



# Second Quarter 2022 Earnings Conference Call



August 4, 2022



# Forward-looking Statements and Non-GAAP Financial Measures



## Forward-Looking Statements

This presentation and webcast contain statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and can generally be identified by the use of future dates or words such as “assumes,” “may,” “should,” “could,” “will,” “expects,” “expected,” “seeks to,” “anticipates,” “plans,” “believes,” “estimates,” “foresee,” “intends,” “outlook,” “guidance,” “predicts,” “projects,” “projecting,” “potential,” “targeting,” “will likely result,” or “continue,” or the negative of such terms and other comparable terminology. These statements also include, but are not limited to, the 2022 outlook included herein, the impact of COVID-19 and the resulting supply chain disruptions, as well as the Ukraine Conflict, on our future growth and earnings. These statements are not guarantees of future performance and involve risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, risks, and uncertainties discussed in Superior's Securities and Exchange Commission filings and reports, including Superior's current Annual Report on Form 10-K, and other reports from time to time filed with the Securities and Exchange Commission. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this webcast and presentation.

## Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this earnings release, this release refers to the following non-GAAP measures:

“Adjusted EBITDA,” defined as earnings before interest income and expense, income taxes, depreciation, amortization, restructuring charges and other closure costs and impairments of long-lived assets and investments, changes in fair value of redeemable preferred stock embedded derivative liability, acquisition and integration and certain hiring and separation related costs, proxy contest fees, gains associated with early debt extinguishment and accounts receivable factoring fees. “Value-Added Sales,” defined as net sales less the value of aluminum, other costs, and services provided by outsourced service providers that are included in net sales. “Value-Added Sales Adjusted for FX,” which is also referred to as “Value-Added Sales Adjusted for Foreign Exchange,” defined as Value-Added Sales adjusted for the impact of foreign exchange translation. “Content per Wheel,” defined as Value-Added Sales Adjusted for FX on a per unit (wheel) shipment basis. “Free Cash Flow,” defined as the net cash from operations, investing activities, and non-debt components of financing activities. “Net Debt,” defined as total funded debt less cash and cash equivalents.

For reconciliations of these non-GAAP measures to the most directly comparable GAAP measure, see the attached supplemental data pages. Management believes these non-GAAP measures are useful to management and may be useful to investors in their analysis of Superior's financial position and results of operations. Further, management uses these non-GAAP financial measures for planning and forecasting purposes. This non-GAAP financial information is provided as additional information for investors and is not in accordance with or an alternative to GAAP and may be different from similar measures used by other companies.

In reliance on the safe harbor provided under section 10(e) or Regulation S-K, Superior has not quantitatively reconciled from net income, the most comparable GAAP measure, to Adjusted EBITDA presented in the 2022 outlook, as Superior is unable to quantify certain amounts included in net income without unreasonable efforts and due to the inherent uncertainty regarding such variables. Superior also believes that such reconciliation would imply a degree of precision that could potentially be confusing or misleading to investors. However, the magnitude of these amounts may be significant.





## **Introduction**

Joanne Finnorn

*Senior Vice President, Investor Relations,  
Sustainability and Corporate Secretary*

## **Business Update**

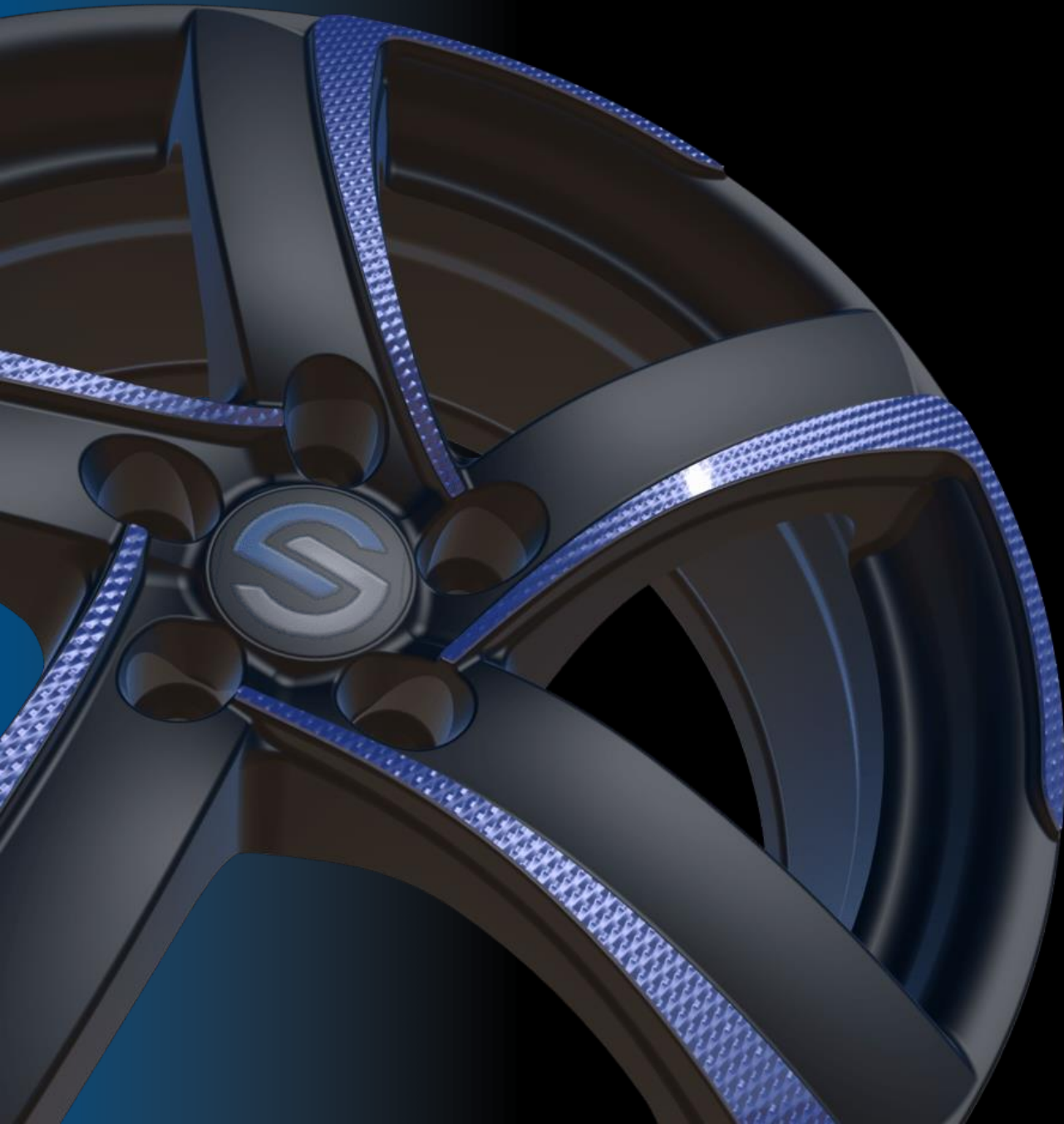
Majdi Abulaban

*President and Chief Executive Officer*

## **Financial Review**

Tim Trenary

*Executive Vice President and Chief Financial Officer*



# Business Update



# Financial and Operational Highlights

## *Operational Discipline Supporting Strong Profitability*



**Q2 2022**

### UNIT SHIPMENTS

 **4.0M** Down 4%  
year-over-year

### NET SALES

 **\$432M** Up 24%  
year-over-year

### VALUE-ADDED SALES ADJUSTED FOR FX<sup>(1)</sup>

 **\$197M** Up 1%  
year-over-year

### ADJUSTED EBITDA<sup>(1)</sup>

 **\$51M** 28% of Value-  
Added Sales<sup>(1)</sup>

### CONTENT PER WHEEL<sup>(1)</sup>

 **\$49.26** Up 5%  
year-over-year

### Continued macroeconomic headwinds impacting industry production

- Semiconductor shortages, supply chain disruptions, Ukraine Conflict driving YoY industry production declines
- Inflation headwinds continue, manifesting through elevated aluminum and other costs

