

Earnings Presentation

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Q1 2024
May 7, 2024

Forward Looking Statements and Non-GAAP Financial Measures

These slides contain forward-looking statements that are subject to risks and uncertainties. These statements often include words such as “believe”, “anticipate”, “plan”, “expect”, “intend”, “will”, “should”, “could”, “would”, “project”, “targets” “forecast” “continue”, “likely”, and similar expressions. In particular, this document may contain forward-looking statements about the Company’s expectations for future periods with respect to its plans to improve financial results, the future of the Company’s end markets, changes in the Class 8 and Class 5-7 North America truck build rates, performance of the global construction equipment business, the Company’s prospects in the wire harness, industrial automation and electric vehicle markets, the Company’s initiatives to address customer needs, organic growth, the Company’s strategic plans and plans to focus on certain segments, competition faced by the Company, volatility in and disruption to the global economic environment, including inflation and labor shortages and the Company’s financial position or other financial information. These statements are based on certain assumptions that the Company has made in light of its experience as well as its perspective on historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. Actual results may differ materially from the anticipated results because of certain risks and uncertainties, including those included in the Company’s filings with the SEC. There can be no assurance that statements made in this document relating to future events will be achieved. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by such cautionary statements.

See slide 13 for use of non-GAAP financial measures.

Q1 2024 Highlights

Q1 FINANCIAL HIGHLIGHTS

REVENUE
$232
MILLION

ADJUSTED EBITDA
$12.7
MILLION

ADJUSTED OPERATING INCOME
$8.5
MILLION

ADJUSTED EPS
$0.13
PER DILUTED SHARE

Note: US GAAP net income was $2.9M for Q1 2024. GAAP diluted income per share was $0.09 for Q1 2024.

Q1 HIGHLIGHTS

MOROCCO EXPANSION ON TRACK

- Construction of second facility in Morocco to support new wins in Electrical Systems remains on schedule

NEW BUSINESS WINS

~$45 MILLION

- 2024 program wins, estimated peak annual value when fully ramped, majority in Electrical System segment; with meaningful wins in Vehicle Solutions

RESTRUCTURING

- Focused actions across business segments launched in 4Q23, executed during 1Q24

REITERATING GUIDANCE

- Reaffirming Revenue and Adjusted EBITDA ranges for fiscal 2024

Focus on Execution and Operational Excellence



Organizational Efficiency Improvements

- Restructuring actions to reduce cost and align resources to support growth product lines
- Continued investment in new, low-cost facilities to support new business wins
- Capacity consolidation to maximize ROIC

Operational Excellence

- Ongoing cost-out program focused on productivity, materials and conversion costs
- Customer satisfaction is a priority, increased focus on quality and customer delivery
- Strengthening and optimizing order to delivery operations processes





Customer Engagement

- Collaboration across business segments to cultivate strong customer relationships
- Ongoing cooperation to recover economic impact of inflationary headwinds
- New product introductions to respond to global customer needs

Improving Profitability and Enterprise-Wide Efficiency, Underpinning our 2024 Outlook

Modular UNITY Seat Expansion

- **Recent wins across the globe with Unity**
  - Standardization of core seat design across regions and markets
  - Truck market wins in N.A. and Europe and APAC
  - Construction market wins in APAC and N.A.
- **Market driven features improving customer satisfaction**
  - Powered seat tilt
  - Powered lever recline
  - Decreased free play
  - Performance above market requirements





- **Safety compliance across all regions and strategic market segments**

Strengthening core Vehicle Solutions through customer focus, solutions and technology

First Quarter 2024 Results

CONSOLIDATED RESULTS

GAAP Measures	**Three Months Ended Mar 31**	
($ in millions except for share information)	2024	2023
Revenue	$ 232.1	$ 262.7
Operating Income	6.6	14.6
Operating Income Margin	2.8%	5.6%
Diluted EPS	0.09	0.26

NON-GAAP Measures	**Three Months Ended Mar 31**	
($ in millions except for share information)	2024	2023
Adjusted EBITDA	$ 12.7	$ 19.8
Adjusted EBITDA Margin	5.5%	7.5%
Adjusted Diluted EPS	0.13	0.28
Free Cash Flow	(7.4)	(3.3)

