



Q4-2024 Earnings Presentation



James Ray – President & Chief Executive Officer
Andy Cheung – Executive Vice President & Chief Financial Officer

March 11, 2025

Forward Looking Statements and Non-GAAP Financial Measures



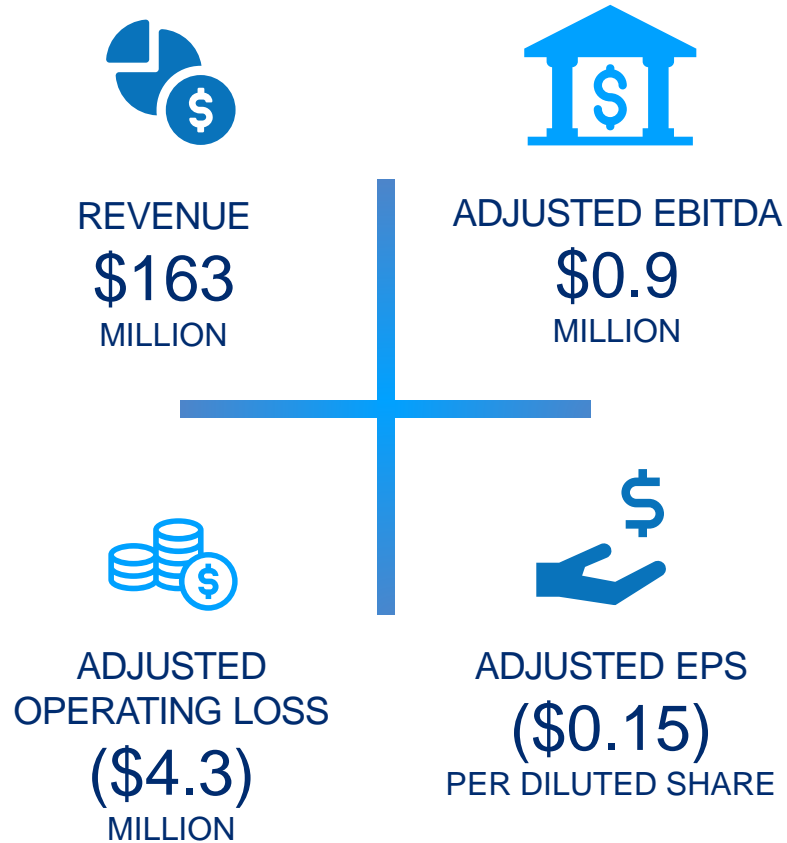
These slides contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. For this purpose, any statements contained herein that are not statements of historical fact, including without limitation, certain statements herein regarding industry outlook, 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 and agricultural equipment business, the Company's prospects in the wire harness 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 global supply chain constraints, inflation and labor shortages, tariffs and counter-measures, financial covenant compliance, anticipated effects of acquisitions or divestitures, production of new products, plans for capital expenditures and our results of operations or financial position and liquidity, may be deemed to be forward-looking statements. Without limiting the foregoing, the words "believe", "anticipate", "plan", "expect", "intend", "will", "should", "could", "would", "project", "continue", "likely", and similar expressions, as they relate to us, are intended to identify forward-looking statements. The important factors discussed in "Item 1A - Risk Factors" in the Company's Annual Report on Form 10-K, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. Such forward-looking statements represent management's current expectations and are inherently uncertain. Investors are warned that actual results may differ from management's expectations. Additionally, various economic and competitive factors could cause actual results to differ materially from those discussed in such forward-looking statements, including, but not limited to, factors which are outside our control.

Any forward-looking statement that we make in this press release speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

See slide 14 for use of non-GAAP financial measures.

Q4 2024 Overview

Q4 FINANCIAL OVERVIEW

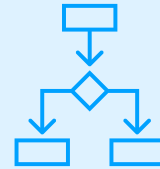


Note: US GAAP net loss was (\$35.0M) for Q4 2024. GAAP loss per share was (\$1.04) for Q4 2024.



