excluded from the computation of diluted net loss per share.

The Company excluded 288 and 241 shares from the calculation of diluted earnings per share for the three months ended July 3, 2026 and July 4, 2025, respectively, as these shares would have been antidilutive. Due to the net loss reported for the six months ended July 3, 2026 and July 4, 2025, there were no dilutive shares included in the calculation of diluted net loss per share for the period.

The following table presents the calculation of basic and diluted earnings per share:

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Net income (loss) attributable to FOX stockholders	$ 4,053	$ 2,744	$ (10,943)	$ (256,950)
Weighted average shares used to compute basic earnings per share	42,005	41,788	41,933	41,749
Dilutive effect of employee stock plans	270	78	—	—
Weighted average shares used to compute diluted earnings per share	42,275	41,866	41,933	41,749
Net earnings (loss) per share:				
Basic	$ 0.10	$ 0.07	$ (0.26)	$ (6.15)
Diluted	$ 0.10	$ 0.07	$ (0.26)	$ (6.15)

13. Income Taxes

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Provision (benefit) for income taxes	$ 2,274	$ 2,800	$ 1,660	$ (837)
Effective tax rates	36.0 %	50.9 %	(17.8)%	0.3 %

For the three months ended July 3, 2026, the difference between the Company's effective tax rate of 36.0% and the 21% federal statutory rate was primarily due to unfavorable impact of discrete items in proportion to lower levels of pre-tax income.

For the six months ended July 3, 2026, the difference between the Company's effective tax rate of (17.8)% and the 21% federal statutory rate was primarily due to lower pre-tax earnings for the quarter and the tax effects of discrete items recognized in connection with the sale of the Arizona entities.

For the three months ended July 4, 2025, the difference between the Company's effective tax rate of 50.9% and the 21% federal statutory rate was primarily due to unfavorable impact of discrete items in proportion to lower levels of pre-tax income.

For the six months ended July 4, 2025, the difference between the Company's effective tax rate of 0.3% and the 21% federal statutory rate was due to the impairment impact of the non-deductible goodwill.

We do not expect the results from any ongoing income tax audits to have a material impact on our consolidated financial condition, results of operations, or cash flows.

14. Segment Information

We manage our activities based on three operating segments: Powered Vehicles Group, Aftermarket Applications Group, and Specialty Sports Group. All of our segments design, engineer, and manufacture performance-defining products and systems for customers worldwide.

The following is a description of our operating segments.

Powered Vehicles Group: This segment operates 2 plants in the United States and 1 plant in Italy. Our premium products sold under the FOX brand are for off-road vehicles and trucks, side-by-sides, on-road vehicles with and without off-road capabilities, ATVs, snowmobiles, specialty vehicles and applications, and commercial trucks, and the Marzocchi brand for motorcycles. These products are sold through both OEM and aftermarket channels.

Aftermarket Applications Group: This segment operates 10 plants across the United States. Our range of aftermarket applications products includes premium products under the BDS Suspension, Zone Offroad, JKS Manufacturing, RT Pro UTV, 4x4 Posi-Lok, Ridetech, Tuscany, Outside Van, SCA, RTR, Fun-Haver, and Custom Wheel House brands designed for off-road vehicles and trucks, side-by-sides, on-road vehicles with and without off-road capabilities, specialty vehicles and applications, and commercial trucks.

Specialty Sports Group: This segment operates 8 plants and 10 distribution facilities (9 in the United States, 3 in Taiwan, and 1 facility each in Australia, Canada, Japan, Sweden, Switzerland, and United Kingdom). Our bike product offerings are used on a wide range of performance mountain bikes, e-bikes, and gravel bikes under the FOX, Race Face, Easton Cycling, and Marzocchi brands. These products are sold through both OEM and aftermarket channels. Our products for diamond sports include premium baseball and softball equipment under the Marucci, Victus, Lizard Skins, and Baum Bat brands and are sold through dealers and distributors and through direct-to-customer channels.

Net sales and expenses are measured in accordance with the policies and procedures described in Note 1 – Description of the Business, Basis of Presentation and Summary of Significant Accounting Policies included in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026.

We measure the profitability and financial performance of our operating segments based on adjusted EBITDA. Adjusted EBITDA provides a measure of our underlying segment results that is in line with our approach to risk management. We define adjusted EBITDA as net income adjusted for (a) interest expense, (b) income tax or tax benefits, (c) amortization including amortization of purchased intangibles, (d) depreciation, (e) stock-based compensation, (f) litigation and settlement related expenses, (g) organizational restructuring expenses, (h) acquisition and integration-related expenses, (i) strategic transformation costs, (j) goodwill impairment, and (k) loss on divestiture.

Segment asset information is not presented because it is not evaluated by the CODM at the segment level.

FOX FACTORY HOLDING CORP.
Notes to Condensed Consolidated Financial Statements
(in thousands)
(unaudited)

The tables that follow show selected segment financial information including information for prior comparative periods. Unallocated corporate expenses are corporate overhead expenses that are not directly attributable to one of our business segments and include unallocated occupancy costs for our corporate headquarters, acquisition costs, other benefit and compensation programs, including performance-based compensation, and administrative expenses such as accounting, finance, legal, human resources, and information technology expenses.

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Net sales				
Powered Vehicles Group	$ 124,227	$ 123,514	$ 267,606	$ 245,612
Aftermarket Applications Group	109,553	114,144	224,337	226,058
Specialty Sports Group	124,342	137,206	234,836	258,224
Net sales	$ 358,122	$ 374,864	$ 726,779	$ 729,894
Adjusted EBITDA				
Powered Vehicles Group	15,820	16,387	38,376	30,769
Aftermarket Applications Group	16,155	16,016	27,556	33,010
Specialty Sports Group	27,687	30,385	45,142	53,779
	$ 59,662	$ 62,788	$ 111,074	$ 117,558
Reconciliation of segment adjusted EBITDA				
Unallocated corporate expenses	(14,202)	(13,495)	(29,914)	(28,663)
Goodwill impairment	—	—	—	(262,129)
Depreciation and amortization[1]	(20,568)	(21,449)	(41,184)	(43,188)
Loss on divestiture	(618)	—	(10,612)	—
Non-cash stock-based compensation	(3,372)	(4,562)	(7,492)	(7,917)
Litigation and settlement-related expenses	(114)	(474)	(308)	(1,191)
Other acquisition and integration-related expenses[2]	(33)	(739)	(218)	(1,356)
Organizational restructuring expenses[3]	(253)	(3,933)	(2,374)	(6,244)
Strategic transformation costs[4]	(2,832)	—	(5,467)	(20)
Interest and other expense, net	(11,362)	(12,631)	(22,829)	(24,716)
Consolidated income (loss) before income taxes	$ 6,308	$ 5,505	$ (9,324)	$ (257,866)

(1) Depreciation excludes amortization for purchase accounting property, plant and equipment fair value adjustment and accelerated depreciation related to organizational restructuring initiatives.