Commentary

- Revenue down 12% in Q1driven by a softening in customer demand globally, the wind down of certain programs and declines in Aftermarket and Industrial Automation
- Adjusted EBITDA down $7.1 million, driven primarily by lower volumes and inflationary impacts, partially offset by lower SG&A
- Executed focused restructuring actions to address the lower demand environment
- Adjusted EPS down $0.15 driven by lower revenue and margins, partially offset by reduced interest expense
- Strong balance sheet, with net leverage at 1.8x

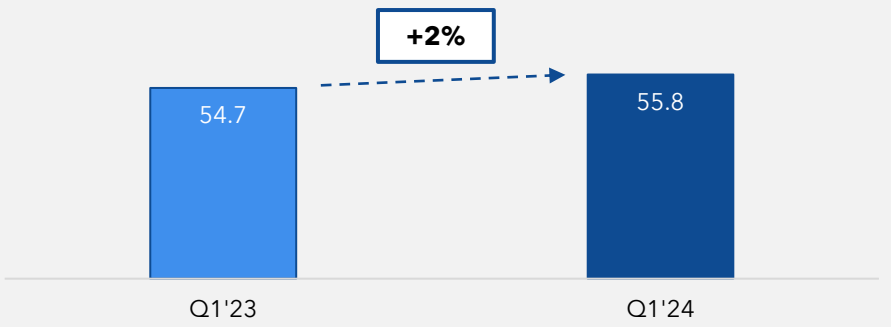
All values are in millions of dollars, except margin percentages, EPS, and Net Debt / Adj. EBITDA ratios

Electrical Systems

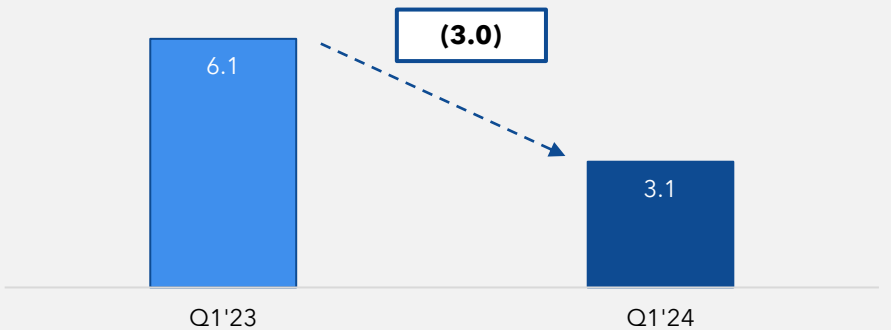
Sales and Adjusted Operating Income

Q1

Revenue ($mm)



Adjusted OI ($mm)



Commentary

- Revenue growth of 2% in the quarter driven primarily by pricing
- Softening in global construction and agriculture end markets
- Q1 adjusted OI declined $3.0 million, driven by the impact of labor inflation and FX headwinds
  - Ongoing customer pricing discussions to offset headwinds
  - Restructuring efforts completed early March
- New business wins continued at a strong pace in the quarter
- Construction continuing at our second Moroccan facility with scheduled completion Q4 2024



