



# Full Year and Fourth Quarter 2023 Earnings Conference Call

March 7, 2023



# 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 2024 outlook included herein, and the impact of COVID-19 and the resulting supply chain disruptions, increased energy costs, semiconductor shortages, rising interest rates, the Russian military invasion of Ukraine and the United Auto Workers strikes on our future growth and earnings. These statements include our belief regarding general automotive industry market conditions and growth rates, as well as domestic and international economic conditions. 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.

New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect Superior. It should be remembered that the price of the ordinary shares and any income from them can go down as well as up. Superior disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events and/or otherwise, except as may be required by law.

## 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, certain hiring and separation related costs, proxy contest fees, gains associated with early debt extinguishment and accounts receivable factoring fees. “Net Sales Adjusted for Change in Cost of Aluminum and Deconsolidation of Subsidiary” defined as Net Sales less the change from cost of aluminum and deconsolidation of subsidiary. “Value-Added Sales,” defined as Net Sales less the value of aluminum and other costs, as well as outsourced service provider (“OSP”) costs 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. “Value-Added Sales Adjusted for FX & Deconsolidation,” which is also referred to as “Value-Added Sales Adjusted for Foreign Exchange & Deconsolidation,” defined as Value-Added Sales adjusted for the impact of foreign exchange translation and impact of SPG deconsolidation. “Content per Wheel,” defined as Value-Added Sales Adjusted for FX on a per unit (wheel) shipment basis. “Free Cash Flow,” defined as Cash Flow Provided by Operating Activities less Cash used in Investing Activities less non-debt components of financing activities. “Unlevered Free Cash Flow,” defined as Cash Flow Provided by Operating Activities less Capital Expenditures plus Cash Interest Paid. “Net Debt,” defined as total funded debt less cash and cash equivalents. “Net Debt Adjusted for Foreign Exchange,” which is also referred to as “FX Adjusted Net Debt,” defined as Net Debt adjusted for the impact of translation of foreign denominated debt.

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) of Regulation S-K, Superior has not quantitatively reconciled Net Income (the most comparable GAAP measure) to Adjusted EBITDA; Net Sales (the most comparable GAAP measure) to Value-Added Sales nor Cash Provided by Operating Activities (the most comparable GAAP measure) to Unlevered Free Cash Flow presented in the 2024 Outlook and the Value-Added Sales, Adjusted EBITDA and Unlevered Free Cash Flow targets for 2024-2027, as Superior is unable to quantify certain amounts included in these GAAP measures without unreasonable efforts and due to the inherent uncertainty regarding such variables. Superior also believes that such reconciliations 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