(2) Represents various acquisition-related costs and expenses incurred to integrate acquired entities into the Company's operations and the impact of the finished goods inventory valuation adjustment recorded in connection with the purchase of acquired assets.

(3) Represents expenses associated with various restructuring initiatives intended to improve operational efficiency, realign resources, and support the Company's long-term strategic objectives, including employee severance, relocation expenses, and consulting and advisory fees.

(4) Represents third-party consulting, advisory and other direct costs incurred in connection with the Company's multi-phase profit optimization and transformation program and its review of strategic alternatives for non-core assets.

(in thousands)

The CODM relies on adjusted EBITDA for assessing performance and allocating resources across segments. On a regular basis, the CODM reviews budget-to-actual variances for adjusted EBITDA to guide capital and personnel distribution. During the annual budgeting and forecasting process, segment adjusted EBITDA is used by the CODM to measure segment performance and to allocate resources such as employees, financial assets, or capital. Additionally, adjusted EBITDA is reviewed by the CODM in evaluating the efficiency of cost management strategies within each segment, ensuring that financial and operational resources are optimized and aligned with the Company's overall strategic objectives. No expense details by segment are regularly provided to the CODM, and accordingly, no significant segment expenses have been disclosed. The CODM reviews consolidated expense information.

The following table presents the Company's other segment items that consist of costs of sales and operating expenses excluding goodwill impairment, intangible and long-lived asset impairment, depreciation and amortization, non-cash stock-based compensation, litigation and settlement-related expenses, other acquisition and integration-related expenses, organizational restructuring-related expenses, and strategic transformation costs, which represent the computable difference between segment net sales and segment adjusted EBITDA.

	For the three months ended		For the six months ended	
	July 3, 2026	July 4, 2025	July 3, 2026	July 4, 2025
Powered Vehicles Group	$ 108,407	$ 107,127	$ 229,230	$ 214,843
Aftermarket Applications Group	$ 93,398	$ 98,128	$ 196,781	$ 193,048
Specialty Sports Group	$ 96,655	$ 106,821	$ 189,694	$ 204,445

15. Divestiture

On February 26, 2026, the Company divested its Phoenix, Arizona AAG operations, including the Shock Therapy, Upfit UTV, and Geiser businesses, as part of ongoing efforts to streamline operations. The Company sold the businesses to S&G Holdings and Investments Company ("S&G") and the former general manager of the businesses who was also the prior owner of Shock Therapy, whose employment with the Company ended upon execution of the transaction. The transaction was conducted on terms comparable to those that would have been obtained in a transaction with an unrelated party.

The consideration consisted of $5,000 in cash and a promissory note receivable of $22,575, bearing interest at a rate of 6.75% per annum, with a maturity date of June 30, 2028. The Company recorded a $10,612 loss associated with the sale that is presented in other (income) expense, net on the condensed consolidated statement of operations. The divestiture did not represent a strategic shift with a major effect on the Company's operations and financial results and, therefore, is not reported as a discontinued operation.

As part of the divestiture, the Company obtained a warrant to purchase 10% of the fully diluted common equity of S&G at a nominal exercise price of $0.01 per share. The warrant is exercisable beginning on the earlier of February 26, 2029 or upon notice of a fundamental transaction involving S&G, and expires on February 26, 2036. The warrant is exercisable through cash exercise only. The initial fair value of the warrant was determined to be zero based on a Level 3 measurement under ASC 820, using unobservable inputs including management's assessment of the enterprise value of S&G, the capital structure and leverage of the entity, the historical financial performance of the underlying businesses, and the impact of the exercise lockout period on time value. The Company elected to account for the warrant under the measurement alternative in ASC 321-10-35-2, measuring it at cost minus impairment, adjusted for observable price changes. As of July 3, 2026, the carrying amount of the warrant was zero. No impairments, downward adjustments, or upward adjustments have been recognized since the warrant was obtained.

In connection with the divestiture, the Company retained an operating lease for a facility previously shared with Shock Therapy and entered into a sublease arrangement with the buyer. The sublease had a remaining term of approximately four years and was expected to provide aggregate sublease income of approximately $630. The Company's obligations under the head lease were unchanged by the sublease arrangement.

ITEM 2. 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 in conjunction with our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026, and our other reports and registration statements that we file with the SEC from time to time. In addition to historical condensed consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q, particularly in the "Risk Factors" section included in Part II, Item 1A.

Unless the context otherwise requires, the terms "FOX," the "Company," "we," "us," and "our" in this Quarterly Report on Form 10-Q refer to Fox Factory Holding Corp. and its operating subsidiaries on a consolidated basis.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements, which are subject to the "safe harbor" created by Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We may make forward-looking statements in our SEC filings, press releases, news articles, earnings presentations and when we are speaking on behalf of the Company. Forward-looking statements generally relate to future events or our future financial or operating performance that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements because they contain words such as "may," "might," "will," "would," "should," "expect," "plan," "anticipate," "could," "can," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "likely," "potential", "remain", or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this Quarterly Report on Form 10-Q are subject to numerous risks and uncertainties, including but not limited to risks related to:

- changes in general economic conditions, including, among others, market and macro-economic disruptions resulting from escalating tensions between China and Taiwan, the war in Iran, or similar events, due to inflation, higher interest rates, or tariffs, or due to the spread of infectious or contagious disease or public health issues;
- our dependency on a limited number of suppliers for materials, component parts, and product could lead to an increase in material costs, disruptions in our supply chain, or reputational costs;
- our ability to develop new and innovative products in our current end-markets;
- our ability to leverage our technologies and brand to expand into new categories and end-markets;
- our ability to increase our aftermarket penetration;
- our ability to accelerate international growth;
- our exposure to currency exchange rate fluctuations;
- the loss of key customers;
- our ability to accurately forecast demand for our products;
- our ability to improve operating and supply chain efficiencies;
- changes in commodity, freight, and tariff costs (including tariff relief or our ability to mitigate tariffs, particularly in light of the policies of the current presidential administration and retaliatory actions in response thereto);
- our ability to mitigate increasing input costs through pricing or other measures;
- economic conditions that impact consumer spending or consumer credit, including changes in inflation or interest rates;
- our ability to enforce our intellectual property rights;
- our future financial performance, including our net sales, cost of sales, gross profit or gross margins, operating expenses, ability to generate positive cash flow, ability to maintain our profitability, and ability to remain in compliance with financial covenants;
- our ability to maintain our premium brand image and high-performance products;