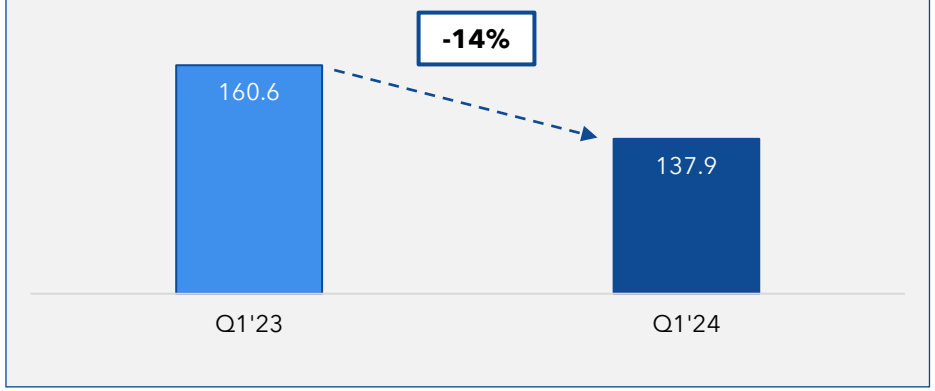


Vehicle Solutions

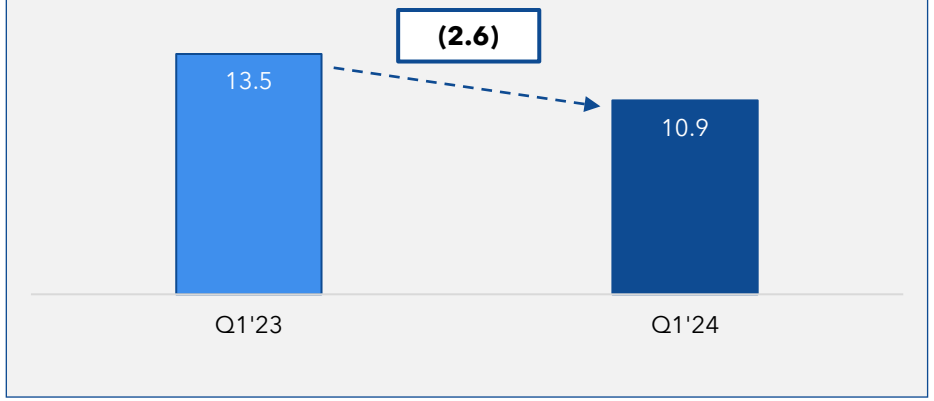
Sales and Adjusted Operating Income

Q1

Revenue ($mm)



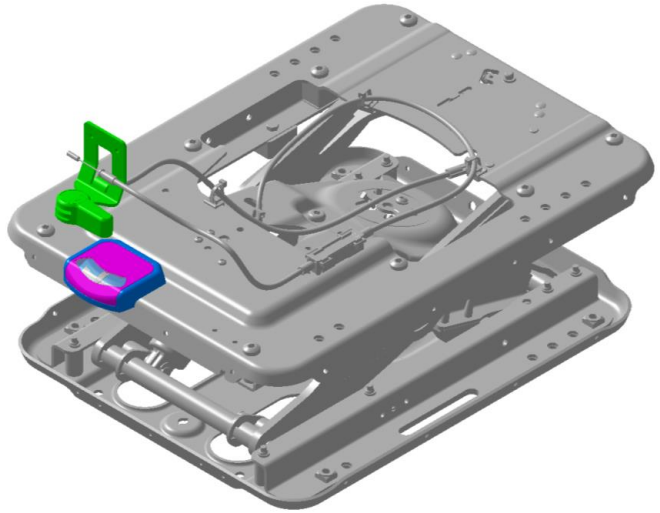
Adjusted OI ($mm)



Commentary

- Q1 revenue declined 14% due to lower customer demand and wind-down of certain programs
- Q1 adjusted OI decline of $2.6 million driven by lower volumes
- Focus on strengthening the core Vehicle Solutions business
  - Restructuring to address headcount and facility consolidation
  - Winning new programs