### Leveraging operational strengths and innovative portfolio to support growth

- Net sales increased 24% due to aluminum and other cost pass-throughs and favorable mix
- H1 2022 YoY Value-Added Sales flat versus market against record strong H1 2021 growth
- Adjusted EBITDA<sup>(1)</sup> margin as % of Value-Added Sales<sup>(1)</sup> of 28%, above pre-pandemic levels
- Continued progress on customer recoveries for current and past periods
- 19" and greater wheels approximately 52%<sup>(2)</sup> of OEM shipments

### Continued cash generation from operations

- Operating cash flow of \$12M in Q2 2022
- Liquidity remains strong at \$287M<sup>(3)</sup>
- Reduced Net Debt <sup>(1)</sup> to \$471M, reaching historic low

**Delivering strong profitability and cash generation  
despite continued historically low industry production volumes**

<sup>(1)</sup> Value-Added Sales, Value-Added Sales Adjusted for FX, Content per Wheel, Adjusted EBITDA, and Net Debt are non-GAAP financial measures

<sup>(2)</sup> Average observed during Q2 2022

<sup>(3)</sup> Includes cash and availability on committed revolving credit facilities

# Driving Long-Term Growth over Market



North America Industry Results <sup>(1)</sup>	
NA	Q2 2021 to Q2 2022
Industry Units	12%
Key Customer Units	14%



Europe Industry Results <sup>(1)</sup>	
EU	Q2 2021 to Q2 2022
Industry Units	3%
Key Customer Units	2%

**Consistent Growth over Market<sup>(2)</sup> since  
January 2019**

**FY 2019 vs Q2 2022 LTM CAGR: 8%**

**Sustained Outperformance from H1 2021**

**H1 2022 Growth over Market<sup>(2)</sup>: 0%**

**H1 2021 Growth over Market<sup>(2)</sup>: 22%**

<sup>(1)</sup> Source: IHS Automotive as reported on July 15, 2022; Europe based on Western and Central Europe

<sup>(2)</sup> Growth over Market ("GOM") is based on Value-Added Sales Adjusted for FX<sup>(2)</sup>, a non-GAAP financial measure (see page 2 for definition and the appendix for reconciliation to the most comparable GAAP measure), compared to North American and Western and Central European industry production as reported by IHS on July 15, 2022



## Tailwinds

- + Ongoing demand for premium mix
- + Low inventory levels
- + Pent-up demand expected to support industry recovery
- + Industry migration towards localized supply chains

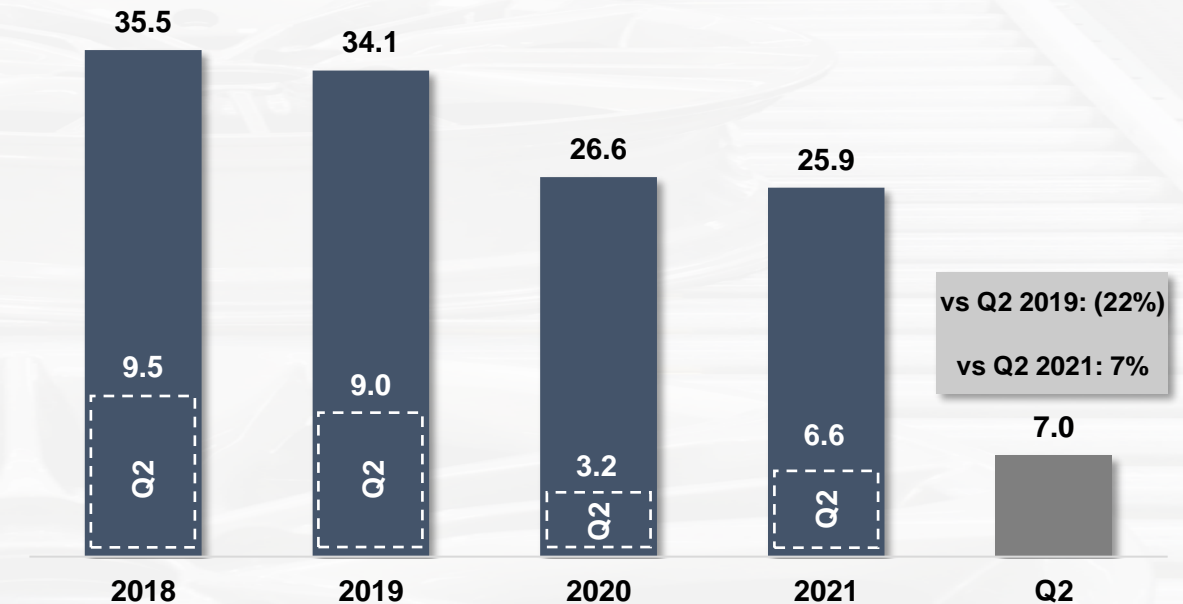


## Challenges

- Semiconductor shortages and other supply chain challenges continue to impact the industry
- Volatility of OEM demand schedules continues
- Continued impact of inflationary environment with increases in raw material, energy, labor
- EU OEM customer production affected by Russia/Ukraine Conflict

## Global Industry Production Levels<sup>(1)</sup>

(in millions)



<sup>(1)</sup> IHS industry production forecasts dated July 15, 2022 (Europe based on Western and Central Europe)

*Industry production remains well below pre-COVID levels*



# Disciplined Strategy Execution

## EXECUTING ON OPERATIONAL EXCELLENCE TO SUPPORT PROFITABLE GROWTH

### Stabilize and Execute Current Portfolio

- Focus on Premium Launches
- Improve Troubled Product Lines
- Restructure Footprint
- Reduce Structural Costs

### Operational Excellence

- Cost Discipline
- Quality
- ★ Commercial Discipline
- ★ Continuous Improvement
- ★ Global Procurement Savings
- Premium Product Capabilities

### Profitable Growth

- Growth Over Market
- Bookings
- Portfolio Expansion
- EV Penetration
- Green Products
- Launch
- ★ “Local for Local” Footprint

Shareholder Value



<sup>(1)</sup> Adjusted EBITDA is a non-GAAP financial measure; see page 2 for definition and the appendix for reconciliation to the most comparable GAAP measure



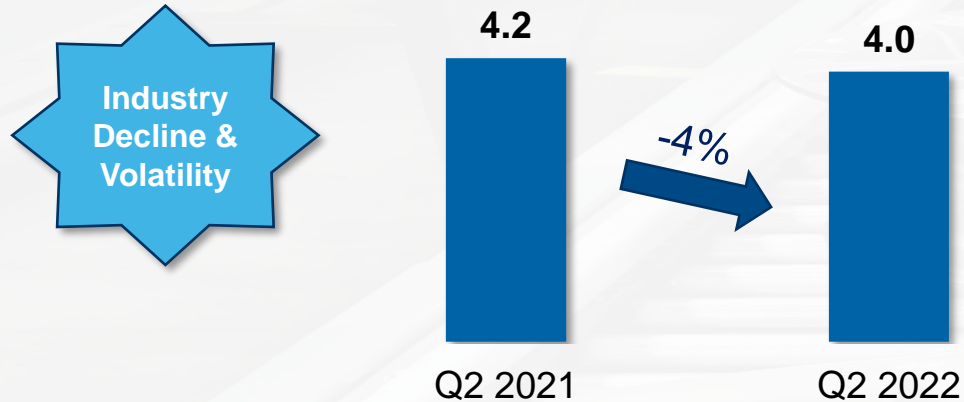
# Cost and Commercial Discipline, Innovative Portfolio (Q2 YoY)