Tim Trenary

*Executive Vice President and Chief Financial Officer*

## Business Update

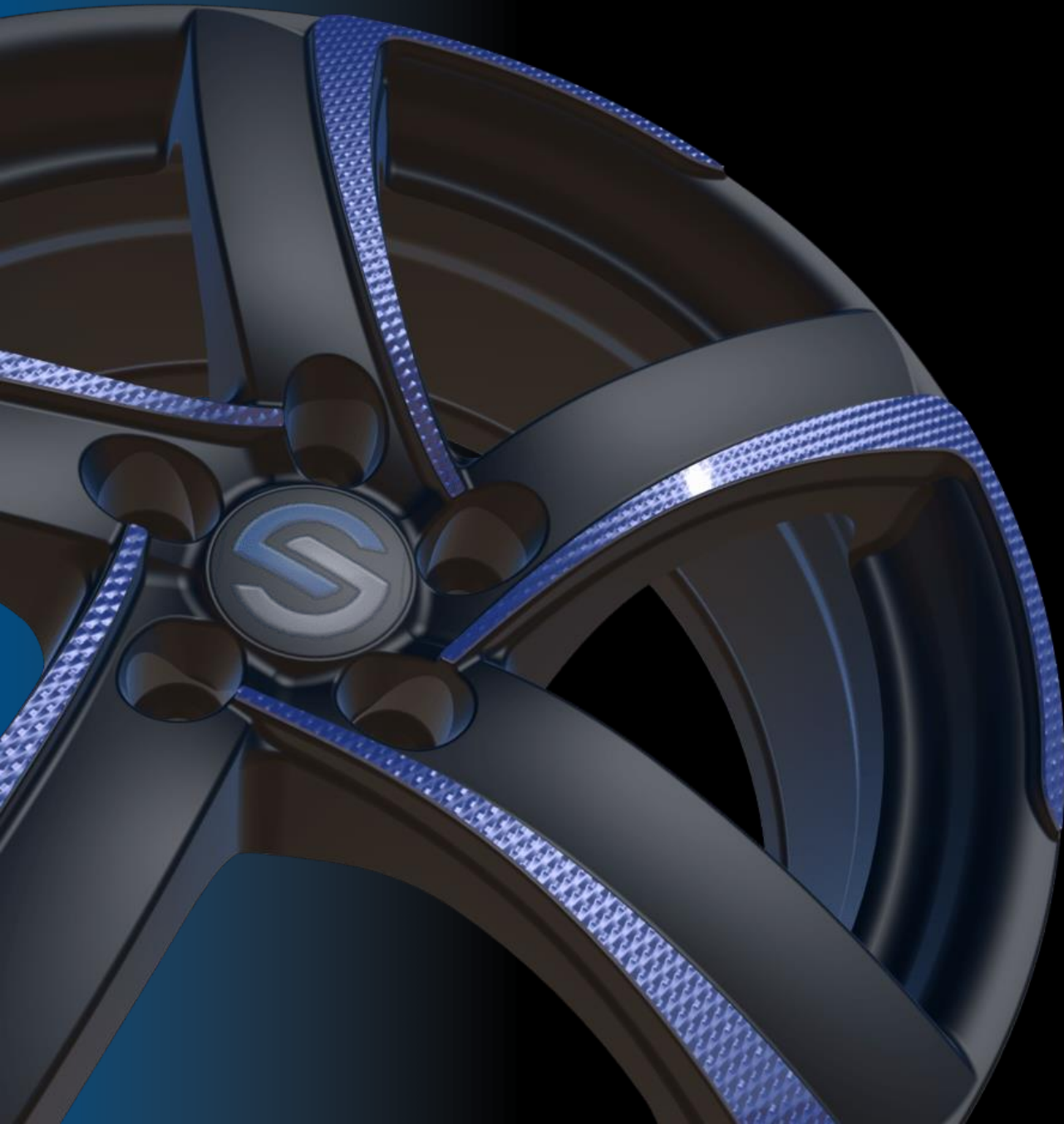
Majdi Abulaban

*President and Chief Executive Officer*

## Financial Review

Tim Trenary

*Executive Vice President and Chief Financial Officer*



# Business Update



**2023****NET SALES****\$1.4B** Up 2%  
year-over-year<sup>(1)</sup>**VALUE-ADDED SALES**ADJUSTED FOR FX & DECONSOLIDATION<sup>(2)</sup>**\$740M** Flat  
year-over-year**ADJUSTED EBITDA<sup>(2)</sup>****\$159M** 21% VAS<sup>(2)</sup> Margin**CONTENT PER WHEEL<sup>(2)</sup>****\$50.84** Up 3%  
year-over-year**UNLEVERED FREE CASH FLOW<sup>(2)</sup>****\$80M** Near-term impact from  
EU transformation**2023 Financial and Operational Highlights****Industry Recovery Decelerated, UAW strikes and Aftermarket Headwinds**

- Industry production up 11% YoY, affordability driving strong growth in small vehicles
- Superior VAS Adj. FX<sup>(2)</sup>, versus 2019, is up 1% while industry volumes are down 9% vs. same period
- 21% Adj. EBITDA<sup>(2)</sup> margins on par with 2021, decline vs 2022 driven by lumpy recoveries / lower volumes

**Focused on Delivering a Competitively Advantaged Manufacturing Footprint**

- EU transformation in place, relocating business from Germany to Poland
- Transitioning to 100% low-cost manufacturing footprint in Poland; already established in Mexico

**Portfolio Continues to Deliver Content Growth**

- Content per Wheel<sup>(2)</sup> increased 3% year-over-year
- >19" wheels reaching more than 51% of OEM shipments

**Strong Unlevered Free Cash Flow<sup>(2)</sup> – Available Liquidity \$219M**

- Record low FX Adjusted Net Debt<sup>(2)</sup> down to \$429M
- Accelerating focus on refinancing and capital structure solutions

**Expecting positive GOM<sup>(3)</sup> despite flat-to-declining industry volumes in FY 2024**

- Anticipating significant uplift in margins in H2 2024 on flat industry volume

<sup>(1)</sup> Net Sales growth excludes impact from the change of cost of aluminum and deconsolidation of subsidiary

<sup>(2)</sup> Value-Added Sales, Value-Added Sales Adjusted for FX, Value-Added Sales Adjusted for FX & Deconsolidation, Content per Wheel, Adjusted EBITDA, Unlevered Free Cash Flow, FX Adjusted Net Debt 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> Growth over Market ("GOM") is based on Value-Added Sales Adjusted for FX, 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 February 16, 2024

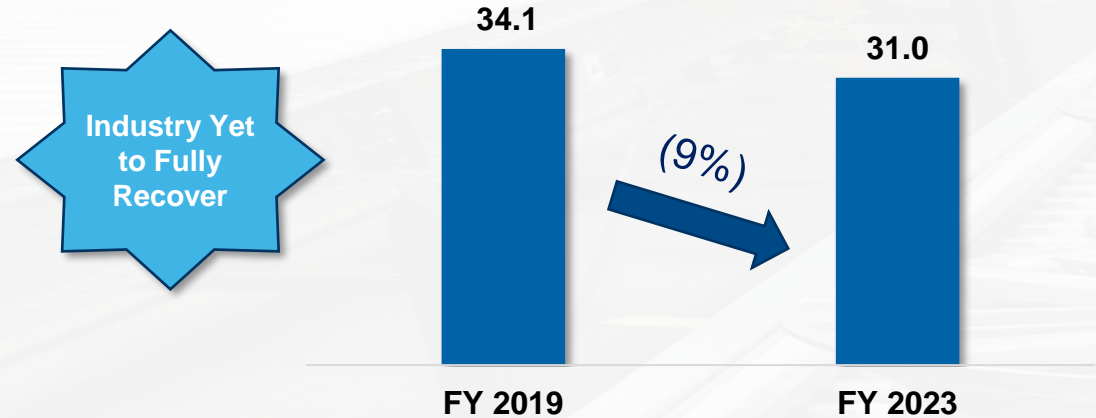
# Sustained Growth Over Market Throughout Industry Recovery