- our ability to execute our cost optimization efforts and identify and capitalize on other strategic initiatives, including possible divestitures, sales, or related transactions involving one or more of our businesses or assets and any other actions we take related to our strategic review of our portfolio;
- our decision and ability to market and execute potential strategic transactions, which depend on, among other factors, third-party interest, valuation considerations and regulatory requirements;
- our ability to maintain relationships with the professional athletes and race teams we sponsor;
- our ability to selectively add additional dealers and distributors in certain geographic markets;
- the growth of the markets in which we compete, our expectations regarding consumer preferences, and our ability to respond to changes in consumer preferences and effectively compete against competitors;
- changes in demand for performance-defining products;
- the loss of key personnel, management, and skilled engineers;
- our ability to successfully identify, evaluate and manage potential or completed acquisitions and to benefit from such acquisitions;
- the outcome of pending litigation;
- future disruptions in the operations of our manufacturing facilities;
- our ability to adapt our business model to mitigate the impact of certain changes in tax laws, tariffs, international trade policies, and other regulatory matters;
- our ability to assess and monitor the effects of new technological applications, such as artificial intelligence, on our business and operations;
- our ability to protect against cybersecurity incidents and disruptions or failures of our information technology systems;
- changes in the relative proportion of profit earned in the numerous jurisdictions in which we do business and in tax legislation, case law and other authoritative guidance in those jurisdictions;
- product recalls and product liability claims; and
- future economic or market conditions.

You should not rely upon forward-looking statements as predictions of future events. We based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects and the outcomes of any of the events described in any forward-looking statements are subject to risks, uncertainties, and other factors. In addition to the risks, uncertainties, and other factors discussed above and elsewhere in this Quarterly Report on Form 10-Q, the risks, uncertainties, and other factors expressed or implied in Part I, Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026, could cause or contribute to actual results differing materially from those set forth in any forward-looking statement. Moreover, we operate in a very competitive and challenging environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur and you should not place undue reliance on our forward-looking statements. Actual results, events, or circumstances could differ materially from those contemplated by, set forth in, or underlying any forward-looking statements. For all of these forward-looking statements, we claim the protection of the safe harbor for forward-looking statements in Section 27A of the Securities Act and Section 21E of the Exchange Act.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information, the occurrence of unanticipated events or otherwise, except as required by law. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make or choose not to make.

Critical Accounting Policies and Estimates

There have been no changes to the critical accounting policies and estimates described in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026, that had a material impact on our unaudited condensed consolidated financial statements and related notes.

Recent Accounting Pronouncements

See Note 1 - Description of the Business, Basis of Presentation, and Summary of Significant Accounting Policies to the accompanying notes to unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for further details regarding this topic.

Results of Operations

The table below summarizes our results of operations:

(in millions)	For the three months ended July 3, 2026	For the three months ended July 4, 2025	For the six months ended July 3, 2026	For the six months ended July 4, 2025
Net sales	$ 358.1	$ 374.9	$ 726.8	$ 729.9
Cost of sales	248.4	257.9	510.7	503.2
Gross profit	109.7	117.0	216.1	226.7
Operating expenses:				
Goodwill impairment	—	—	—	262.1
General and administrative	34.2	39.0	72.8	76.4
Sales and marketing	29.4	31.2	62.7	64.1
Research and development	18.6	17.8	37.1	34.9
Amortization of purchased intangibles	10.0	10.4	20.0	21.3
Total operating expenses	92.2	98.5	192.6	458.7
Income (loss) from operations	17.5	18.5	23.5	(232.1)
Interest expense	11.9	14.4	23.8	27.3
Other (income) expense, net	(0.7)	(1.4)	9.0	(1.5)
Income (loss) before income taxes	6.3	5.5	(9.3)	(257.9)
Provision (benefit) for income taxes	2.3	2.8	1.7	(0.8)
Net income (loss)	$ 4.0	$ 2.7	$ (11.0)	$ (257.0)
Less: net loss attributable to non-controlling interest	—	—	—	(0.1)
Net income (loss) attributable to FOX stockholders	$ 4.1	$ 2.7	$ (10.9)	$ (257.0)

**Amounts may not foot due to rounding.*

The following table sets forth selected statement of income data as a percentage of net sales for the periods indicated:

	For the three months ended July 3, 2026	For the three months ended July 4, 2025	For the six months ended July 3, 2026	For the six months ended July 4, 2025
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	69.4	68.8	70.3	68.9
Gross profit	30.6	31.2	29.7	31.1
Operating expenses:				
Goodwill impairment	—	—	—	35.9
General and administrative	9.5	10.4	10.0	10.5
Sales and marketing	8.2	8.3	8.6	8.8
Research and development	5.2	4.8	5.1	4.8
Amortization of purchased intangibles	2.8	2.8	2.8	2.9
Total operating expenses	25.7	26.3	26.5	62.8
Income (loss) from operations	4.9	4.9	3.2	(31.8)
Interest expense	3.3	3.8	3.3	3.7
Other (income) expense, net	(0.2)	(0.4)	1.2	(0.2)
Income (loss) before income taxes	1.8	1.5	(1.3)	(35.3)
Provision (benefit) for income taxes	0.6	0.7	0.2	(0.1)
Net income (loss)	1.1 %	0.7 %	(1.5)%	(35.2)%
Less: net loss attributable to non-controlling interest	—	—	—	—
Net income (loss) attributable to FOX stockholders	1.1 %	0.7 %	(1.5)%	(35.2)%

**Percentages may not foot due to rounding.*

Three months ended July 3, 2026 compared to three months ended July 4, 2025

Net sales

(in millions)	For the three months ended July 3, 2026	For the three months ended July 4, 2025	Change ($)	Change (%)
Net sales	$ 358.1	$ 374.9	$ (16.8)	(4.5)%

Total net sales for the three months ended July 3, 2026 decreased $16.8 million, or 4.5%, compared to the three months ended July 4, 2025. The decrease in net sales is driven by OEMs, distributors and dealers reducing inventory levels in response to market-wide economic conditions and lost revenues from divested businesses, offset by strengthening demand across powersports and AAG products.

Cost of sales

(in millions)	For the three months ended July 3, 2026	For the three months ended July 4, 2025	Change ($)	Change (%)
Cost of sales	$ 248.4	$ 257.9	$ (9.5)	(3.7)%

Cost of sales for the three months ended July 3, 2026 decreased $9.5 million, or 3.7%, compared to the three months ended July 4, 2025. The decrease in cost of sales is mainly due to lower sales and our optimization efforts. Our gross margin decreased 60 basis points to 30.6% for the three months ended July 3, 2026, as compared to the same prior fiscal year period, primarily due to shifts in our product line mix.