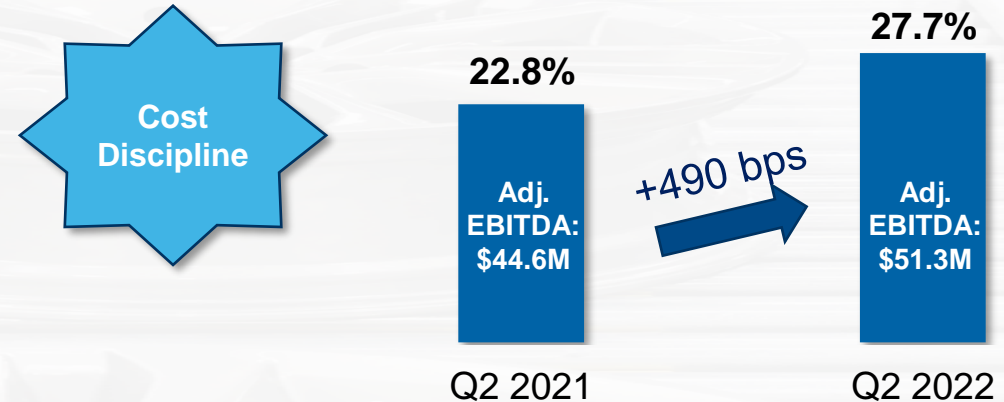
*Demonstrating commercial and cost discipline in a volatile production environment*

## Volume

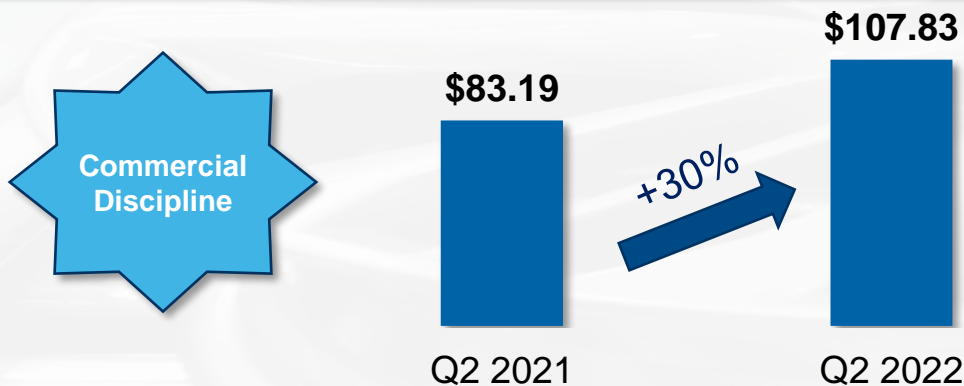
(in millions)



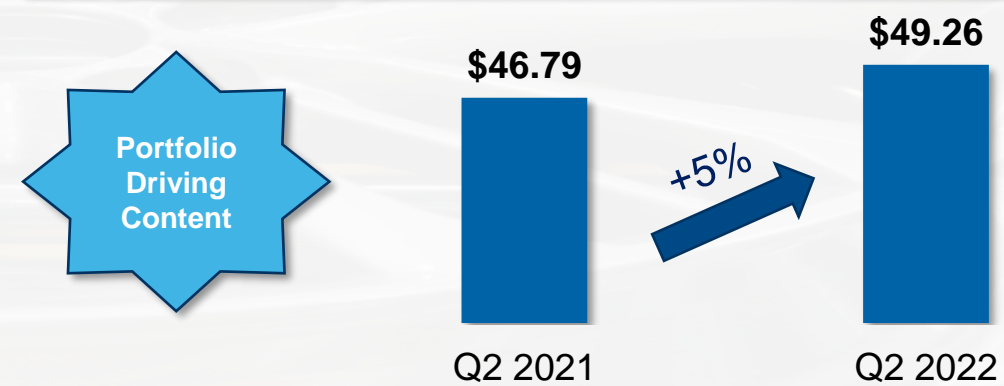
## Adjusted EBITDA<sup>(1)</sup> Margin (% of VAS<sup>(1)</sup>)



## Net Sales per Wheel



## Content per Wheel<sup>(1,2)</sup>



<sup>(1)</sup> Value-Added Sales, Value-Added Adjusted for FX, Content per Wheel, and Adjusted EBITDA are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures

<sup>(2)</sup> Based on Value-Added Sales Adjusted for FX

# Growing Portfolio of Leading Premium Wheel Technologies



## Light Weighting Technologies

Delivers high performance while supporting fuel efficiency and CO<sub>2</sub> reduction requirements



## Electrification/Aerodynamics

Aero Inserts



Aerodynamic wheel performance supports extended mobility and fuel efficiency

## Premium Finishing

Physical Vapor Deposition (PVD)



Innovations in coatings, milling and finishes, e.g., PVD, an environmentally friendly, highly durable chrome-like finish

## Large-Diameter Wheels 19" or Greater



Increasing customer preference for large-diameter wheels (19" and greater)



## Select Q2 2022 Highlights



**Lucid Sport**



**Volvo XC40**



*Superior has an expanding portfolio of differentiated technologies that are well-positioned to capitalize on market trends*



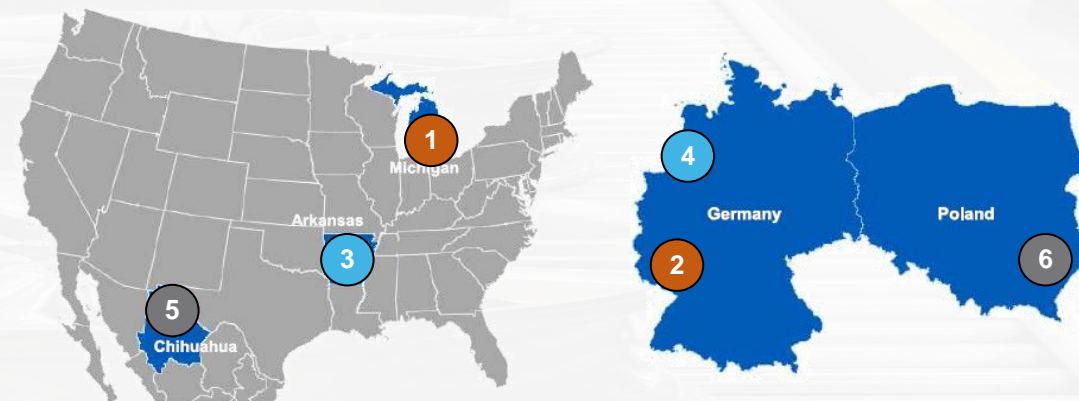
## Strategic Wins with New and Existing Customers in North America Seeking Localization to De-risk Long Supply Chains



- ✓ Large 1.6 million wheel program with Japanese OEM in NA
- ✓ Major win with top 3 NA OEM
- ✓ First **aftermarket** collaboration with WheelPros in NA

### Key Tailwinds:

- OEMs are focused on de-risking supply chains by sourcing locally
- Shorter supply chains lower carbon footprint, helping customers achieve sustainability goals
- Regional production enables customers to mitigate trade tariffs