## Delivering Top Quartile Auto Component Industry Margins



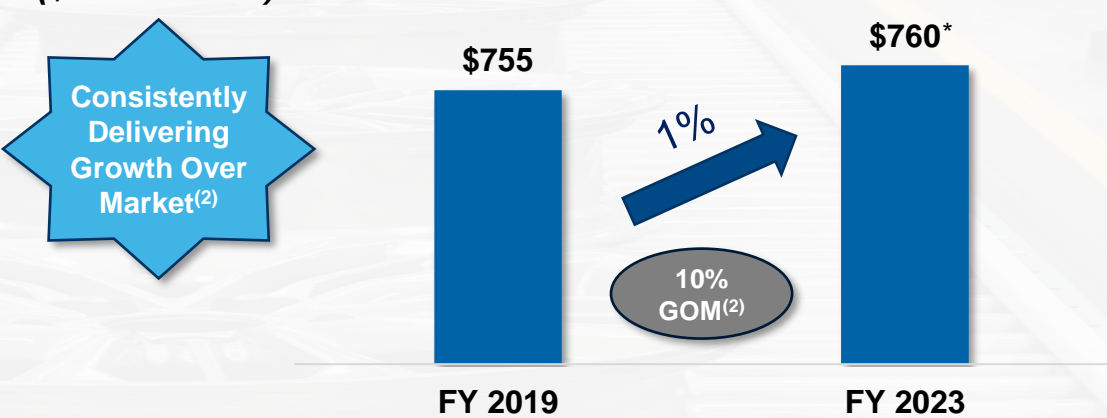
### Auto Industry Production Volume

(in millions)

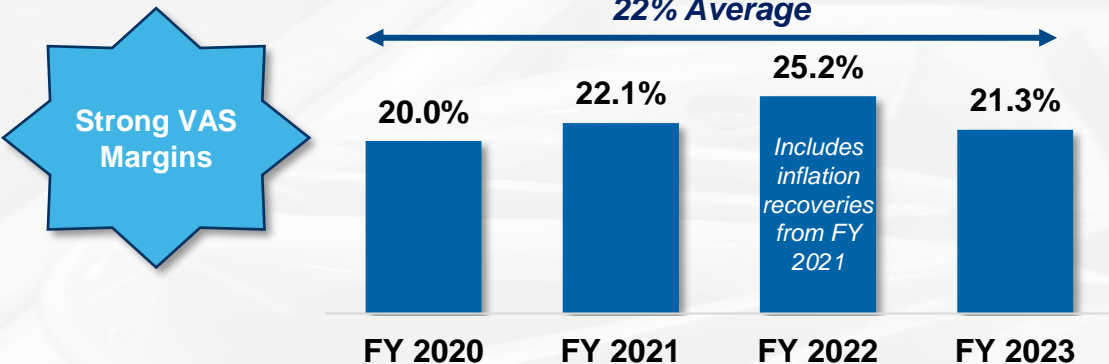


### SUP Value-Added Sales Adj.<sup>(1)</sup>

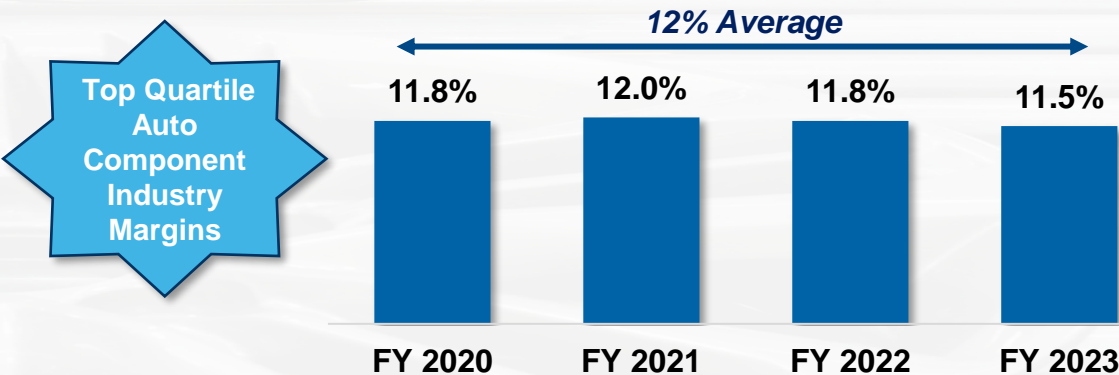
(\$ in millions)



### SUP Adj. EBITDA<sup>(1)</sup> % of VAS<sup>(1)</sup>



### SUP Adj. EBITDA<sup>(1)</sup> % of Net Sales



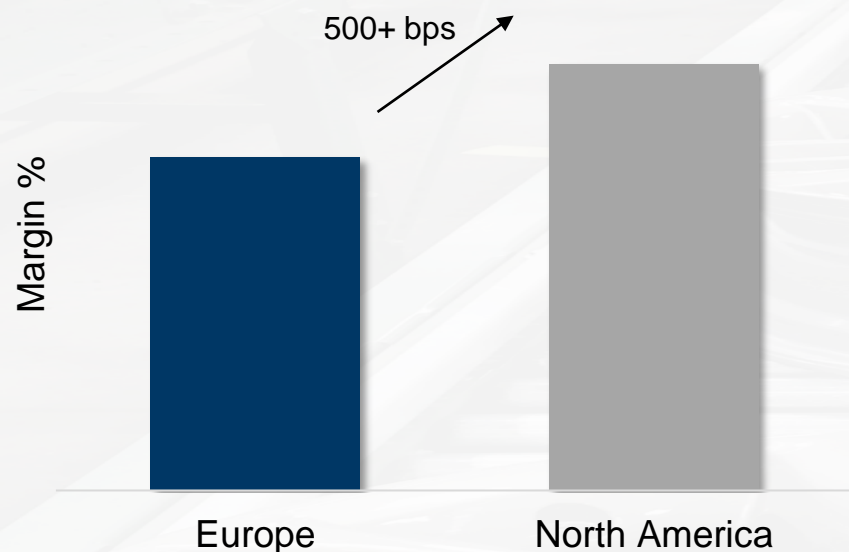
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\* Uses FY 2019 FX Rates