2024 TAKEAWAYS

TRANSFORMATION PROGRESS



- Strategic portfolio actions and process improvement efforts have facilitated operational efficiencies and position CVG well for margin accretion in future periods

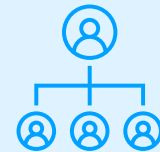
NEW BUSINESS WINS



~\$97 MILLION

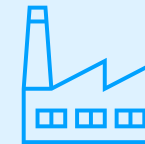
- Year-to-date program wins, estimated peak annual value when fully ramped, majority in Electrical System segment; with meaningful wins in Vehicle Solutions

HEADCOUNT REDUCTIONS



- Approximately 1,300 roles (~17% of prior year total) eliminated from continuing operations through restructuring and cost reduction efforts

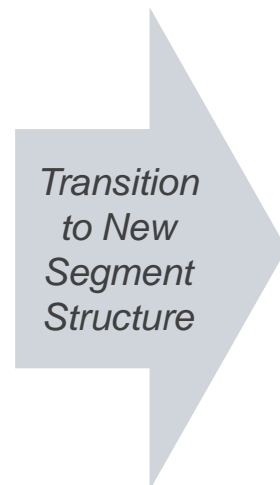
NEW, LOW-COST FACILITIES



- Continued shifting production capacity to new, lower-cost facilities in Morocco and Mexico, in an effort to improve operating leverage

New Organizational Structure

<i>Segments through 12/31/24</i>	
Segment	Key Product Categories
Electrical Systems <i>(26% of 2024 sales)</i>	<ul style="list-style-type: none"> • Cable and Wire Harness Assemblies • Control Boxes • Dashboard Assemblies
Vehicle Solutions <i>(56% of 2024 sales)</i>	<ul style="list-style-type: none"> • Seating Systems • Plastic & Trim Components
Aftermarket & Accessories <i>(18% of 2024 sales)</i>	<ul style="list-style-type: none"> • Seats and Components • Wipers & Sensors



<i>Segments beginning 1/1/25</i>	
Segment	Key Product Categories
Global Electrical Systems <i>(28% of 2024 sales)</i>	<ul style="list-style-type: none"> • Cable and Wire Harness Assemblies • Control Boxes • Dashboard Assemblies
Global Seating <i>(43% of 2024 sales)</i>	<ul style="list-style-type: none"> • Seating Systems • Aftermarket Seats and Components
Trim Systems and Components <i>(29% of 2024 sales)</i>	<ul style="list-style-type: none"> • Plastic and Trim Components • Wipers & Sensors

New Segment Structure Enhances Alignment with Customers and End Markets

Fourth Quarter 2024 Results

CONSOLIDATED RESULTS (Continuing Operations)

GAAP Measures	<u>Three Months Ended Dec 31</u>		<u>Twelve Months Ended Dec 31</u>	
	2024	2023	2024	2023
<i>(\$ in millions except for share information)</i>				
Revenue	\$ 163.3	\$ 193.7	\$ 723.4	\$ 835.5
Operating Income	(5.3)	4.1	(0.8)	39.9
Operating Income Margin	(3.2%)	2.1%	(0.1%)	4.8%
Diluted EPS	(1.04)	0.67	(1.07)	1.30

Non-GAAP Measures	<u>Three Months Ended Dec 31</u>		<u>Twelve Months Ended Dec 31</u>	
	2024	2023	2024	2023
<i>(\$ in millions except for share information)</i>				
Adjusted EBITDA	\$ 0.9	\$ 8.3	\$ 23.2	\$ 54.6
Adjusted EBITDA Margin	0.6%	4.3%	3.2%	6.5%
Adjusted Diluted EPS	(0.15)	0.06	(0.11)	0.70
Free Cash Flow	0.8	4.3	12.2	10.5