### Headquarters

- |                          |                                |
|--------------------------|--------------------------------|
| <b>1</b> SOUTHFIELD, MI  | <b>2</b> BAD DUERKEIM, GERMANY |
| • Corporate Headquarters | • European Headquarters        |
| • Customer Center        | • R&D Center (Aftermarket)     |

### Production/Engineering

- |                           |                                       |
|---------------------------|---------------------------------------|
| <b>3</b> FAYETTEVILLE, AR | <b>4</b> WERDOHL/LUEDENSCHIED GERMANY |
| • R&D Center              | • Production Facility                 |
|                           | • R&D and Customer Center             |

### Production Facility

- |                            |                               |
|----------------------------|-------------------------------|
| <b>5</b> CHIHUAHUA, MEXICO | <b>6</b> STALOWA WOLA, POLAND |
| • 4 Production Facilities  | • 3 Production Facilities     |
| • Shared Services Center   | • Mold Shop                   |

*Creating high-value partnerships with OEMs through our “Local for Local” manufacturing footprint with strategic placement of global Superior facilities near our customers*

## Superior's 2022 Outlook

1 *Muted industry improvement during second half of the year*

2 *Adjusted EBITDA<sup>(2)</sup> of \$165M - \$185M*

3 *Cash Flow from Operations of \$105M - \$150M*

## FY 2022 Industry Light Vehicle Production Outlook<sup>(1)</sup>

North America

vs. 2021 FY

Low- to mid-single digit percentage growth

Europe

vs. 2021 FY

Flat- to mid-single-digit percentage growth

**Maintaining midpoint guidance for Adjusted EBITDA**

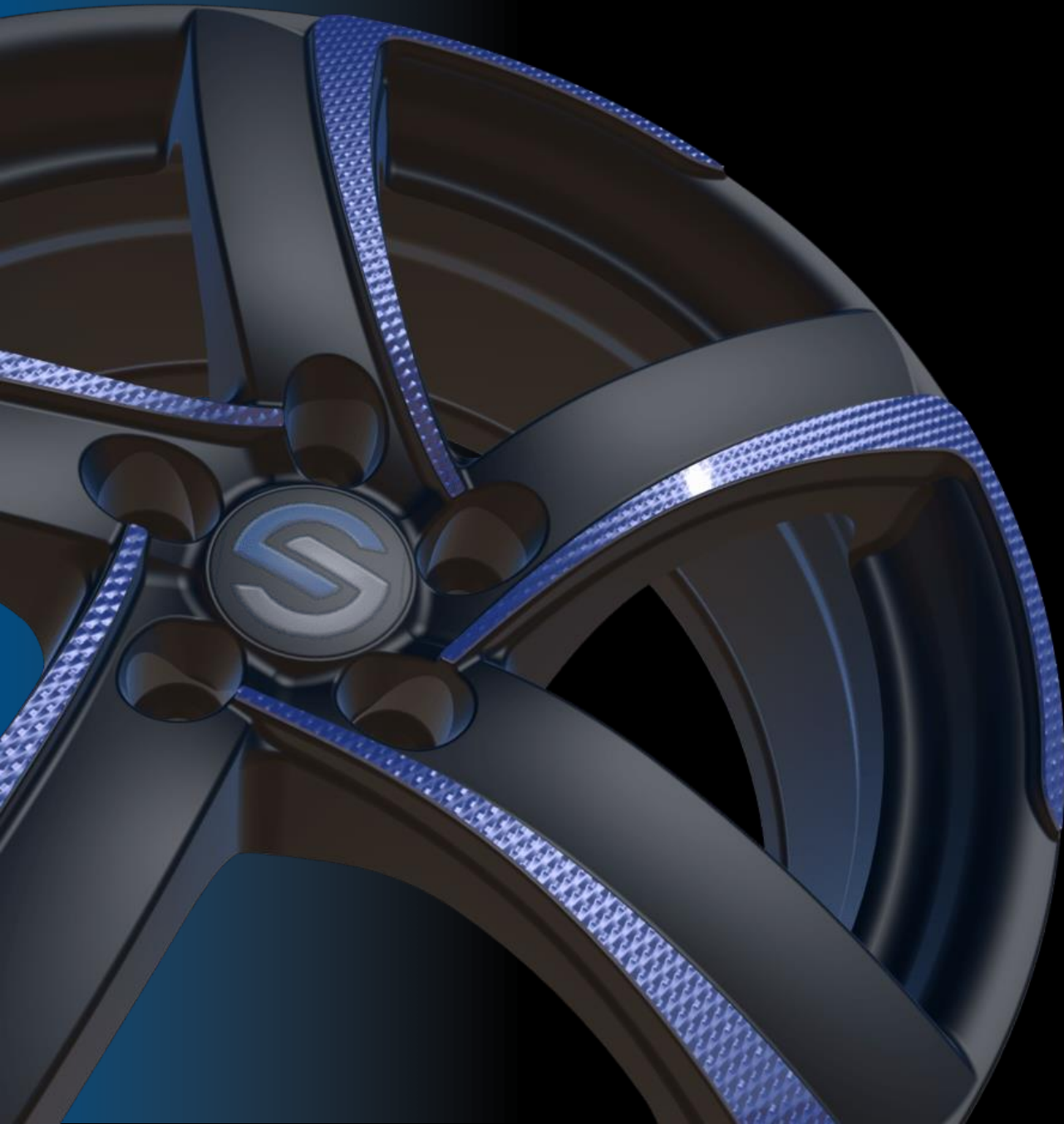
**Adjusting top-line guidance for foreign exchange**

***Taking cautionary approach to H2 2022 production outlook***

<sup>(1)</sup> Source: Management estimates. Europe based on Western and Central Europe.

<sup>(2)</sup> Adjusted EBITDA is a non-GAAP financial measure; Superior has not quantitatively reconciled from net income, the most comparable GAAP measure, to Adjusted EBITDA presented in the 2022 outlook, as Superior is unable to quantify certain amounts included in net income without unreasonable efforts and due to the inherent uncertainty regarding such variables.





# Financial Review

# Second Quarter Financial Summary



(\$ in millions, except earnings per share, and units in thousands)

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
<b>Units</b>				
North America	2,207	2,104	4,498	4,557
Europe	1,797	2,074	3,590	4,136
<b>Global</b>	<b>4,004</b>	<b>4,178</b>	<b>8,088</b>	<b>8,693</b>
<b>Net Sales</b>				
North America	\$ 259.7	\$ 177.0	\$ 486.9	\$ 369.0
Europe	171.9	170.5	345.2	336.7
<b>Global</b>	<b>\$ 431.5</b>	<b>\$ 347.5</b>	<b>\$ 832.1</b>	<b>\$ 705.7</b>
<b>Value-Added Sales <sup>(1)</sup></b>				
North America	\$ 96.3	\$ 88.6	\$ 194.2	\$ 190.3
Europe	89.2	106.9	180.7	212.4
<b>Global</b>	<b>\$ 185.5</b>	<b>\$ 195.5</b>	<b>\$ 374.9</b>	<b>\$ 402.7</b>
<b>Net Income</b>	<b>\$ 10.8</b>	<b>\$ 1.7</b>	<b>\$ 20.9</b>	<b>\$ 14.8</b>
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 51.3</b>	<b>\$ 44.6</b>	<b>\$ 100.6</b>	<b>\$ 99.6</b>
<i>% of Value-Added Sales<sup>(1)</sup></i>	<i>27.7%</i>	<i>22.8%</i>	<i>26.8%</i>	<i>24.7%</i>
<b>Diluted Earnings (Loss) Per Share<sup>(2)</sup></b>	<b>\$ 0.07</b>	<b>\$ (0.26)</b>	<b>\$ 0.11</b>	<b>\$ (0.07)</b>