## Margin Gap

EU vs. NA Margin  
on Value-Added Sales<sup>(1)</sup>



***Expect EU Margins to Improve in H2 2024 in Line with NA Margins***

## Making Progress on Critical Actions

### Operations

- German operation wind down on track for completion in Q1 2024
  - Production relocated to Poland
  - Expect \$23M - \$25M annualized Adj. EBITDA<sup>(1)</sup> benefit
  - Un-winding Inventory safety stock (\$14M)
  - Recovering supplier terms (\$15M)
  - Improved capabilities/capacities in Poland
- Rationalizing Aftermarket Logistics and Warehousing
- SG&A savings due to European consolidation of administrative functions
- Improved utilization of Polish manufacturing facility

### EU Customers

- Taking strategic approach to recoveries of elevated labor and energy costs
- Negotiating further recovery related to German transformation

### Portfolio

- Addressed underperforming parts of our portfolio, exited 1.2M wheels over past two years
- Optimizing the profitable utilization of our manufacturing capacity

<sup>(1)</sup> Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see Use of Non-GAAP Financial Measures on slide 2

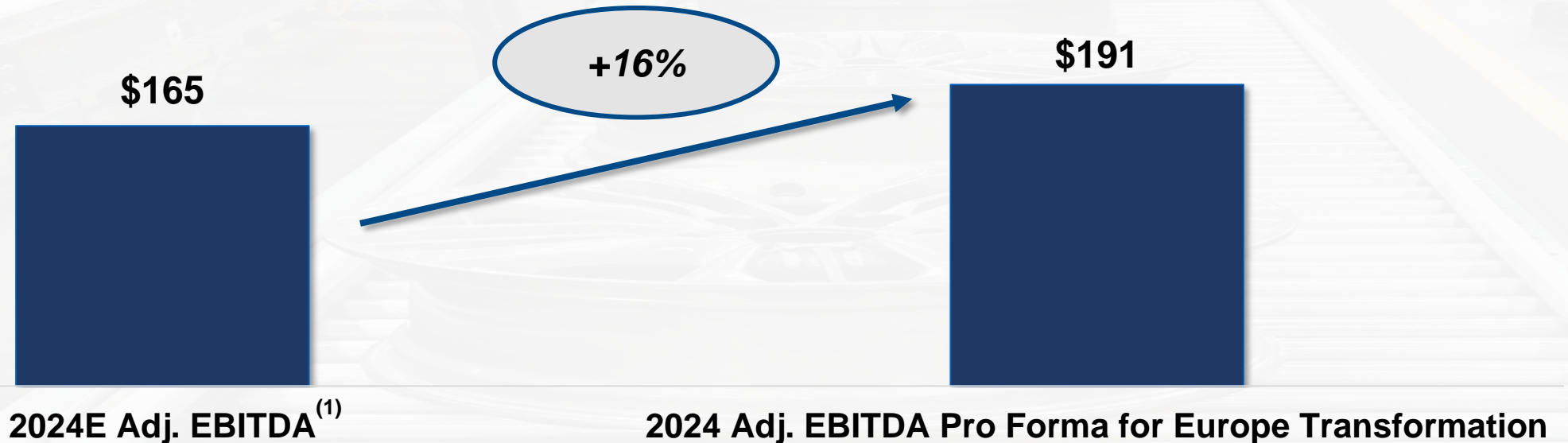


# Europe Transformation Impact to 2024E Adj. EBITDA<sup>(1)</sup>



\$ in millions

*Expecting to See Benefit of EU Transformation on Results Beginning 2H 2024*



## *Driving Improved Profitability Through:*

- Wheel transfer from Germany to Poland, resulting in lower cost-per-wheel
- SG&A savings due to European consolidation of administrative functions
  - Improved utilization of Polish manufacturing facility

<sup>(1)</sup> Adjusted EBITDA is a non-GAAP financial measure; see Use of Non-GAAP Financial Measures on slide 2



# Secular Trends Supporting Long-Term Growth



## Increasing Top Line Growth and Premium Content Expansion

### Industry Drivers

- ↑ Industry slowly growing, coming out of supply chain issues brought on by macro challenges
- ↑ Premium wheel content growth trend expected to continue due to shifting consumer-demand trends
- ↑ Fuel efficiency regulations and electrification creating tailwinds for lightweighting and aerodynamic technologies
- ↑ Significant operating leverage on incremental sales