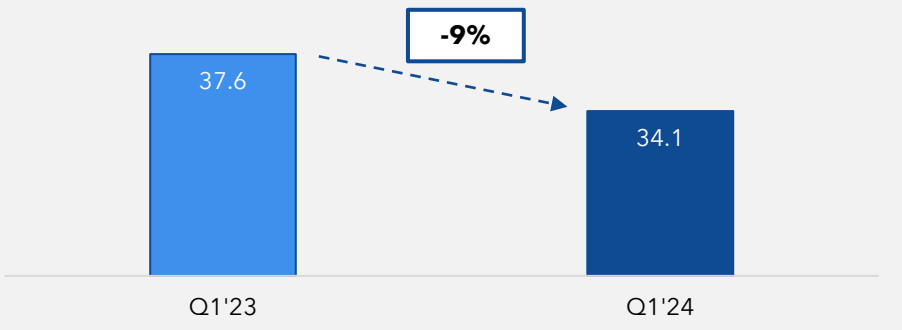


Aftermarket & Accessories

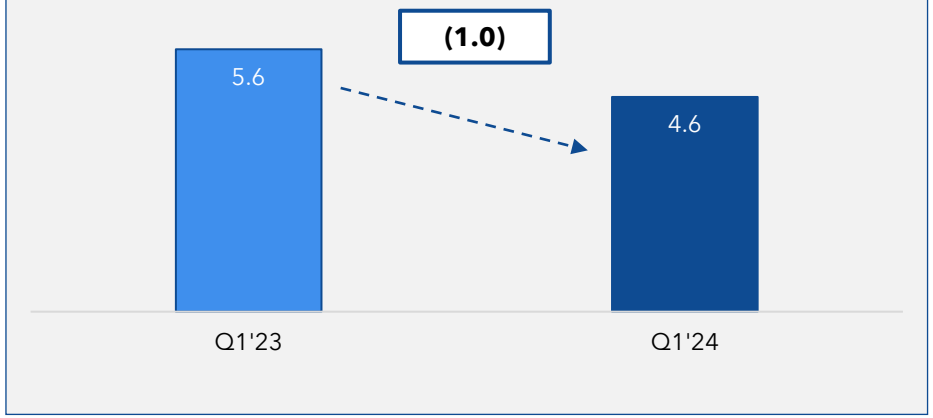
Sales and Adjusted Operating Income

Q1

Revenue ($mm)



Adjusted OI ($mm)



Commentary

- Q1 revenue declined 9% against a strong Q1'23 as customers manage inventory levels; strong sequential growth of 9% versus Q4'23
- Q1 adjusted OI margin decline of $1.0 million; sequential improvement versus Q4'23 of $1.2 million
- Focus is on improving delivery performance and lead time to drive customer demand

Seating | **Mirrors** | **Wipers**

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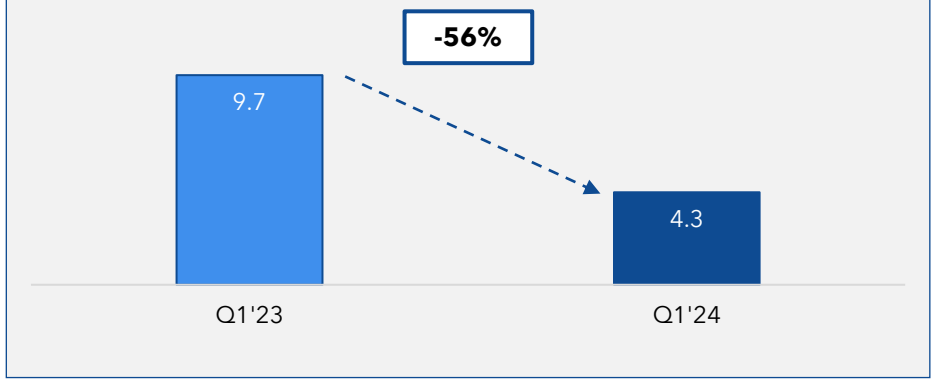
Industrial Automation

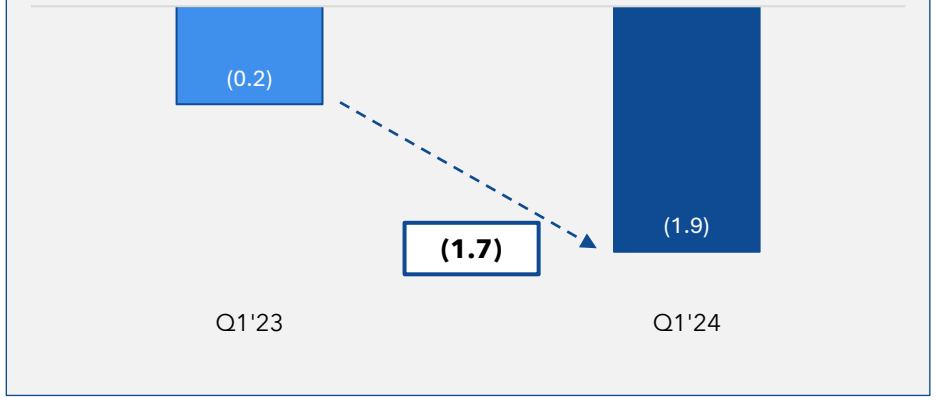
Sales and Adjusted Operating Income

Q1

Revenue ($mm)



Adjusted OI ($mm)