Commentary

- Revenue down 16% in Q4 due to lower sales caused by softening in customer demand in our Vehicle Solutions and Electrical Systems segments
- Adjusted EBITDA down \$7.4 million, due to lower volumes and operational inefficiencies
- Officially closed the sale of CVG's Industrial Automation business on October 30, 2024, aligning focus on the new end market-centric segmentation effective 1/1/2025
- Adjusted EPS down \$0.21 due to lower revenue and margins, partially offset by lower interest expense
- Net leverage at 4.7x

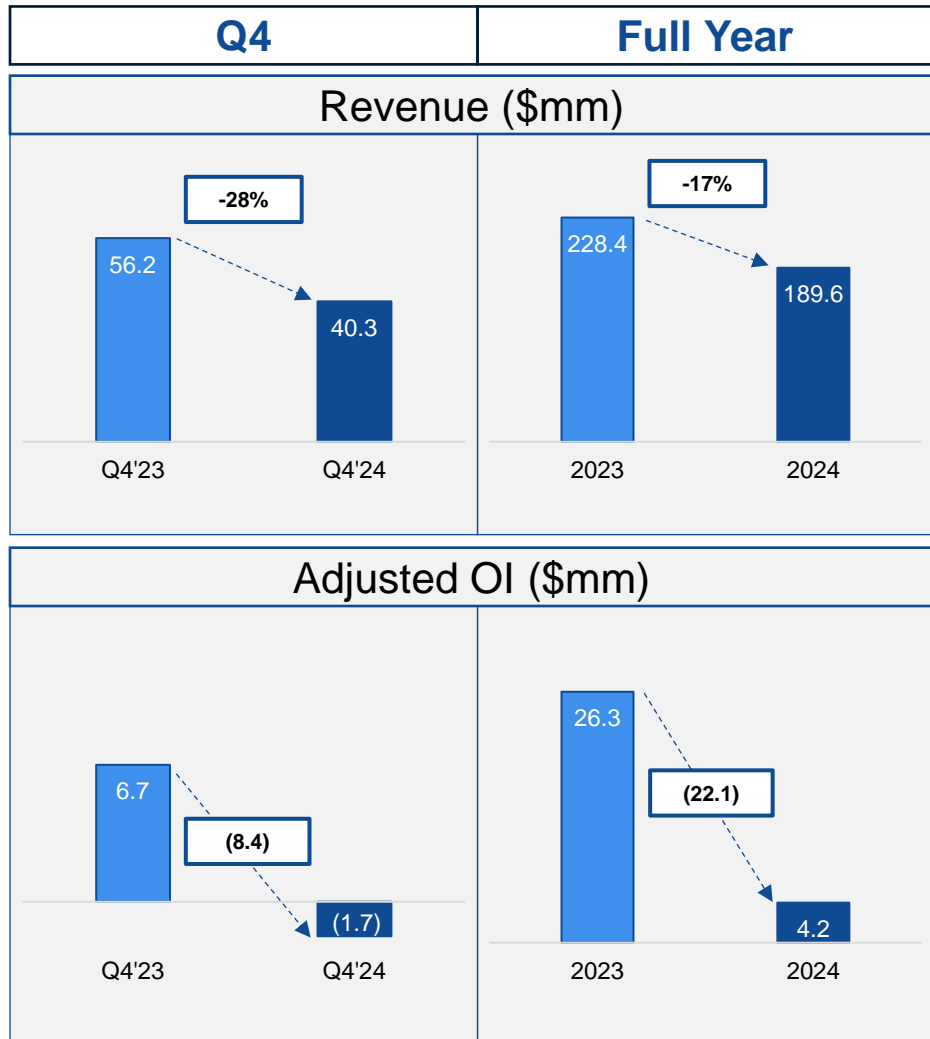
2024 Cash Flow

Factors Impacting 2024 Cash Flow		
<u>Category</u>	<u>2024 Impact (\$M)</u>	<u>Strategic Actions Supported</u>
Discontinued Operations	\$15	Cab Structures and Industrial Automation divestitures
Restructuring Actions	\$11	Headcount reductions to streamline cost structure and improve profitability
Inventory	\$10	Chillicothe facility consolidation, new facility and product launch ramps