Operating expenses

(in millions)	For the three months ended July 3, 2026	For the three months ended July 4, 2025	Change ($)	Change (%)
Operating expenses:				
General and administrative	$ 34.2	$ 39.0	$ (4.8)	(12)%
Sales and marketing	29.4	31.2	(1.8)	(5.8)
Research and development	18.6	17.9	0.7	3.9
Amortization of purchased intangibles	10.0	10.4	(0.4)	(3.8)
Total operating expenses	$ 92.2	$ 98.5	$ (6.3)	(6.4)%

Total operating expenses for the three months ended July 3, 2026 were $92.2 million, compared to $98.5 million for the three months ended July 4, 2025. General and administrative expenses decreased $4.8 million and sales and marketing expenses decreased by $1.8 million mainly due to our strategic optimization initiatives.

Income from operations

(in millions)	For the three months ended July 3, 2026	For the three months ended July 4, 2025	Change ($)	Change (%)
Income from operations	$ 17.5	$ 18.5	$ (1.0)	(5.4)%

As a result of the factors discussed above, income from operations for the three months ended July 3, 2026 decreased $1.0 million, or 5.4%, compared to loss from operations for the three months ended July 4, 2025.

Interest and other expense, net

(in millions)	**For the three months ended**			
	July 3, 2026	**July 4, 2025**	**Change ($)**	**Change (%)**
Interest expense	$ 11.9	$ 14.4	$ (2.5)	(17.4)%
Other income, net	(0.7)	(1.4)	0.7	50.0
Interest and other (income) expense, net	$ 11.2	$ 13.0	$ (1.8)	(13.8)%

Interest and other expense, net for the three months ended July 3, 2026 decreased by $1.8 million to $11.2 million, compared to $13.0 million for the three months ended July 4, 2025 driven by lower interest rates.

Income taxes

(in millions)	**For the three months ended**			
	July 3, 2026	**July 4, 2025**	**Change ($)**	**Change (%)**
Provision for income taxes	$ 2.3	$ 2.8	$ (0.5)	(17.9)%

The effective tax rates were 36.0% and 50.9% for the three months ended July 3, 2026 and July 4, 2025, respectively.

For the three months ended July 3, 2026, the difference between the Company’s effective tax rate of 36.0% and the 21% federal statutory rate was primarily due to unfavorable impact of discrete items in proportion to lower levels of pre-tax income.

For the three months ended July 4, 2025, the difference between our effective tax rate of 50.9% and the 21% federal statutory rate was due to the unfavorable impact of discrete items in proportion to lower levels of pre-tax income.

Net income

(in millions)	**For the three months ended**			
	July 3, 2026	**July 4, 2025**	**Change ($)**	**Change (%)**
Net income	$ 4.0	$ 2.7	$ 1.3	48.1 %

As a result of the factors described above, our net income increased $1.3 million, or 48.1%, to $4.0 million for the three months ended July 3, 2026 from $2.7 million for the three months ended July 4, 2025.

Segment Review

We manage our activities based on three operating segments: PVG, AAG, and SSG.

For additional financial information related to our operating segments including the reconciliation of consolidated net (loss) income to adjusted EBITDA, see Note 14 – Segment Information.

The following table summarizes consolidated net sales and adjusted EBITDA by segment:

	For the three months ended			
(in millions)	**July 3, 2026**	**July 4, 2025**	**Change ($)**	**Change (%)**
Net sales				
Powered Vehicles Group	$ 124.2	$ 123.5	$ 0.7	0.6 %
Aftermarket Applications Group	109.6	114.2	(4.6)	(4.0)
Specialty Sports Group	124.3	137.2	(12.9)	(9.4)
Net sales	$ 358.1	$ 374.9	$ (16.8)	(4.5)%
Adjusted EBITDA				
Powered Vehicles Group	$ 15.8	$ 16.4	$ (0.6)	(3.7)%
Aftermarket Applications Group	$ 16.2	$ 16.0	$ 0.2	1.3 %
Specialty Sports Group	$ 27.7	$ 30.4	$ (2.7)	(8.9)%

Powered Vehicles Group

Powered Vehicles Group net sales increased by $0.7 million, or 0.6%, mainly due to strengthening demand in powersports.

Powered Vehicles Group adjusted EBITDA decreased by $0.6 million, or 3.7%, primarily due to lower gross profit driven by shifts in product line mix.

Aftermarket Applications Group

Aftermarket Applications Group net sales decreased by $4.6 million, or 4.0%. Excluding the impact of the divested businesses, AAG net sales increased compared to the prior year period, with growth limited by supply constraints affecting our upfit businesses.

Aftermarket Applications Group adjusted EBITDA increased by $0.2 million, or 1.3%, mainly due to decreases in operating expenses, partially offset by lower gross profit.

Specialty Sports Group

Specialty Sports Group net sales decreased by $12.9 million, or 9.4%, primarily due to OEMs, distributors and dealers reducing inventory levels in response to market-wide economic conditions.

Specialty Sports Group adjusted EBITDA decreased by $2.7 million, or 8.9%, primarily due to lower gross profit, partially offset by decreases in operating expenses.

Six months ended July 3, 2026 compared to six months ended July 4, 2025

Consolidated net sales

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Net sales	$ 726.8	$ 729.9	$ (3.1)	(0.4)%

Total net sales for the six months ended July 3, 2026 decreased $3.1 million, or 0.4%, compared to the six months ended July 4, 2025. The decrease in net sales is primarily due to OEMs, distributors and dealers reducing inventory levels in response to market-wide economic conditions and lost revenues from divested businesses, offset by strengthening demand across powersports and AAG products.

Cost of sales

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Cost of sales	$ 510.7	$ 503.2	$ 7.5	1.5 %

Cost of sales for the six months ended July 3, 2026 increased $7.5 million, or 1.5%, compared to the six months ended July 4, 2025. The increase in cost of sales is primarily due to impacts of tariffs. Our gross margin decreased by 140 basis points to 29.7% for the six months ended July 3, 2026, as compared to the same prior fiscal year period, primarily due to shifts in our product line mix and the impact of tariffs.