Commentary

- Q1 revenue down 56% as customer demand declined
- Focused on generating new orders
- Q1 adjusted OI down $1.7 million driven by lower sales volumes and higher investment in SG&A supporting New Products
- Strong interest in STACC following Modex trade show in March, assessing partnership opportunities to speed launch

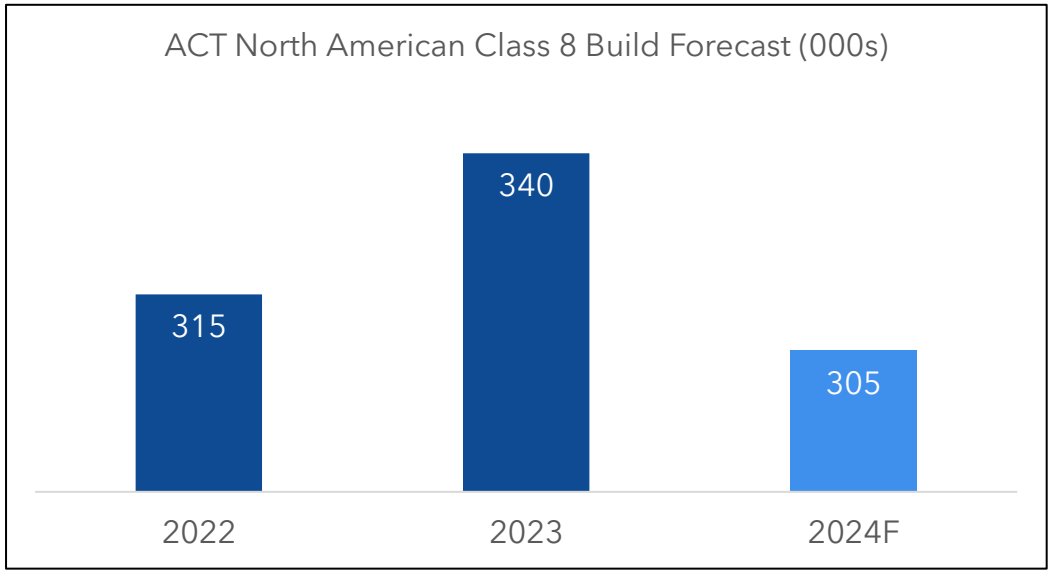
STACC
STACKED TOTE AUTOMATED CONVEYANCE CUBE

REVOLUTIONIZING **HYPER-DENSITY**
MICRO **FULFILLMENT**



Updated Fiscal 2024 Outlook

FY24 CVG Outlook ($mm)		
Metric	**2023 Actual**	**2024 Outlook**
Net Sales	995	915 – 1,015
Adjusted EBITDA	68	60 - 73



- **YoY Class 8 truck build decline of ~10% lower than previously forecast, offset by weaker construction and agricultural markets**
  - Closely monitoring the volatility and uncertainty of market environment
- **Full year 2024 margin performance expected to be flat compared to 2023, depending on volumes**
  - Continued mix improvement toward Electrical Systems expected to partially offset lower volumes
  - Proactive actions to address inflation and reduce costs
- **Continued balance sheet improvement in 2024**
  - Free cash flow expected to provide optionality of debt paydown and inorganic growth



Appendix

Q4/FY 2023

March 5, 2024

Non-GAAP Financial Measures

This earnings presentation contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). In general, the non-GAAP measures exclude items that (i) management believes reflect the Company's multi-year corporate activities; or (ii) relate to activities or actions that may have occurred over multiple or in prior periods without predictable trends. Management uses these non-GAAP financial measures internally to evaluate the Company's performance, engage in financial and operational planning and to determine incentive compensation.

Management provides these non-GAAP financial measures to investors as supplemental metrics to assist readers in assessing the effects of items and events on the Company's financial and operating results and in comparing the Company's performance to that of its competitors and to comparable reporting periods. The non-GAAP financial measures used by the Company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. The financial results calculated in accordance with GAAP and reconciliations to those financial statements are set forth in the supplemental information.