Investment needs in 2024 to support strategic actions have limited impact on 2025

Electrical Systems

Sales and Adjusted Operating Income



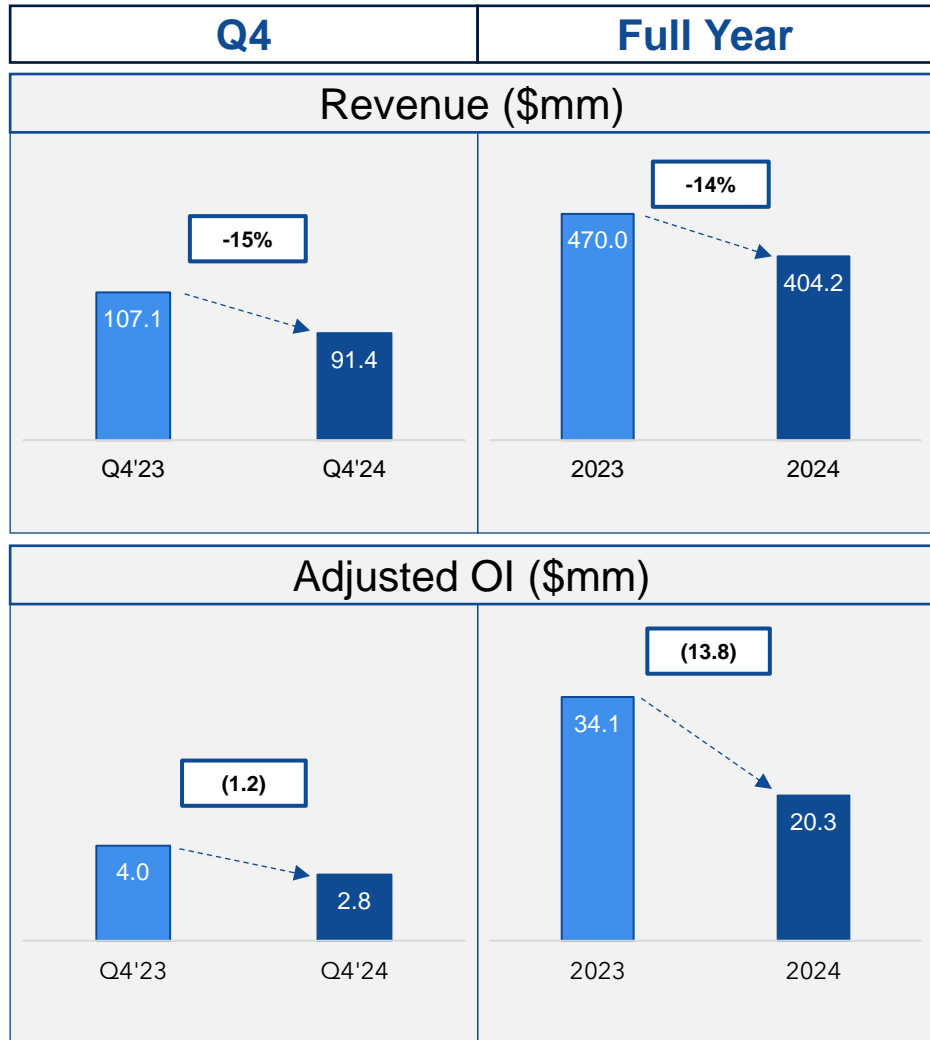
Commentary

- Revenue declined 28% in the quarter and 17% for the year, due to global Construction and Agriculture market softness and the slower ramp of new business wins
- Adjusted OI declined \$8.4 million in the quarter and \$22.1 million for the year, due to the impact of lower sales volumes and unfavorable foreign exchange
 - ✓ Underutilized capacity at new facilities drove inefficiencies
 - ✓ Restructuring actions taken in past quarters to align cost structure
- Continued to shift production to new low-cost facilities to enable operating leverage as markets recover in the future and as new business wins ramp