### Value-Added Sales<sup>(1)</sup> Growth ('23 - '27E CAGR)



**+4.4%**

#### Wheel Industry<sup>(2)</sup>



**+0.3%**

*Based on OEM production forecasts*

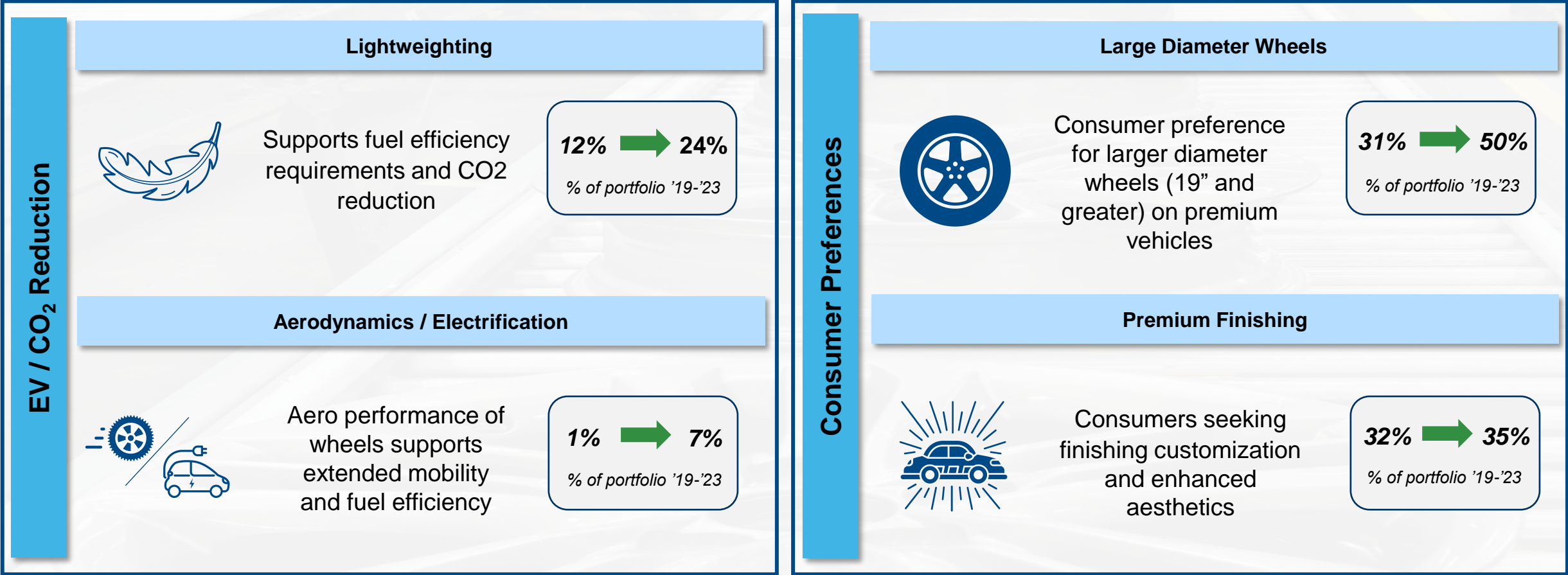
**'23 – '27: +4.1% VAS<sup>(1)</sup> Growth over Market<sup>(3)</sup>**

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

<sup>(2)</sup> Reflects North America and Western/Central Europe industry production as reported by IHS on February 16, 2024

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## Well-Positioned to Continue to Capitalize on Industry Trends



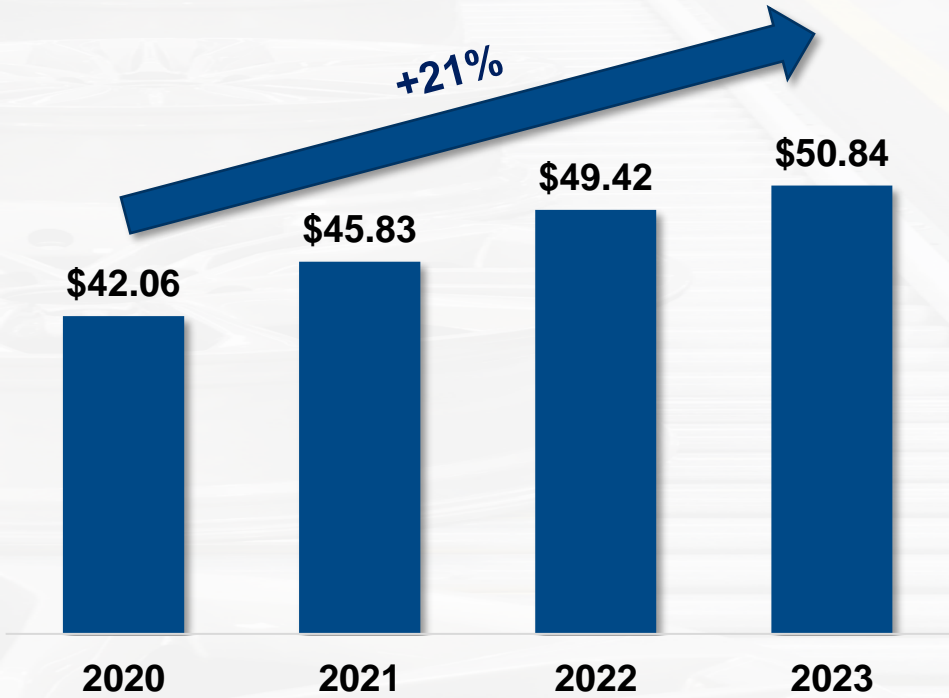


# Content Growth Driven By Disciplined Execution

## Focused on High-Demand Premium Products



## Content per Wheel<sup>(1)(2)</sup> Growth\*










- ✓ **Aligning Pricing to Offset Rising Input Costs**
- ✓ **Broad Portfolio and Innovative Technologies Continue to Drive Content Growth**

(1) Content per Wheel is a non-GAAP financial measure; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures  
(2) Based on Value-Added Sales Adjusted for FX  
\*As originally reported