Reconciliation of GAAP to Non-GAAP Financial Measures

(in millions)	Q1 2024	Q1 2023
Operating Income/(Loss)	6.6	14.6
Restructuring	1.9	0.7
Adjusted Operating Income	8.5	15.4
% of Revenues	3.6%	5.8%
Net Income/(Loss)	2.9	8.7
Interest Expense	2.3	2.9
Provision (benefit) for income taxes	1.2	3.3
Depreciation Expense	3.7	3.4
Amortization Expense	0.8	0.8
EBITDA	10.8	19.1
% of Revenues	4.7%	7.3%
EBITDA Adjustments		
Restructuring	1.9	0.7
Deferred consideration purchase accounting	-	-
Adjusted EBITDA	12.7	19.8
% of Revenues	5.5%	7.5%

Note: totals may not match due to rounding

Reconciliation of GAAP to Non-GAAP Financial Measures

(in millions)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net income/(Loss)	2.5	3.6	(32.0)	8.7	10.1	7.3	23.3	2.9
Interest	2.1	2.8	2.9	2.9	2.8	2.6	2.4	2.3
Provision / (Benefit) for Income Taxes	0.9	1.3	17.4	3.3	2.7	2.2	(21.3)	1.2
Depreciation	3.7	3.7	3.7	3.4	3.5	3.6	3.6	3.7
Amortization	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.8
EBITDA	10.0	12.2	(7.1)	19.1	20.0	16.6	8.8	10.8
Adjustments								
Executive Transition	-	0.3	-	-	-	-	0.8	-
Restructuring	1.8	0.7	2.0	0.7	0.7	0.1	0.8	1.9
Inventory adjustment	-	-	10.4	-	-	-	-	-
Deferred consideration purchase accounting	0.1	0.1	-	-	-	-	-	-
Loss on extinguishment of debt	0.9	-	-	-	-	-	-	-
Hryvnia fair value adjustments on forward exchange contracts	(0.4)	(0.1)	(0.1)	-	-	-	-	-
Pension settlement	-	1.1	8.1	-	-	-	-	-
Adjusted EBITDA	12.4	14.3	13.3	19.8	20.8	16.6	10.3	12.7

Note: totals may not match due to rounding

Reconciliation of GAAP to Non-GAAP Financial Measures – Diluted EPS

(in millions except for share information)	Q1 2024	Q1 2023
Net income/(Loss)	2.9	8.7
Operating income (loss) adjustments	1.9	0.7
Adjusted (benefit) provision for income taxes	(0.5)	(0.2)
Adjusted net income (loss)	4.4	9.2
Diluted EPS	0.09	0.26
Adjustments to diluted EPS	0.04	0.02
Adjusted diluted EPS	0.13	0.28

Note: totals may not match due to rounding

Segment GAAP to Non GAAP QTD

For the Three Months Ended Mar 31, 2024						
(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Industrial Automation	Corporate	Total
Operating Income/(Loss)	10.4	2.0	4.5	(2.0)	(8.3)	6.6
Restructuring	0.5	1.1	0.0	0.1	0.1	1.9
Adjusted Operating Income/(Loss)	10.9	3.1	4.6	(1.9)	(8.2)	8.5
% of Revenue	7.9%	5.6%	13.4%	(44.6%)	-	3.6%

For the Three Months Ended Mar 31, 2023						
(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Industrial Automation	Corporate	Total
Operating Income/(Loss)	13.4	6.1	5.6	(0.9)	(9.5)	14.6
Restructuring	0.1	-	-	0.6	-	0.7
Adjusted Operating Income/(Loss)	13.5	6.1	5.6	(0.2)	(9.5)	15.4
% of Revenue	8.4%	11.1%	14.8%	(2.5%)		5.8%

Note: totals may not match due to rounding

Reconciliation of GAAP to Non-GAAP Cash Flow Information

(in millions)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Cash Flow from Operations	$ 16.9	$ 38.3	$ 35.2	$ 0.1	$ 11.5	$ 18.5	$ 8.3	$ (2.4)
Capital Expenditures[1]	(5.0)	(3.9)	(7.2)	(3.3)	(5.9)	(6.0)	(4.5)	(5.1)
Free Cash Flow	11.9	34.4	28.0	(3.2)	5.6	12.5	3.8	(7.4)

[1]Net of proceeds from disposal/sale of property, plant, and equipment