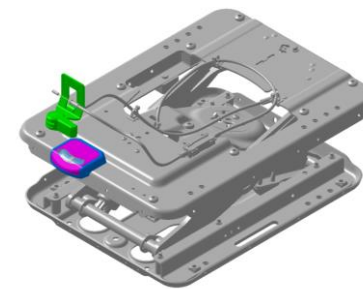
Vehicle Solutions

Sales and Adjusted Operating Income



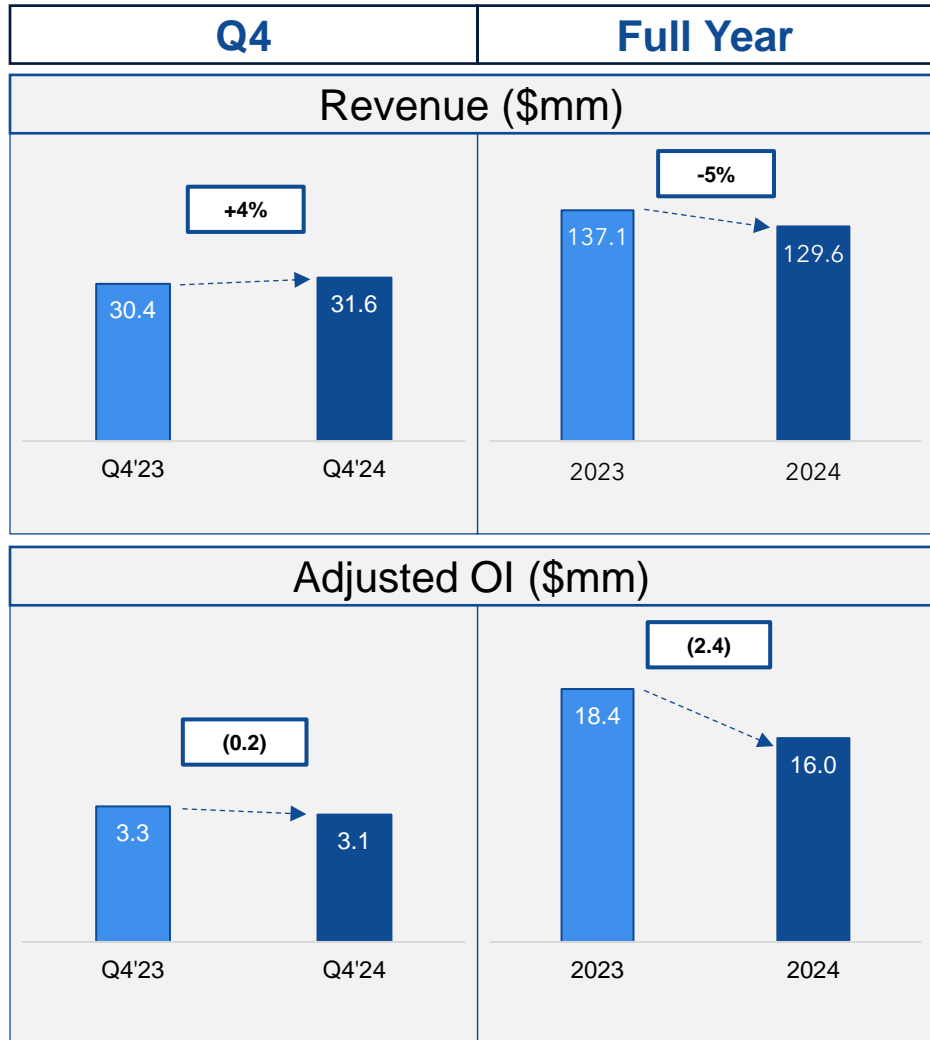
Commentary

- Revenue declined 15% in the quarter and 14% for the year, due to lower customer demand and wind-down of certain programs
- Adjusted OI declined \$1.2 million in the quarter and \$13.8 million for the year, due to lower volumes, operational inefficiencies, and increased freight costs
 - ✓ Expect improved operational performance going into 2025
- Portfolio actions allow focus on strengthening the Vehicle Solutions business
 - ✓ Restructuring actions taken to position CVG for margin accretion
- Recognized by global OEM customers for quality in the APAC region