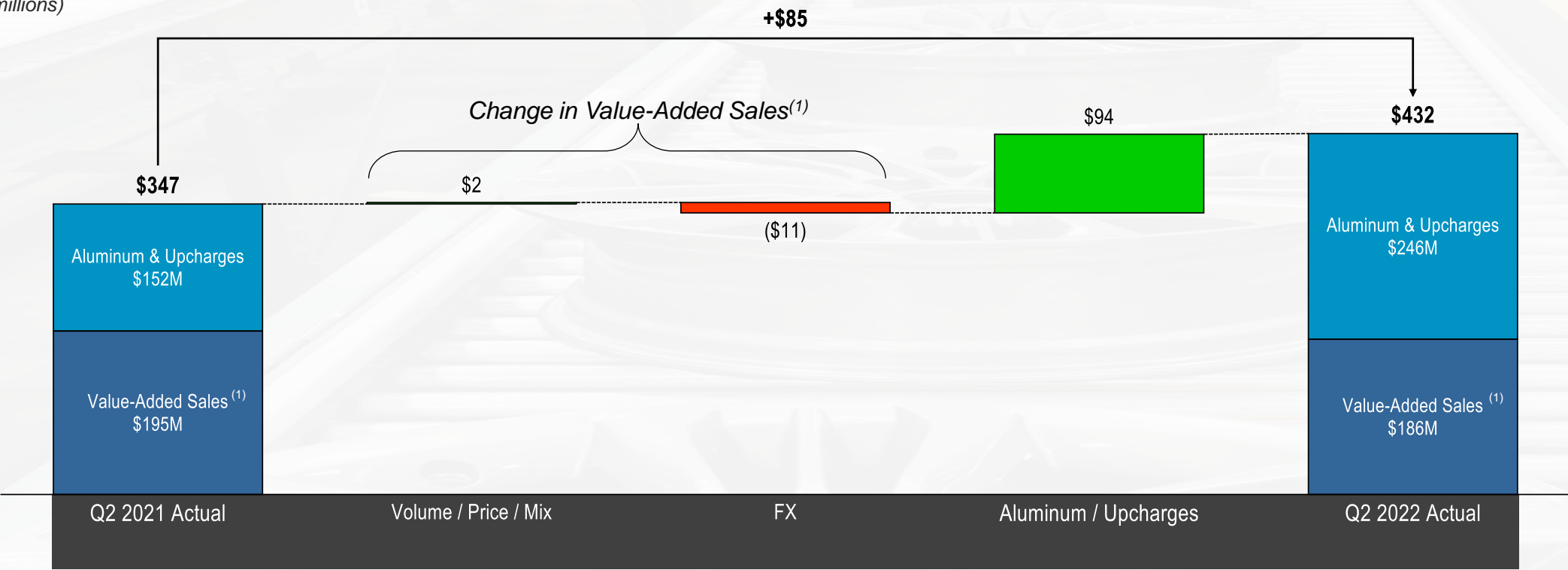
<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures

<sup>(2)</sup> See reconciliation from net income to diluted EPS in the appendix of this presentation



# Second Quarter 2022 Year-over-Year Sales Bridge

(\$ and units in millions)



<b>Units</b>	<b>4.2</b>			<b>4.0</b>
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**Value-Added Sales<sup>(1)</sup>**

- Volume / Price / Mix: Reduced OEM volumes due to semiconductor shortage and Ukraine Conflict, Pricing, Mix and customer cost recoveries
- FX impact: Euro depreciation

**Aluminum / Upcharges**

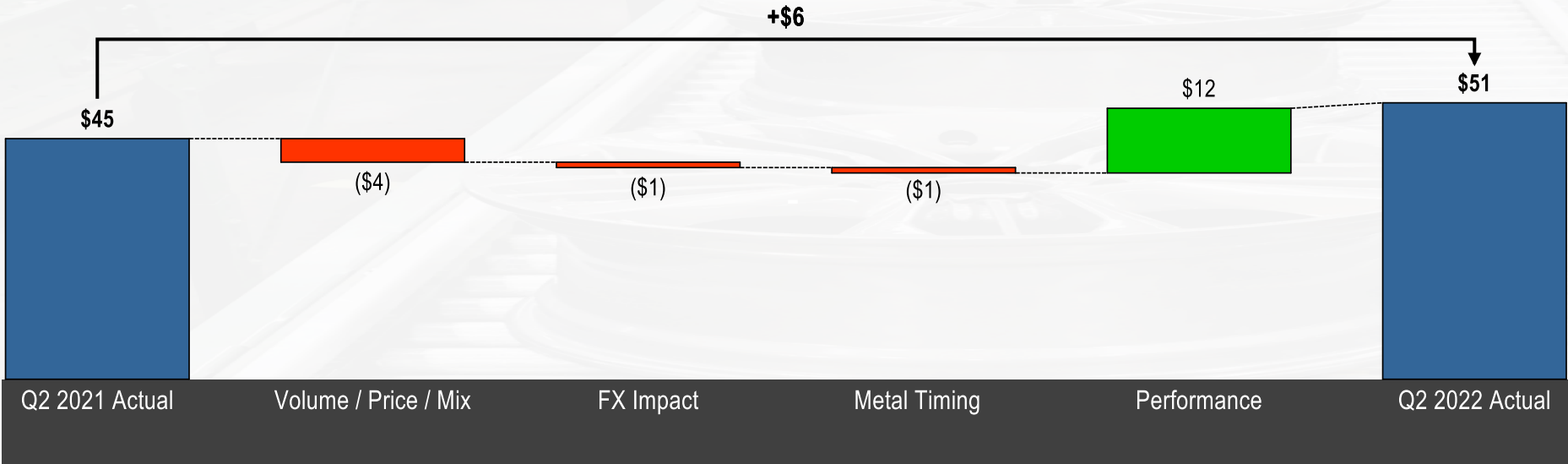
- Primarily higher aluminum pass through

<sup>(1)</sup> Value-Added Sales is a non-GAAP measure; see page 2 for definition and the appendix for reconciliation to the most comparable GAAP measure

# Second Quarter 2022 Year-over-Year Adjusted EBITDA<sup>(1)</sup> Bridge



(\$ in millions)



Adjusted EBITDA<sup>(1)</sup>  
as % of Value-  
Added Sales<sup>(1)</sup>

22.8%

27.7%

- Volume / Price / Mix: Reduced OEM and aftermarket volumes due to semiconductor shortage, Ukraine Conflict, Pricing and Mix
- Metal timing: OEM aluminum pass through timing
- Performance: Manufacturing performance, customer recoveries, inflation and impact of OEM production schedule instability

<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures



# Second Quarter 2022 Free Cash Flow<sup>(1)</sup>



	Q2 2022	Q2 2021
<b>Cash Flow from Operating Activities</b>		
<ul style="list-style-type: none"><li>Higher earnings offset by higher investment in working capital</li></ul>	\$12M	\$14M
<b>Cash Used by Investing Activities</b>		
<ul style="list-style-type: none"><li>Normalization of capital expenditures</li></ul>	(\$16M)	(\$10M)
<b>Cash Payments for Non-Debt Financing Activities</b>		
<ul style="list-style-type: none"><li>Primarily preferred dividends</li></ul>	(\$4M)	(\$4M)
<b>Free Cash Flow<sup>(1)</sup></b>		
	(\$8M)	\$0M

<sup>(1)</sup> Free Cash Flow is a non-GAAP financial measure; see page 2 for definition and the appendix for reconciliation to the most comparable GAAP measure