Operating expenses

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Operating expenses:				
Goodwill impairment	$ —	$ 262.1	$ (262.1)	N/A
General and administrative	72.8	76.4	(3.6)	(4.7)%
Sales and marketing	62.7	64.0	(1.3)	(2.0)
Research and development	37.1	34.9	2.2	6.3
Amortization of purchased intangibles	20.0	21.3	(1.3)	(6.1)
Total operating expenses	$ 192.6	$ 458.7	$ (266.1)	(58.0)%

**Numbers may not foot due to rounding.*

Total operating expenses for the six months ended July 3, 2026 were $192.6 million, compared to $458.7 million for the six months ended July 4, 2025. During the six months ended July 4, 2025, we recognized an impairment charge of $262.1 million as a result of our quantitative assessment on goodwill triggered by adverse changes in U.S. tariff policies, new and expanded tariffs enacted by the current presidential administration, and resulting sustained decline in our stock price. General and administrative and sales and marketing expenses decreased $3.6 million and $1.3 million, respectively, primarily on our strategic optimization initiatives. Research and development increased $2.2 million, due to our investments to support future growth and product innovation.

Income (loss) from operations

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Income (loss) from operations	$ 23.5	$ (232.1)	$ 255.6	110.1 %

As a result of the factors discussed above, income from operations for the six months ended July 3, 2026 increased $255.6 million, or 110.1%, compared to loss from operations for the six months ended July 4, 2025.

Interest and other expense, net

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Interest expense	$ 23.8	$ 27.3	$ (3.5)	(12.8)%
Other expense (income), net	9.0	(1.5)	10.5	700.0
Interest and other expense, net	$ 32.8	$ 25.8	$ 7.0	27.1 %

Interest and other expense, net for the six months ended July 3, 2026 increased by $7.0 million to $32.8 million, compared to $25.8 million for the six months ended July 4, 2025, mainly due to a loss on divestiture of $10.6 million, partially offset by lower interest rates.

Income taxes

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Provision (benefit) for income taxes	$ 1.7	$ (0.8)	$ 2.5	(312.5)%

The effective tax rates were (17.8)% and 0.3% for the six months ended July 3, 2026 and July 4, 2025, respectively.

For the six months ended July 3, 2026, the difference between the Company's effective tax rate of (17.8)% and the 21% federal statutory rate was due to the lower pre-tax earnings for the quarter and the tax effects of discrete items recognized in connection with the sale of the Arizona entities.

For the six months ended July 4, 2025, the difference between our effective tax rate of 0.3% and the 21% federal statutory rate was due to the impairment impact of non-deductible goodwill.

Net loss

(in millions)	For the six months ended July 3, 2026	For the six months ended July 4, 2025	Change ($)	Change (%)
Net loss	$ (11.0)	$ (257.0)	$ 246.0	95.7 %

As a result of the factors described above, our net loss decreased $246.0 million to a net loss of $11.0 million for the six months ended July 3, 2026 from a net loss of $257.0 million for the six months ended July 4, 2025.

Segment Review

For additional financial information related to our operating segments including the reconciliation of consolidated net (loss) income to adjusted EBITDA, see Note 14. Segment Information.

The following table summarizes consolidated net sales and adjusted EBITDA by segment:

	For the six months ended			
(in millions)	July 3, 2026	July 4, 2025	Change ($)	Change (%)
Net sales				
Powered Vehicles Group	$ 267.6	$ 245.6	$ 22.0	9.0 %
Aftermarket Applications Group	224.3	226.1	(1.8)	(0.8)
Specialty Sports Group	234.8	258.2	(23.4)	(9.1)
Net sales	$ 726.8	$ 729.9	$ (3.1)	(0.4)%
Adjusted EBITDA				
Powered Vehicles Group	$ 38.4	$ 30.8	$ 7.6	24.7 %
Aftermarket Applications Group	$ 27.6	$ 33.0	$ (5.4)	(16.4)%
Specialty Sports Group	$ 45.1	$ 53.8	$ (8.7)	(16.2)%

**Numbers may not foot due to rounding.*

Powered Vehicles Group

Powered Vehicles Group net sales increased by $22.0 million, or 9.0%, primarily due to strengthening demand in powersports.

Powered Vehicles Group adjusted EBITDA increased by $7.6 million, or 24.7%, mainly due to an increase in gross profit driven by higher net sales.

Aftermarket Applications Group

Aftermarket Applications Group net sales decreased by $1.8 million, or 0.8%. Excluding the impact of the divested businesses, AAG net sales increased compared to the prior year period, with growth limited by supply constraints affecting our upfit businesses.

Aftermarket Applications Group adjusted EBITDA decreased by $5.4 million, or 16.4%, driven by lower gross profit due to shifts in product mix.

Specialty Sports Group

Specialty Sports Group net sales decreased by $23.4 million, or 9.1%, mainly attributable to OEMs, distributors and dealers reducing inventory levels in response to market-wide economic conditions.

Specialty Sports Group adjusted EBITDA decreased by $8.7 million, or 16.2%, primarily due to a decrease in gross profit.

Liquidity and Capital Resources

Our primary cash needs are to support working capital, research and development, interest on debt, employee compensation, capital expenditures, acquisitions, debt repayments, and other general corporate purposes. Historically, we generally financed our liquidity needs with operating cash flows, borrowings under our Credit Agreement, and the issuance of common stock. These sources of liquidity may be impacted by events described in Cautionary Note Regarding Forward-Looking Statements and Part II, Item 1A. Risk Factors.

As of July 3, 2026, we held $9.9 million of our $61.3 million of cash and cash equivalents in accounts of our subsidiaries outside of the U.S., which we may repatriate.

A summary of our operating, investing, and financing activities is shown in the following table:

	For the six months ended	
(in millions)	July 3, 2026	July 4, 2025
Net cash provided by operating activities	$ 13.2	$ 37.5
Net cash provided by (used in) investing activities	0.7	(19.4)
Net cash used in financing activities	(9.5)	(9.4)
Effect of exchange rate changes on cash and cash equivalents	(1.0)	1.1
Change in cash and cash equivalents	$ 3.3	$ 9.8

**Amounts may not foot due to rounding.*

We expect that cash on hand, cash flows from operations and availability under our Credit Agreement will be sufficient to fund our operations during the next 12 months from the date of this Form 10-Q and beyond.

Operating activities

In the six months ended July 3, 2026, net cash provided by operating activities was $13.2 million. Our investment in operating assets and liabilities is mainly a result of an increase in inventory of $17.4 million, an increase in accounts receivable of $13.0 million, a decrease in accounts payable of $5.9 million, and a decrease in accrued expenses and other liabilities of $4.3 million, partially offset by a decrease in prepaids and other assets of $3.9 million, net of the impact of the divestiture. Inventory increased primarily due to planned inventory builds to support anticipated demand. The change in our accounts receivable reflects the timing of customer collections. The change in accounts payable reflects the timing of vendor payments. The decrease in accrued expenses and other liabilities is driven by amortization of lease liabilities. Prepaids and other assets decreased primarily due to lower prepaid insurance.