Aftermarket

Sales and Adjusted Operating Income



Commentary

- Q4 revenue improved 4% year-over-year as slightly improved customer demand and resolved production constraints drove increased volumes
- Q4 adjusted OI decline of \$0.2 million due to increased manufacturing costs
- Remain focused on continuing to improve order-to-delivery lead times to drive customer demand

Seating



Mirrors

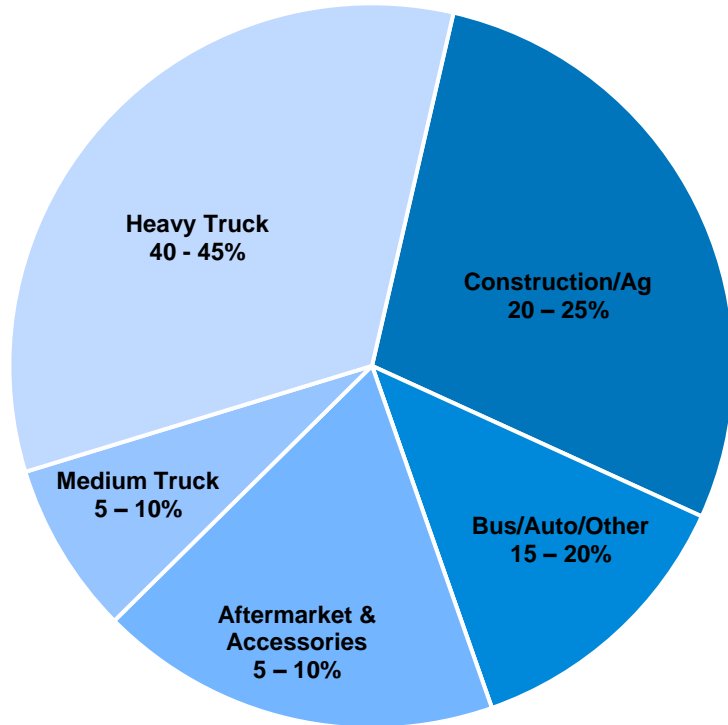


Wipers



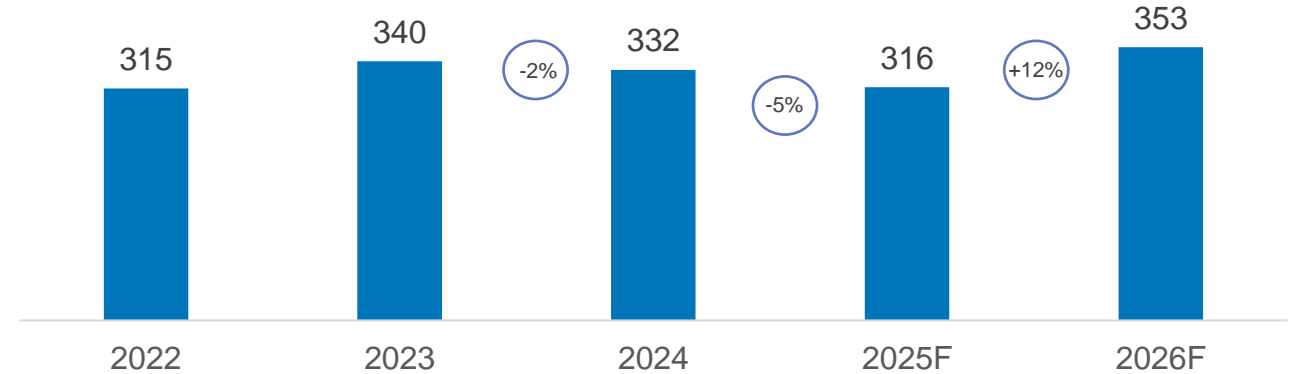
Key CVG Markets Update

CVG Revenue by End Market



NA Class 8 Heavy Truck Build Outlook

ACT Research is forecasting a weaker 2025 followed by strong growth in 2026



Source: ACT Research

Units in Thousands

Construction and Agricultural Equipment Market Outlook

- Construction equipment end market seeing global weakening with year over year volumes declining ~5-10%*, due to higher interest rates, weaker housing starts, and slower commercial real estate activity.
- Agriculture equipment end market experiencing year over year softening of ~5-10%*, due to higher interest rates and lower agricultural commodity prices.
- CVG remains optimistic on these markets given replacement needs and underlying secular trends, with a return to growth in 2026.

*Source: Customers' estimates

Fiscal 2025 Outlook

FY25 CVG Outlook (\$M)		
<u>Metric</u>	<u>2024 Results</u>	<u>2025 Outlook</u>
Net Sales	\$723.3	\$670 - \$710
Adjusted EBITDA	\$23.2	\$25 - \$30

- Class 8 truck build rate of 316k (down ~5% y/y); continued weakness in construction and agricultural markets offset by ramp of new business in Electrical Systems