# Capital Structure as of June 30, 2022

## Capital Structure (in \$M)

<b>Total Cash</b>	<b>\$122.3</b>
U.S. \$107.5M Revolving Credit Facility	-
Europe €60M Revolving Credit Facility	-
Term Loan B	349.2
Europe Capex Loans	14.8
Finance Leases	2.3
<b>Total Senior Secured Debt</b>	<b>\$366.3</b>
Senior Unsecured Notes (€217M)	\$226.6
<b>Total Debt</b>	<b>\$592.9</b>
<b>Net Debt</b>	<b>\$470.7</b>
<b>Preferred Equity</b>	<b>\$211.0</b>
<b>Total Available Liquidity (Revolvers + Cash)</b>	<b>\$287.2</b>

- Substantial liquidity in the form of cash and available amounts under revolving credit facilities
- No near-term debt maturities
- Net Debt<sup>(2)</sup> reached lowest level since 2017
- Free Cash Flow<sup>(2)</sup> remains a top priority

**Continued focus on deleveraging  
Balance Sheet**

<sup>(1)</sup> Excluding Debt Issuance Cost

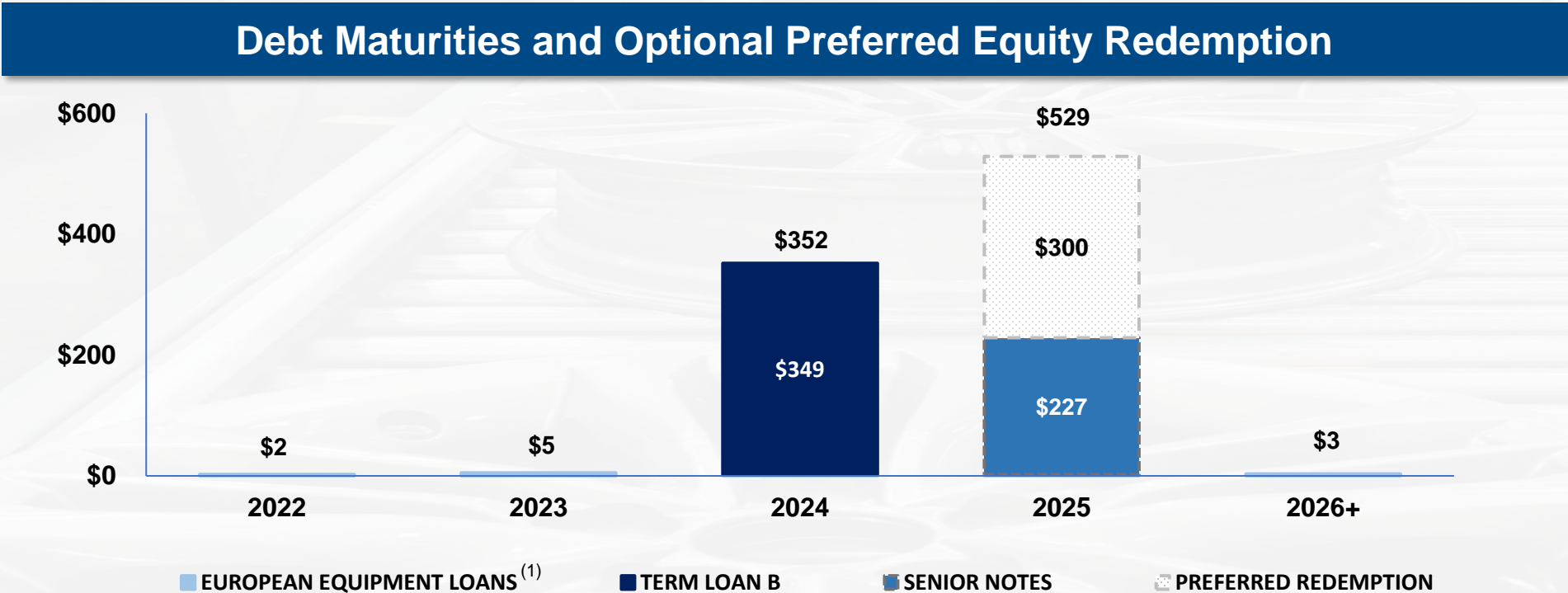
<sup>(2)</sup> Free Cash Flow and Net Debt are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures

<sup>(3)</sup> Includes cash and availability on committed revolving credit facilities

# Debt Maturity Profile as of June 30, 2022

## No Significant Near-Term Maturities of Funded Debt

(\$ in millions)



Note: Not included are undrawn committed revolving credit facilities of \$164.9M and capital leases

<sup>(1)</sup> European equipment loans mature March 31, 2024, and September 30, 2027