In the six months ended July 4, 2025, net cash provided by operating activities was $37.5 million. Our investment in operating assets and liabilities is a result of an increase in accounts receivable of $15.4 million, a decrease in accounts payable of $11.1 million, a decrease in accrued expenses and other liabilities of $8.6 million, a decrease in income taxes payable of $4.0 million, and an increase in inventory of $2.1 million, partially offset by a decrease in prepaids and other assets of $19.8 million. The change in our accounts receivable reflects an increase in our sales and the timing of customer collections. The change in our accounts payable is driven by timing of inventory purchases and vendor payments. The decrease in accrued expenses and other liabilities is mainly due to a decrease in warranty reserve, a decrease in lease liabilities due to lease terminations, and payments for various accruals. The decrease in income taxes payable is mainly due to our income tax payments. Inventory increased primarily due to planned inventory builds to support anticipated demand, the impact from higher tariffs, and foreign currency translation, partially offset by our efforts to optimize inventory levels. The decrease in prepaids and other assets is primarily due to lower chassis deposits driven by working capital optimization efforts.

Investing activities

In the six months ended July 3, 2026 and July 4, 2025, net cash provided by investing activities was $0.7 million and net cash used by investing activities was $19.4 million, respectively. Investing activities for the six months ended July 3, 2026 consisted of $7.4 million proceeds from a divestiture and $2.8 million proceeds from sales of assets, partially offset by $9.5 million of property and equipment additions. Investing activities for the six months ended July 4, 2025 consisted of $19.6 million of property and equipment additions and $0.2 million proceeds from sales of assets.

Financing activities

In the six months ended July 3, 2026, net cash used in financing activities was $9.5 million, and consisted of $18.4 million repayments on our term loan, payments of $94.0 million to reduce the revolver borrowings, offset by proceeds from our revolver of $107.0 million that were used to support our working capital, $2.4 million debt modification costs, and payments of $1.7 million to repurchase shares of our common stock to cover withholding taxes from our stock-based compensation program.

In the six months ended July 4, 2025, net cash used in financing activities was $9.4 million, and consisted of payments of $53.0 million to reduce the revolver borrowings, offset by proceeds from our Credit Agreement revolver of $57.0 million that were used to support our working capital, $12.1 million quarterly repayment on our term loans, and payments of $1.3 million to repurchase shares of our common stock to cover withholding taxes from our stock-based compensation program.

Credit Agreement

On April 5, 2022, the Company entered into a new credit agreement with Wells Fargo Bank, National Association, and other named lenders. The Credit Agreement, which was set to mature on April 5, 2027, provides for revolving loans, swingline loans and letters of credit up to an aggregate amount of $650.0 million.

The Company may borrow, prepay, and re-borrow principal under the Credit Agreement during its term. Advances under the Credit Agreement can be either Adjusted Term SOFR loans or base rate loans. SOFR rate revolving loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to Term SOFR for such calculation plus 0.10% plus a margin ranging from 1.00% to 2.25%. Base rate revolving loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the lender as its “prime rate”, and (iii) Adjusted Term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth therein, plus a margin ranging from 0.00% to 1.00%.

On November 14, 2023, in connection and concurrently with the closing of the Marucci acquisition, the Company entered into the First Incremental Facility Amendment (the “First Amendment”) amending the Credit Agreement. The First Amendment provided the Company with the Incremental Term A Loan in an amount of $400.0 million and the Delayed Draw Term Loan in an amount of $200.0 million, each of which are permitted under the Credit Agreement, subject to satisfaction of certain conditions. The Incremental Term A Loan was fully funded on November 14, 2023 and used to fund a portion of the consideration owed under the Marucci acquisition. The Delayed Draw Term Loan was available to the Company from and including December 6, 2023, until the earlier of (a) May 14, 2024 and (b) the date on which the Delayed Draw Term commitments have been terminated. Each Incremental Term Loan is subject to quarterly amortization payments of principal at a rate of 5.00% per annum. The Incremental Term Loans are in the form of term SOFR loans and base rate loans, at the option of the Company, and have an applicable margin ranging from 0.50% to 1.50% for base rate loans and 1.50% to 2.50% for term SOFR loans, subject to adjustment provisions. Each Incremental Term Loan has a maturity date of April 5, 2027, consistent with the Credit Agreement. On May 13, 2024, the Company borrowed the full amount of $200.0 million of the Delayed Draw Term Loan.

On July 31, 2024 and December 20, 2024, the Company entered into the Third and Fourth Amendment to the Credit Facility, respectively to secure an improved covenant profile on its capital structure to provide more flexibility given the uncertain macro environment.

Fifth Amended Credit Agreement

On October 24, 2025, the Company entered into the Fifth Amendment to the Credit Agreement, which amended the Credit Agreement, dated as of April 5, 2022, as previously amended.

The Fifth Amendment, among other things, amended the Credit Agreement to replace the existing loans provided under the Credit Agreement with (i) the Term Loan in the aggregate outstanding amount of $537.5 million, which will be repaid by the Company in quarterly installments in the amount of $6.7 million, (ii) the Revolving Credit Facility in an aggregate amount of up to $500.0 million, with sub-facilities for swing line loans in an aggregate amount of up to $25.0 million and letters of credit in an aggregate amount of up to $25.0 million, and (iii) an incremental loan facility, subject to additional terms set forth in the Amended Credit Agreement, in an aggregate amount of up to $175.0 million plus an unlimited amount so long as after giving effect to the incurrence of such incremental loans, on a pro forma basis, the Consolidated Net Leverage Ratio is less than 3.25. To the extent not previously paid, all then-outstanding amounts under the Term Loan and the Revolving Credit Facility are due and payable on October 24, 2030.

The Term Loan and advances under the Revolving Credit Facility can be either SOFR loans or base rate loans. SOFR loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to the term SOFR for such calculation plus a margin ranging from 1.00% to 2.50%. Base rate loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” and (iii) term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth in the Amended Credit Agreement, plus a margin ranging from 0.00% to 1.50%.

Sixth Amended Credit Agreement

On May 6, 2026, the Company entered into the Sixth Amendment to the Credit Agreement. The Sixth Amendment amended the Credit Agreement, dated April 5, 2022, as previously amended.

The Sixth Amendment, among other things, amended the margins for interest under the Credit Agreement, pursuant to which the term loan and advances under the revolving credit facility can be either SOFR loans or base rate loans. Pursuant to the Sixth Amendment, SOFR loans bear interest on the outstanding principal amount thereof for each interest period at a rate per annum equal to the term SOFR for such calculation period plus a margin ranging from 1.00% to 2.75%, based on the levels of Consolidated Net Leverage Ratio. Base rate loans bear interest on the outstanding principal amount thereof at a rate per annum equal to the highest of (i) Federal Funds Rate plus 0.50%, (ii) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” and (iii) term SOFR rate for a one-month tenor plus 1.00%, subject to the interest rate floors set forth in the Sixth Amended Credit Agreement, plus a margin ranging from 0.00% to 1.75%, based on the levels of Consolidated Net Leverage Ratio.