- Expect EBITDA growth and margin expansion in 2025
- Positive Free Cash Flow expected in 2025 and will be used to pay down debt
 - ✓ Focus on returning working capital and inventory back to historical levels
- Net leverage to peak in H1'25 before declining in H2'25

Guidance reflects operational improvement and ramp of new business in Electrical Systems

CVG Key Investment Highlights




- 1 Secular trends driving growth in total addressable market
- 2 Focused on growing our global Electrical Systems business
- 3 Strategic actions completed with the goal of improving operational efficiency and underlying profitability
- 4 Stronger operating leverage in anticipated end market recovery
- 5 Improving cash flow to drive future debt paydown

More Focused and Better Positioned for Future Success

Appendix

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)	Q4 2024	Q4 2023	FY 2024	FY 2023
Operating Income/(Loss)	(5.3)	4.1	(0.8)	39.9
Restructuring	1.0	1.4	10.8	1.8
Gain on sale of fixed assets	-	-	(3.5)	-
Adjusted Operating Income	(4.3)	5.4	6.5	41.7
% of Revenues	(2.6%)	2.8%	0.9%	5.0%
Net Income/(Loss)	(35.0)	22.6	(35.7)	43.6
Interest Expense	2.2	2.3	9.2	10.2
Provision (benefit) for income taxes	28.6	(21.5)	27.5	(15.2)
Depreciation Expense	3.5	3.3	13.9	13.1
Amortization Expense	0.1	0.3	0.6	1.1
EBITDA	(0.6)	7.0	15.5	52.8
% of Revenues	(0.4%)	3.6%	2.1%	6.3%
EBITDA Adjustments				
Restructuring	1.0	1.4	10.8	1.8
(Gain) loss on sale of fixed assets	-	-	(3.5)	-
Loss on early extinguishment of debt	0.5	-	0.5	-
Adjusted EBITDA	0.9	8.3	23.2	54.6
% of Revenues	0.6%	4.3%	3.2%	6.5%