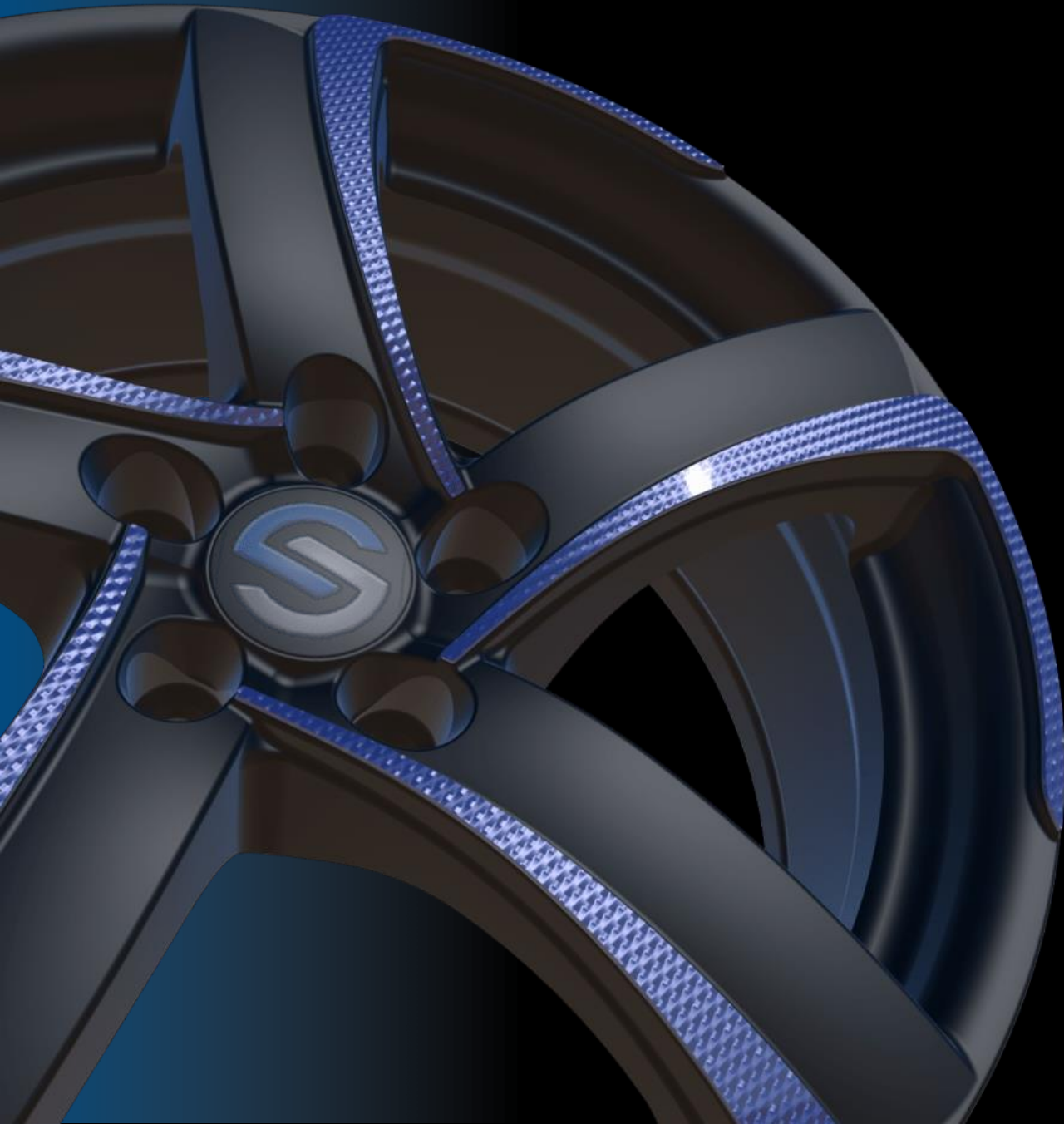
# Full Year 2022 Financial Outlook



## Updating FY 2022 Guidance; Narrowing Adjusted EBITDA<sup>(1)</sup> and CapEx

Metric	Prior Outlook	Current Outlook	Commentary
Unit Volume	16.4M – 17.7M	16.0M – 17.0M	<ul style="list-style-type: none"> <li>Management assumes muted recovery to industry light vehicle production in H2 2022, along with continued supply chain challenges</li> <li>Net Sales increase driven by aluminum and other cost pass throughs</li> <li>Lowering VAS outlook, expecting continued impact from unfavorable Euro foreign exchange</li> </ul>
Net Sales	\$1.58B – \$1.71B	\$1.58B – \$1.71B	
Value-Added Sales <sup>(1)</sup>	\$780M – \$840M	\$740M – \$800M	
Adjusted EBITDA <sup>(1)</sup>	\$160M – \$190M	\$165M – \$185M	<ul style="list-style-type: none"> <li>Operational improvements and customer recoveries offsetting inflationary cost increases; continued negotiation with customers on further recoveries</li> <li>Expected impact from Ukraine Conflict, throughout H2 2022, is included</li> </ul>
Cash Flow from Operations	\$105M – \$150M	\$105M – \$150M	<ul style="list-style-type: none"> <li>Continued emphasis on cash flow generation</li> <li>Assumes continued stabilization of aluminum prices</li> </ul>
Capital Expenditures	~\$80M	~\$75M	<ul style="list-style-type: none"> <li>Some carryover from 2021</li> <li>Strategic investments in finishing capabilities</li> </ul>

<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures; Superior has not quantitatively reconciled from net income, the most comparable GAAP measure, to Adjusted EBITDA presented in the 2022 outlook, as Superior is unable to quantify certain amounts included in net income without unreasonable efforts and due to the inherent uncertainty regarding such variables.



# Appendix

# Income Statement



(\$ in millions, except earnings per share, and units in thousands)

Unaudited

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
	Actual	Actual	Actual	Actual
Unit Shipments (000s)	4,004	4,178	8,088	8,693
Net Sales	\$ 431.5	\$ 347.5	\$ 832.1	\$ 705.7
Value-Added Sales adjusted for foreign exchange <sup>(1)</sup>	197.2	195.5	393.4	402.7
Gross Profit	42.6	32.6	83.2	75.7
SG&A Expenses	16.7	17.1	33.7	34.4
Income from Operations	\$ 25.9	\$ 15.5	\$ 49.5	\$ 41.2
Interest Expense, net	(10.3)	(10.5)	(20.3)	(20.8)
Other Income (Expense), net	0.7	(2.4)	0.6	(3.9)
Income Before Income Taxes	\$ 16.2	\$ 2.6	\$ 29.8	\$ 16.5
Income Tax Provision	(5.4)	(0.9)	(8.9)	(1.7)
Net Income	\$ 10.8	\$ 1.7	\$ 20.9	\$ 14.8
Diluted Earnings (Loss) Per Share	\$ 0.07	\$ (0.26)	\$ 0.11	\$ (0.07)
Value-Added Sales <sup>(1)</sup>	\$ 185.5	\$ 195.5	\$ 374.9	\$ 402.7
Adjusted EBITDA <sup>(1)</sup>	\$ 51.3	\$ 44.6	\$ 100.6	\$ 99.6
% of Value-Added Sales	27.7%	22.8%	26.8%	24.7%

<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures



# Balance Sheet



(\$ in millions)

Unaudited

	6/30/2022	12/31/2021
<b><u>ASSETS</u></b>		
Cash & Short Term Investments	\$ 122.3	\$ 113.5
Accounts Receivable, net	115.8	83.4
Inventories, net	202.8	172.1
Income Taxes Receivable	4.7	5.0
Other Current Assets	28.6	30.3
<b>Total Current Assets</b>	<b>\$ 474.3</b>	<b>\$ 404.3</b>
Property, Plant & Equipment, net	471.8	494.4
Deferred Income Taxes, net	24.1	27.7
Intangibles	59.6	76.9
Other Assets	53.2	50.9
<b>Total Assets</b>	<b>\$ 1,083.1</b>	<b>\$ 1,054.1</b>
<b><u>LIABILITIES &amp; EQUITY</u></b>		
Accounts Payable	\$ 197.2	\$ 153.2
Current Portion of Long-term Debt	5.6	6.1
Accrued Expenses	70.0	71.5
Income Taxes Payable	1.7	1.1
<b>Total Current Liabilities</b>	<b>\$ 274.5</b>	<b>\$ 231.9</b>
Long-term Debt (Less Current Portion)	581.0	602.4
Non-Current Liabilities	88.4	89.3
Redeemable Preferred Shares	211.0	199.9
European Noncontrolling Redeemable Equity	1.1	1.1
<b>Total Shareholders' Deficit</b>	<b>\$ (72.8)</b>	<b>\$ (70.4)</b>
<b>Total Liabilities &amp; Deficit</b>	<b>\$ 1,083.1</b>	<b>\$ 1,054.1</b>

# Statement of Cash Flow



(\$ in millions)

Unaudited

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
Net Income	\$ 10.8	\$ 1.7	\$ 20.9	\$ 14.8
Depreciation and Amortization	23.1	25.6	47.2	51.0
Income tax, Non-cash Changes	2.1	(0.1)	4.1	(2.9)
Stock-based Compensation	2.0	2.5	4.7	4.3
Amortization of Debt Issuance Costs	1.2	1.9	2.5	2.7
Other Non-cash Items	(1.4)	0.6	(1.0)	(3.9)
Changes in Operating Assets and Liabilities:				
Accounts Receivable	4.9	(0.3)	(35.5)	(37.2)
Inventories	(2.2)	(31.4)	(38.7)	(46.1)
Other Assets and Liabilities	(5.7)	2.0	(1.3)	15.9
Accounts Payable	(24.4)	13.1	53.8	34.4
Income Taxes	1.6	(1.8)	0.7	(1.0)
<b>Cash Flow Provided By Operating Activities</b>	<b>\$ 12.2</b>	<b>\$ 13.8</b>	<b>\$ 57.2</b>	<b>\$ 31.9</b>
Capital Expenditures	(16.3)	(10.1)	(34.3)	(20.6)
Proceeds from Sale of Property, Plant and Equipment	-	-	0.2	-
<b>Net Cash Used In Investing Activities</b>	<b>\$ (16.3)</b>	<b>\$ (10.1)</b>	<b>\$ (34.1)</b>	<b>\$ (20.6)</b>
Proceeds from the Issuance of Long-term Debt	-	-	-	1.7
Debt Repayment	(1.2)	(1.3)	(2.5)	(2.1)
Cash Dividends	(3.4)	(3.4)	(6.8)	(6.7)
Financing Costs Paid and Other	-	(4.3)	-	(4.3)
Payments Related to Tax Withholdings for Stock-Based Compensation	(0.1)	-	(1.8)	(1.3)
Finance Lease Payments	(0.2)	(0.4)	(0.5)	(0.6)
<b>Cash Flow Used In Financing Activities</b>	<b>\$ (4.9)</b>	<b>\$ (9.3)</b>	<b>\$ (11.6)</b>	<b>\$ (13.5)</b>
Effect of Exchange Rate on Cash	(2.4)	0.9	(2.7)	(1.1)
<b>Net Change in Cash</b>	<b>\$ (11.4)</b>	<b>\$ (4.7)</b>	<b>\$ 8.8</b>	<b>\$ (3.3)</b>
<b>Cash - Beginning</b>	<b>133.7</b>	<b>153.8</b>	<b>113.5</b>	<b>152.4</b>
<b>Cash - Ending</b>	<b>\$ 122.3</b>	<b>\$ 149.2</b>	<b>\$ 122.3</b>	<b>\$ 149.2</b>