The Sixth Amendment also amended the definition of Consolidated Net Leverage Ratio and modifies the provisions for the mandatory prepayment of the loans with the net proceeds of asset sales. In addition, the Sixth Amendment tightens certain negative covenants on the Company, including restrictions on indebtedness, investments, and restricted payments during the period beginning on the effective date of the Sixth Amendment and ending on the date a compliance certificate is delivered by the Company for the fiscal quarter ending June 30, 2028, provided that no default or event of default has occurred and is continuing on such date of delivery.

Under the Sixth Amendment, the Company is required to maintain (i) a Consolidated Net Leverage Ratio not to exceed (a) 5.00 as of the end of each fiscal quarter ending July 3, 2026 through January 1, 2027, (b) 4.75 as of the end of each fiscal quarter ending April 2, 2027 through July 2, 2027, (c) 4.50 as of the end of each fiscal quarter ending October 1, 2027 through December 31, 2027, (d) 4.25 as of the end of the fiscal quarter ending March 31, 2028, and (e) 4.00 as of the end of the fiscal quarters ending June 30, 2028 and thereafter, each of which will be, at the Company’s election, increased by 0.50 (but not to exceed 4.50) for the four fiscal quarters after the consummation of certain permitted acquisitions exceeding $75,000 (provided that such increase is not permitted during the Covenant Relief Period), and (ii) a Consolidated Interest Coverage Ratio of not less than (a) 2.50 as of the end of each fiscal quarter ending July 3, 2026 through June 30, 2028, and (b) 2.75 as of the end each fiscal quarter ending September 29, 2028 and thereafter.

The Sixth Amended Credit Agreement is secured by substantially all of the Company’s assets, restricts the Company’s ability to make certain payments and engage in certain transactions, and requires that the Company satisfy customary financial ratios. The Company was in compliance with the covenants as of July 3, 2026.

At July 3, 2026, the one-month SOFR and three-month SOFR rates were 3.63% and 3.63%, respectively. At July 3, 2026, our weighted-average interest rate on outstanding borrowing was 6.05%.

Recent Developments

Global Trade Actions and Tariffs - New and expanded tariffs announced under the Trump administration and triggered retaliatory actions, by certain affected countries and other foreign governments, have introduced additional costs and uncertainty into our supply chain, which may impact our cost structure and working capital needs. In February 2026, the U.S. Supreme Court ruled that certain tariffs imposed under the Trump administration were unlawful, and U.S. Customs and Border Protection has subsequently implemented a process through which eligible importers may apply for refunds of tariffs previously paid. While we are evaluating our eligibility and the potential recoverability and timing of any such refunds, the process is subject to administrative requirements and uncertainty, and any refunds are not assured. In July 2026, the administration announced new tariffs ranging from 10% to 12.5 % for over sixty countries, citing that the tariffs target countries with forced labor practices. Some countries hit by the new tariffs have objected to unfounded labor claims and the enforceability of the tariffs is still to be determined. We continue to assess the potential effects of these developments on our supply chain and sourcing strategies as well as our future operating results, cash flows, and working capital. Although we may experience volatility in cash flows as trade policies and refund mechanisms evolve, we believe our existing liquidity and access to the Amended Credit Agreement provide sufficient flexibility to manage these developments.

Material Cash Requirements

There have been no material changes to the information in our material cash requirements related to commitments or contractual obligations from those reported in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026.

Inflation

Significant increases in inflation, particularly those related to wages and increases in the cost of raw materials, have and could continue to have an adverse impact on our business, financial condition, and results of operations.

Interest Rates

Interest rate volatility can impact our borrowing costs and overall financial condition. Significant increases could lead to higher interest expense on our variable-rate debt. To mitigate this risk and enhance predictability, we utilize interest rate swaps to manage our exposure to interest rate fluctuations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to the disclosures discussed in the section “Quantitative and Qualitative Disclosures About Market Risk” in Part II, Item 7A of our Annual Report on Form 10-K for the fiscal year ended January 2, 2026, as filed with the SEC on February 27, 2026.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management, under the direction and with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of July 3, 2026. Based on the evaluation of our disclosure controls and procedures as of July 3, 2026, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal controls over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been or will be detected. These inherent limitations include, but are not limited to, the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error, oversight, or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material developments in the legal proceeding previously disclosed in Part II, Item 1 of our Quarterly Report on Form 10-Q for the quarter ended April 3, 2026.

ITEM 1A. RISK FACTORS

U.S. policies related to global trade and tariffs could have a material adverse effect on our results of operations.

The current domestic and international political environment, including existing and potential changes to U.S. policies related to global trade and tariffs, have resulted in uncertainty surrounding the future state of the global economy. In 2018, the U.S. imposed tariffs of 25% on steel and 10% on aluminum, with only a handful of countries exempt from the increase. The new Trump administration enhanced these measures beginning in 2025 by increasing the tariffs on aluminum and steel to 50% for all countries except the United Kingdom, expanding the products on which the tariffs will be assessed to include derivative products containing steel or aluminum, and terminating all countrywide exemptions and the product specific exemption process. There is an inclusion process through which domestic industry can request the U.S. include new derivative steel and aluminum products that will be subject to the increased tariffs.

Since taking office, the new Trump administration implemented various new strategies regarding tariffs. President Trump invoked the International Emergency Economic Powers Act ("IEEPA") to impose 25% tariffs on products from Mexico and 25% tariffs on products from Canada (with a lower 10% tariff on Canadian energy and energy resources) but exempted from the tariffs those products that are entitled to preferential treatment under the United States-Mexico-Canada Agreement. President Trump also imposed a 20% tariff on all imports from China and Hong Kong under the International Emergency Economic Powers Act. Acting on an investigation concluded during the first Trump administration, the current Trump administration-imposed tariffs of 25% on certain passenger vehicles and light trucks and parts for those vehicles.

In April 2024, the Trump administration imposed a universal "reciprocal" tariff of at least 10% on all countries and higher rates for certain countries, which took effect on August 1, 2025. On February 20, 2026, the U.S. Supreme Court issued a decision finding that IEEPA does not authorize the President to impose tariffs. The Company continues to evaluate the potential ramifications of the U.S. Supreme Court's ruling and any impacts on the Company from that ruling, including refunds from the government, and any contractual obligations arising from such refunds. Responding to that ruling, President Trump rescinded the tariff actions based on IEEPA and signed a new proclamation imposing, effective February 24, 2026, a 10% global tariff (to be increased to 15%) under Section 122 of the Trade Act of 1974 ("Section 122"). The tariff expired on July 28, 2026. However, the Trump administration announced on July 27, 2026, new tariffs ranging from 10% to 12.5% for over 60 countries, citing that the tariffs target countries with forced labor practices. Some countries hit by the new tariffs have objected to unfounded labor claims and the enforceability of the tariffs is still to be determined.