# Enhancing Our Market-Leading Position

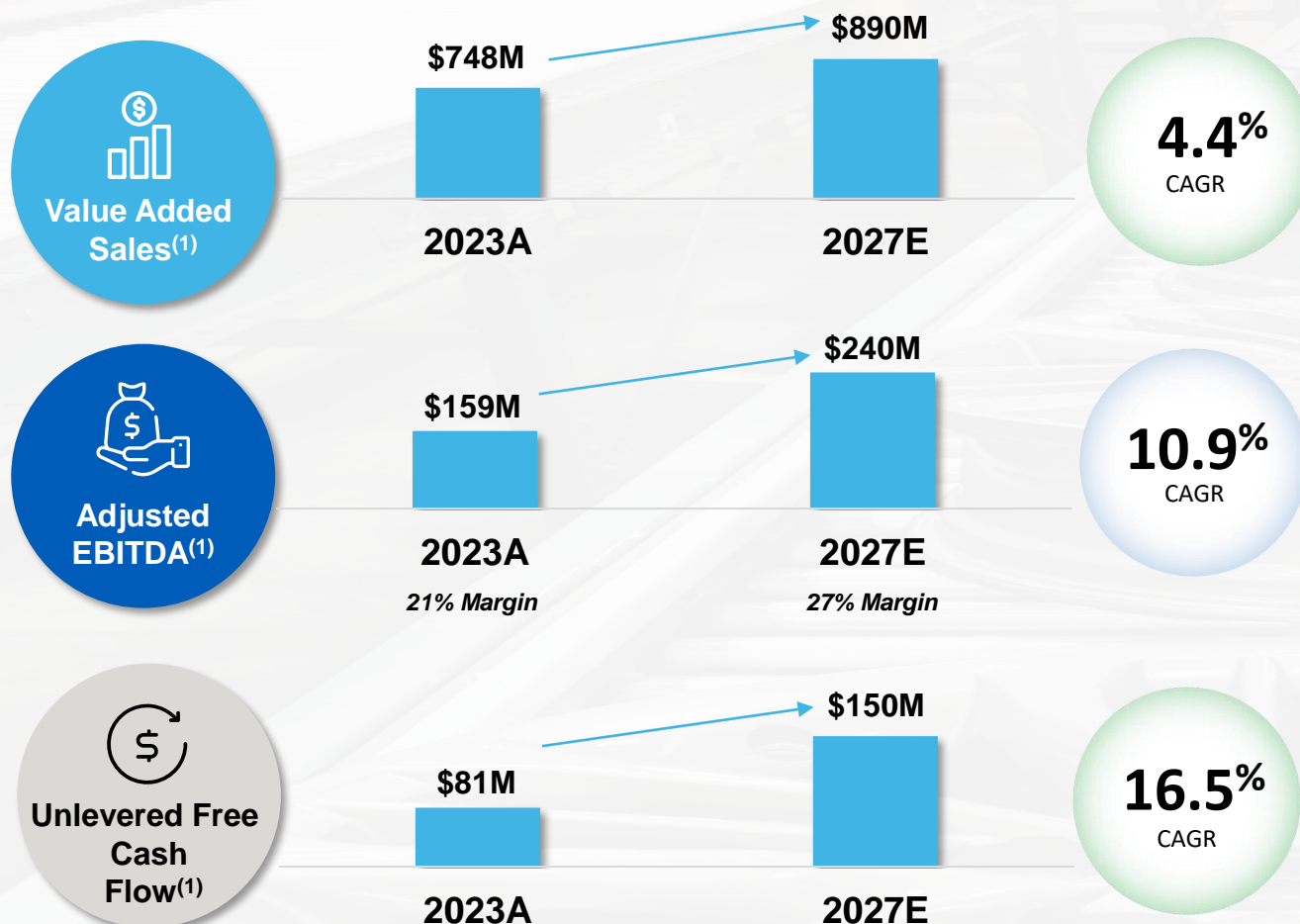
***Solidifying Superior as the leading global player with the broadest portfolio, most diversified customer base, and a competitively advantaged local footprint***

		Geographic Presence		Portfolio Focus		Tech Innovation	Customer Diversity
Country		NA	EU	Standard	Premium		
 SUPERIOR INDUSTRIES		✓✓✓✓	✓✓✓✓	✓	✓✓	✓✓	✓✓
Competitor A		✓✓✓		✓	✓✓	✓	✓
Competitor B		✓	✓	✓✓	✓	✓	✓
Competitor C		✓	✓✓✓	✓	✓	✓	✓
Competitor D		✓✓	✓✓✓✓	✓	✓✓	✓✓	✓
Competitor E			✓✓✓✓	✓	✓✓	✓✓	✓
Other low-cost Asian competitors		✓		✓✓			