# Earnings per Share Calculation

(\$ and shares in millions, except earnings per share)

## Basic EPS Calculation<sup>(1)</sup>

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
Net Income	\$ 10.8	\$ 1.7	\$ 20.9	\$ 14.8
Less: Accretion of Preferred Stock	(5.6)	(5.1)	(11.1)	(10.0)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(6.8)	(6.7)
<b>Numerator</b>	<b>\$ 1.8</b>	<b>\$ (6.8)</b>	<b>\$ 3.0</b>	<b>\$ (1.9)</b>
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>26.9</b>	<b>26.0</b>	<b>26.7</b>	<b>25.8</b>

## **Basic Earnings (Loss) Per Share**

<b>\$ 0.07</b>	<b>\$ (0.26)</b>	<b>\$ 0.11</b>	<b>\$ (0.07)</b>
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## Diluted EPS Calculation<sup>(1)</sup>

Net Income	\$ 10.8	\$ 1.7	\$ 20.9	\$ 14.8
Less: Accretion of Preferred Stock	(5.6)	(5.1)	(11.1)	(10.0)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(6.8)	(6.7)
<b>Numerator</b>	<b>\$ 1.8</b>	<b>\$ (6.8)</b>	<b>\$ 3.0</b>	<b>\$ (1.9)</b>
Weighted Avg. Shares Outstanding-Basic	26.9	26.0	26.7	25.8
Dilutive Stock Options and Restricted Stock Units	0.5	-	0.7	-
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>27.4</b>	<b>26.0</b>	<b>27.3</b>	<b>25.8</b>
<b>Diluted Earnings (Loss) Per Share</b>	<b>\$ 0.07</b>	<b>\$ (0.26)</b>	<b>\$ 0.11</b>	<b>\$ (0.07)</b>

(1) Basic earnings per share is computed by dividing net income (loss), after deducting preferred dividends and accretion and European non-controlling redeemable equity dividends, by the weighted average number of common shares outstanding. For purposes of calculating diluted earnings per share, the weighted average shares outstanding includes the dilutive effect of outstanding stock options and time and performance based restricted stock units under the treasury stock method. The redeemable preferred shares are not included in the diluted earnings per share because the conversion would be anti-dilutive for the periods ended June 30, 2022 and 2021.

Unaudited



# Reconciliation of Non-GAAP Financial Measures



(\$ in millions, except per wheel, and units in thousands)

## Value-Added Sales; Value-Added Sales Adjusted for Foreign Exchange; and Content per Wheel

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
<b>Net Sales</b>	<b>\$ 431.5</b>	<b>\$ 347.5</b>	<b>\$ 832.1</b>	<b>\$ 705.7</b>
Less: Aluminum, Other Costs, and Outside Service Provider Costs	(246.0)	(152.0)	(457.1)	(302.9)
<b>Value-Added Sales</b>	<b>\$ 185.5</b>	<b>\$ 195.5</b>	<b>\$ 374.9</b>	<b>\$ 402.7</b>
Currency Impact on Current Period Value-Added Sales	11.7	-	18.5	-
<b>Value-Added Sales Adjusted for Foreign Exchange</b>	<b>\$ 197.2</b>	<b>\$ 195.5</b>	<b>\$ 393.4</b>	<b>\$ 402.7</b>
 Wheels Shipped	 4,004	 4,178	 8,088	 8,693
<b>Content per Wheel</b>	<b>\$ 49.26</b>	<b>\$ 46.79</b>	<b>\$ 48.64</b>	<b>\$ 46.32</b>

## Adjusted EBITDA

	Three Months		Six Months Ended	
	2Q 2022	2Q 2021	YTD 2022	YTD 2021
<b>Net Income</b>	<b>\$ 10.8</b>	<b>\$ 1.7</b>	<b>\$ 20.9</b>	<b>\$ 14.8</b>
<b>Adjusting Items:</b>				
- Interest Expense, net	10.3	10.5	20.3	20.8
- Income Tax Provision	5.4	0.9	8.9	1.7
- Depreciation	17.6	18.9	35.4	37.6
- Amortization	5.6	6.7	11.8	13.4
- Integration, Restructuring, and Other	0.8	5.4	1.8	10.3
- Factoring Fees	0.8	0.5	1.4	1.0
	<b>\$ 40.5</b>	<b>\$ 42.9</b>	<b>\$ 79.6</b>	<b>\$ 84.8</b>
<b>Adjusted EBITDA</b>	<b>\$ 51.3</b>	<b>\$ 44.6</b>	<b>\$ 100.6</b>	<b>\$ 99.6</b>

Unaudited

# Reconciliation of Non-GAAP Financial Measures (continued)



(\$ in millions)

## Free Cash Flow

	<u>Three Months</u>		<u>Six Months Ended</u>	
	<u>2Q 2022</u>	<u>2Q 2021</u>	<u>YTD 2022</u>	<u>YTD 2021</u>
Cash Flow Provided By Operating Activities	\$ 12.2	\$ 13.8	\$ 57.2	\$ 31.9
Net Cash Used In Investing Activities	(16.3)	(10.1)	(34.1)	(20.6)
Less: Cash Payments for Non-debt Financing Activities	(3.5)	(3.4)	(8.6)	(8.0)
<b>Free Cash Flow</b>	<b>\$ (7.6)</b>	<b>\$ 0.3</b>	<b>\$ 14.5</b>	<b>\$ 3.3</b>

## Outlook for Full Year 2022 Value-Added Sales

	<u>Outlook Range</u>	
Net Sales Outlook	\$ 1,580.0	\$ 1,710.0
Less: Aluminum, Other Costs, and Outside Service Provider Costs	(840.0)	(910.0)
<b>Value-Added Sales Outlook</b>	<b>\$ 740.0</b>	<b>\$ 800.0</b>

## Net Debt

	<u>6/30/2022</u>	<u>12/31/2021</u>
Long Term Debt (Less Current Portion) <sup>(1)</sup>	\$ 587.4	\$ 610.2
Short Term Debt	5.6	6.1
<b>Total Debt <sup>(1)</sup></b>	<b>593.0</b>	<b>616.3</b>
Less: Cash and Cash Equivalents	(122.3)	(113.5)
<b>Net Debt</b>	<b>\$ 470.7</b>	<b>\$ 502.8</b>

<sup>(1)</sup> Excluding Debt Issuance Cost

Unaudited