The tariff actions by the U.S. may result in a decrease of global trade volumes due to uncertainty, may create an administrative burden and will cause retailers to make difficult decisions as to how to pay the tariff or absorb the cost into their profit margins.

While we have exposure to implemented tariffs at this time, in regard to our supply chain and end-user demand, any expansion in the types of tariffs implemented has the potential to negatively impact our supply chain costs and the operating performance of our customers, which in turn may negatively affect our sales, gross margin, and operating performance. Additionally, there is a risk that continued U.S. tariffs on imports could be met with additional retaliatory tariffs on U.S.-produced exports and that the broader trade uncertainty could intensify. This has the potential to significantly impact global trade and economic conditions in many of the regions where we do business and have a material adverse effect on our results of operations.

In addition, with respect to sourcing products and raw materials from third-party suppliers in other countries, our ability to timely or successfully import such products or those made with such raw materials may be adversely affected by changes in U.S. laws. As a result, products we import into the U.S. could be held for inspection by U.S. Customs and Border Patrol ("U.S. CBP") based on a suspicion of noncompliance. Additionally, the Uyghur Forced Labor Prevention Act ("UFLPA") empowers the U.S. CBP to withhold release of items produced in whole or in part in countries or by companies included on the UFLPA entities list, creating a presumption that such goods were produced using forced labor. In January 2025, the Department of Homeland Security added to the UFLPA entity list, marking the largest single expansion of the list to date, and including a large supplier of critical minerals and one of the world's largest textile manufacturers, both linked to forced labor practices in the People's Republic of China. Although we do not believe that our suppliers source materials from entities included on the UFLPA for the products they sell to us or use to manufacture our products and we could be subject to penalties, fines or sanctions if any of the suppliers from which we purchase goods is found to have dealings, directly or indirectly, with entities on the ULFPA entities list. We are committed to complying with the UFLPA and have taken significant steps to assess and mitigate risks within our supply chain. Given the complexity and multi-tiered nature of global supply chains, achieving full traceability for every supplier and sub-supplier presents substantial challenges. However, we are continuously working to enhance our due diligence processes, leveraging available data and supplier engagement to ensure compliance to the fullest extent possible.

Recently, in September 2025, the U.S. CBP issued a Withhold Release Order against bicycles, bicycle parts, and accessories manufactured in Taiwan by Giant Manufacturing Co. Ltd., based on information of possible forced labor use. The similarity in product offerings and our company's products being associated with Giant Manufacturing Co. Ltd. may subject our Taiwan-based or other operations to increased scrutiny and review, which could result in compliance and reporting costs and hinder or delay the importation and delivery of our products manufactured in Taiwan. With the majority of our manufacturing operations for our bike products occurring in Taiwan, any adverse order issued by the U.S. CBP on our company or other manufacturers of bicycles, bicycle parts, and related accessories could negatively affect our business, financial condition or results of operations.

Except as noted in this Item 1A and as previously disclosed in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended April 3, 2026, there have been no material changes to the risk factors described in our Form 10-K for the 2025 fiscal year ended January 2, 2026.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table contains details related to the repurchase of common stock based on the date of trade during the quarter ended July 3, 2026:

Period	Total Number of Shares Purchased (1)	Weighted-average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet be Purchased under the Plans or Programs (2)
4/4-5/8	22,329	$ 18.37	—	$ 250,000,000
5/9-6/5	2,155	$ 17.23	—	$ 250,000,000
6/6-7/3	—	$ —	—	$ 250,000,000
Total	24,484	$ 18.27	—	$ 250,000,000

(1) Shares acquired from holders of restricted stock unit awards to satisfy tax-withholding obligations.

(2) On November 1, 2023, the Company's Board of Directors authorized a share repurchase plan for up to $300 million in shares of the Company's common stock, par value $0.001 per share. Refer to Note 11. Stockholders' Equity for further details.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended July 3, 2026, none of our officers or directors (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933).

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	File No.	Filing Date	
3.1	Second Amended and Restated Certificate of Incorporation	10-Q	001-36040	August 4, 2023	
3.2	Second Amended and Restated Bylaws	8-K	001-36040	August 1, 2024	
10.1	Sixth Amendment to Credit Agreement and Third Amendment to Guaranty and Security Agreement, dated May 6, 2026, among Fox Factory Holding Corp. and certain of its subsidiaries, Wells Fargo Bank, National Association, and other financial institutions party thereto.	8-K	001-36040	May 7, 2026	
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended.				X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended.				X
32.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended.				X
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.				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover page formatted as Inline XBRL and contained in Exhibit 101				

X Filed herewith

* In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 34-47986, the certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Form 10-Q and will not be deemed “filed” for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

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

	FOX FACTORY HOLDING CORP.
August 6, 2026	By: /s/ Dennis C. Schemm
	Dennis C. Schemm, Chief Financial Officer
	(Principal Financial Officer)
	FOX FACTORY HOLDING CORP.
August 6, 2026	By: /s/ Brendan R. Enick
	Brendan R. Enick, Chief Accounting Officer
	(Principal Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF DISCLOSURE IN FOX FACTORY HOLDING CORP'S
QUARTERLY REPORT FILED ON FORM 10-Q

I, Michael C. Dennison, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Fox Factory Holding Corp.:
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(s) 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;
5. The registrant's other certifying officer(s) 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.

August 6, 2026

/s/ Michael C. Dennison
Michael C. Dennison
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

**CERTIFICATION OF DISCLOSURE IN FOX FACTORY HOLDING CORP'S
QUARTERLY REPORT FILED ON FORM 10-Q**

I, Dennis C. Schemm, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Fox Factory Holding Corp.:
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(s) 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(s) 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.

August 6, 2026

/s/ Dennis C. Schemm

Dennis C. Schemm
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND

PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certify, pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and in accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in their capacities as officers of Fox Factory Holding Corp. (the “Company”), that, to their knowledge, the Quarterly Report on Form 10-Q of the Company for the quarter ended July 3, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the financial statements included in such report.

August 6, 2026

/s/ Michael C. Dennison
Michael C. Dennison
Chief Executive Officer
(Principal Executive Officer)

/s/ Dennis C. Schemm
Dennis C. Schemm
Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Fox Factory Holding Corp. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.