**Unmatched Full-Service Capabilities in the Wheel Space**



# Driving Long-term Improvement through Transformation

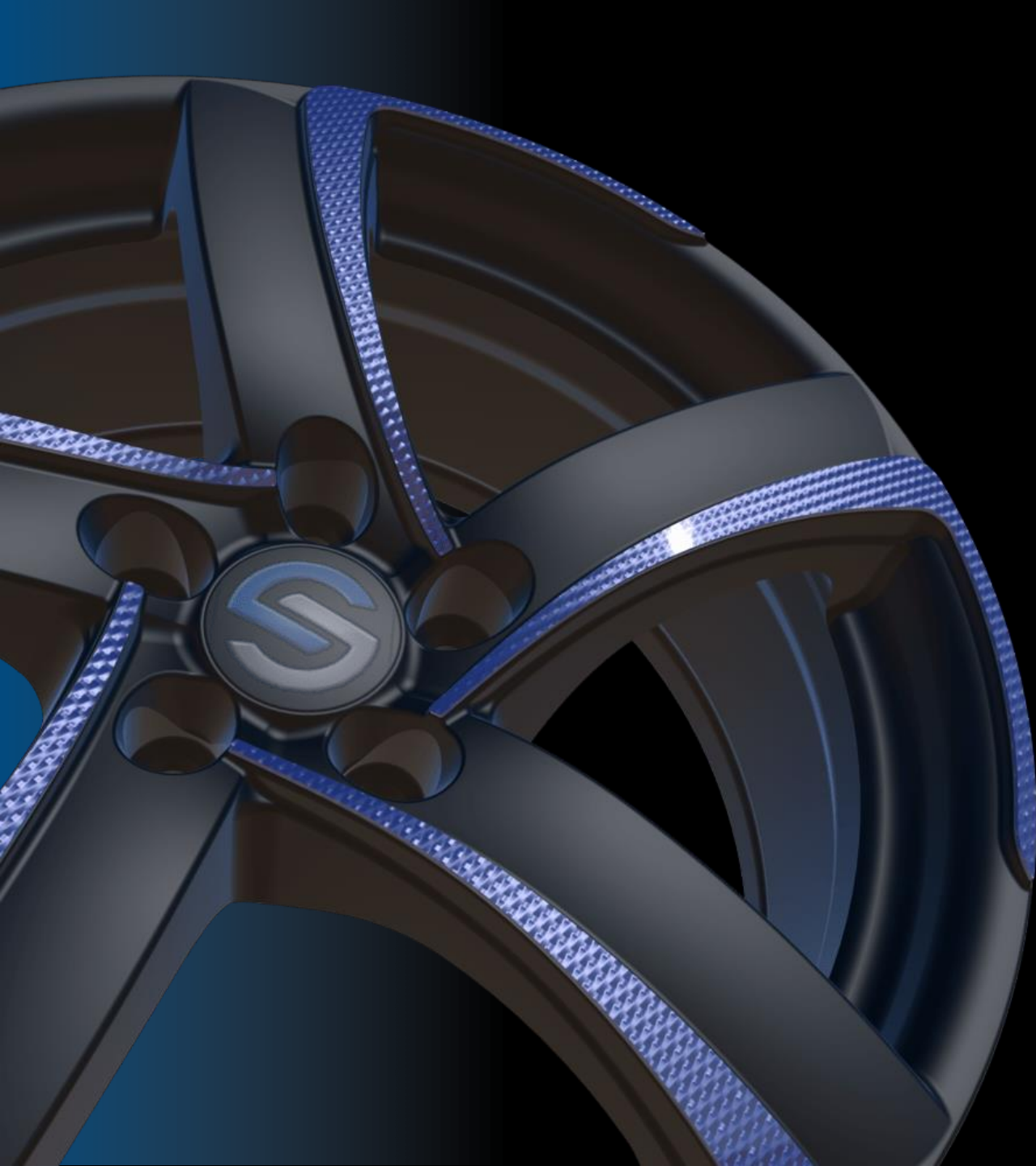


## Post-Europe Transformation Expectations

- Secular tailwinds continue to drive Growth over Market<sup>(2)</sup>
- Approximately \$200M in Adj. EBITDA<sup>(1)</sup> beginning 2025
- Strong Unlevered FCF<sup>(1)</sup> driven by Adj. EBITDA<sup>(1)</sup> growth and capital efficiency

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

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# Financial Review



## Summary

- Loss making German manufacturing facility, Superior Industries Production Germany GmbH (“SPG”), entered Protective Shield Proceedings on August 31, 2023
- Generally Accepted Accounting Principles require deconsolidation from Superior of the Income Statement and Balance Sheet of SPG effective August 31<sup>st</sup>
- **Impact of Deconsolidation on Superior 2023 Financial Results**
  - 318K Wheels
  - \$80M Loss on Deconsolidation
  - \$50M Net Sales
  - \$32M Value-Added Sales<sup>(1)</sup>
  - \$0.5M Adjusted EBITDA<sup>(1)</sup>
- **Transfer of Wheels from Germany to Poland a Significantly Value Accretive Event**
  - \$23M - \$25M approximate step change in Adjusted EBITDA<sup>(1)</sup>
  - ~\$10M approximate annual reduction in Capital Expenditures
  - Superior Europe variable contribution margin approaches that of Superior North America, 35% to 40% of incremental Value-Added Sales<sup>(1)</sup>
  - \$20M - \$35M Approximate Cost to Complete the wheel transfer



***Earnings Step Change, Reduction In Capital Intensity, and Improvement in Variable Contribution Margin***

<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

# Fourth Quarter and Full Year 2023 Financial Summary



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

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
<b>Units</b>				
North America	2,048	2,046	8,573	8,749
Europe	1,447	1,681	5,989	6,843
<b>Global</b>	<b>3,495</b>	<b>3,727</b>	<b>14,562</b>	<b>15,592</b>
<b>Net Sales</b>				
North America	\$ 179.7	\$ 216.5	\$ 794.4	\$ 943.7
Europe	128.9	185.6	590.9	696.2
<b>Global</b>	<b>\$ 308.6</b>	<b>\$ 402.1</b>	<b>\$ 1,385.3</b>	<b>\$ 1,639.9</b>
<b>Value-Added Sales <sup>(1)</sup></b>				
North America	\$ 93.3	\$ 106.8	\$ 403.7	\$ 393.5
Europe	75.4	111.3	343.9	377.1
<b>Global</b>	<b>\$ 168.7</b>	<b>\$ 218.0</b>	<b>\$ 747.6</b>	<b>\$ 770.6</b>
<b>Net (Loss) Income</b>	<b>\$ (2.4)</b>	<b>\$ 16.5</b>	<b>\$ (92.9)</b>	<b>\$ 37.0</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$ 23.1</b>	<b>\$ 57.5</b>	<b>\$ 159.2</b>	<b>\$ 194.2</b>
<i>% of Value-Added Sales <sup>(1)</sup></i>	13.7%	26.4%	21.3%	25.2%
<b>Diluted (Loss) Earnings Per Share <sup>(2)</sup></b>	<b>\$ (0.44)</b>	<b>\$ 0.25</b>	<b>\$ (4.73)</b>	<b>\$ 0.02</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