Note: totals may not match due to rounding

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

(in millions except for share information)	Q4 2024	Q4 2023	FY 2024	FY 2023
Net income/(Loss) from continuing operations	(35.0)	22.6	(35.7)	43.6
Operating income (loss) adjustments	1.0	1.4	7.2	1.8
Loss on early extinguishment of debt	0.5	-	0.5	-
Tax Valuation Allowance	28.8	(21.5)	28.8	(21.5)
Adjusted (benefit) provision for income taxes	(0.4)	(0.3)	(1.9)	(0.5)
Adjusted net income (loss) from continuing operations	(5.1)	2.1	(1.2)	23.5
Diluted EPS	(1.04)	0.67	(1.07)	1.30
Adjustments to diluted EPS	0.89	(0.61)	1.04	(0.60)
Adjusted diluted EPS	(0.15)	0.06	(0.03)	0.70



Note: totals may not match due to rounding

Segment GAAP to Non-GAAP QTD

For the Three Months Ended December 31, 2024

(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Corporate	Total
Operating Income/(Loss)	1.7	(1.7)	3.2	(8.5)	(5.3)
Restructuring	1.1	-	(0.0)	-	1.0
Adjusted Operating Income/(Loss)	2.8	(1.7)	3.1	(8.5)	(4.3)
% of Revenue	3.0%	(4.2%)	9.9%	-	(2.6%)

For the Three Months Ended December 31, 2023

(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Corporate	Total
Operating Income/(Loss)	3.6	6.7	3.3	(9.5)	4.1
Restructuring	0.4	-	-	1.0	1.4
Adjusted Operating Income/(Loss)	4.0	6.7	3.3	(8.6)	5.4
% of Revenue	3.7%	11.9%	10.9%	-	2.8%

Segment GAAP to Non-GAAP Full Year

For the Twelve Months Ended December 31, 2024					
(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Corporate	Total
Operating Income/(Loss)	17.9	0.4	15.0	(34.1)	(0.8)
Restructuring	5.9	3.7	0.9	0.2	10.8
Gain on Sale of Assets	(3.5)	-	-	-	(3.5)
Adjusted Operating Income/(Loss)	20.3	4.2	16.0	(34.0)	6.5
% of Revenue	5.0%	2.2%	12.3%	-	0.9%

For the Twelve Months Ended December 31, 2023					
(in millions)	Vehicle Solutions	Electrical Systems	Aftermarket	Corporate	Total
Operating Income/(Loss)	33.3	26.3	18.4	(38.0)	39.9
Restructuring	0.8	0.0	-	1.0	1.8
Adjusted Operating Income/(Loss)	34.1	26.3	18.4	(37.1)	41.7
% of Revenue	7.2%	11.5%	13.4%	-	5.0%



Reconciliation of GAAP to Non-GAAP Cash Flow Information

(in millions)	Q4 2024	Q4 2023	FY 2024	FY 2023
CONTINUING OPERATIONS				
Cash Flow from Operations	\$ (17.2)	\$ 8.5	\$ (19.5)	\$ 29.5
Capital Expenditures ¹	(4.0)	(4.2)	(17.7)	(18.9)
Proceeds From Disposal/Sale of Property, Plant, and Equipment	-	-	4.5	-
Proceeds From Sale of Business	22.0	-	45.0	-
Free Cash Flow from Continuing Operations	0.8	4.3	12.2	10.5
DISCONTINUED OPERATIONS				
Cash Flow from Operations	\$ (9.4)	\$ (0.2)	\$ (14.0)	\$ 8.8
Capital Expenditures ¹	-	(0.3)	(0.8)	(0.8)
Free Cash Flow from Discontinued Operations	(9.4)	(0.5)	(14.8)	8.1
TOTAL COMPANY				
Cash Flow from Operations	\$ (26.6)	\$ 8.3	\$ (33.5)	\$ 38.3
Capital Expenditures ¹	(4.0)	(4.5)	(18.5)	(19.7)
Proceeds From Disposal/Sale of Property, Plant, and Equipment	-	-	4.5	-
Proceeds From Sale of Business	22.0	-	45.0	-
Free Cash Flow	(8.6)	3.8	(2.6)	18.6
¹ Net of proceeds from disposal/sale of property, plant, and equipment				