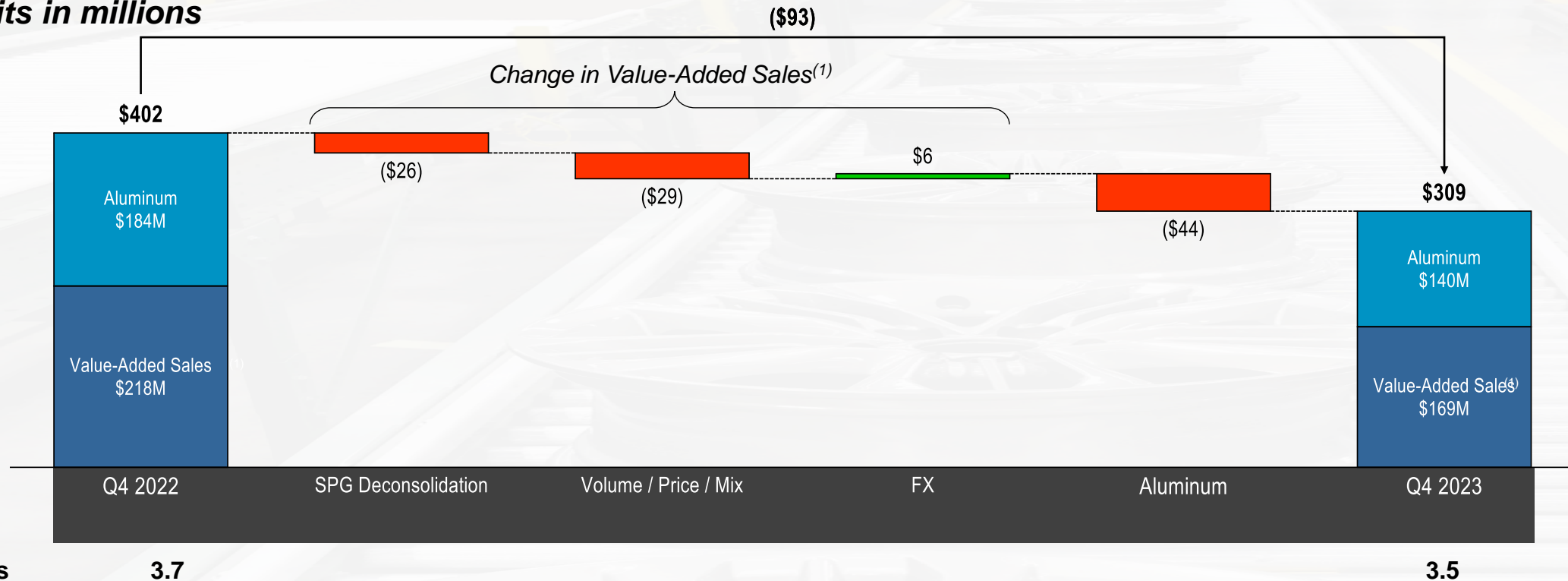
<sup>(2)</sup> See reconciliation from net income to diluted EPS in the appendix of this presentation



# Fourth Quarter 2023 Year-over-Year Sales Bridge



\$ and units in millions



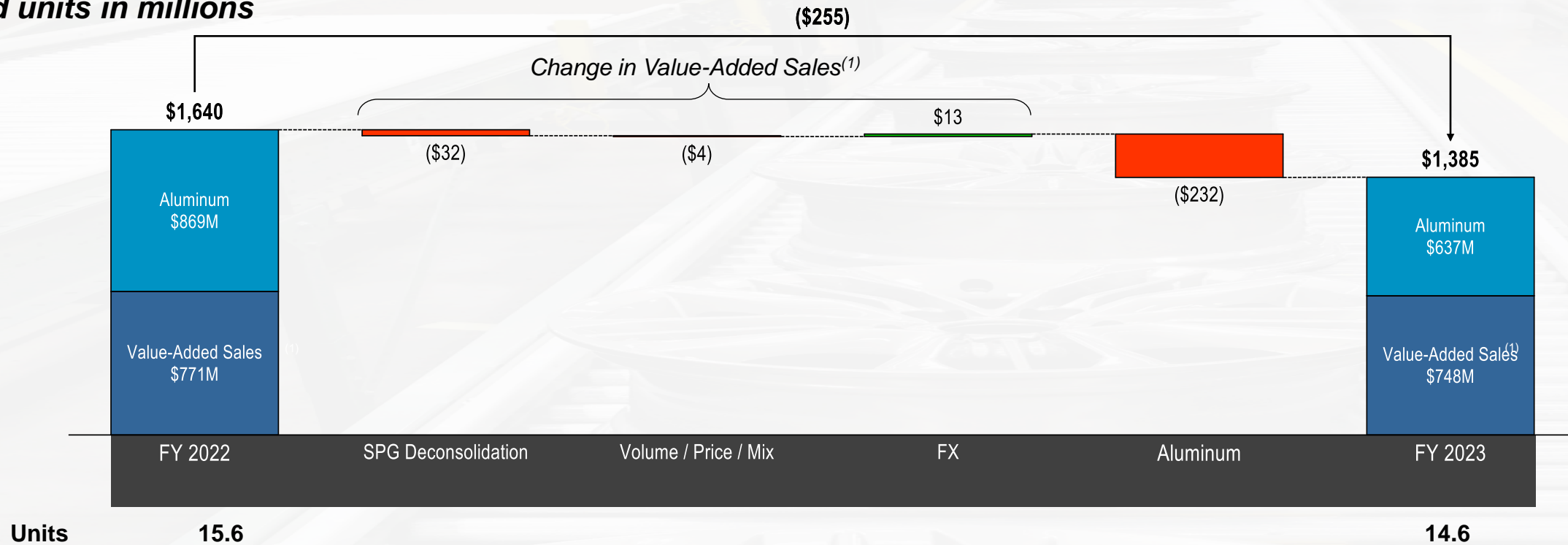
- **SPG Deconsolidation<sup>(2)</sup>:** Deconsolidation of SPG's financial results from Superior
- **Volume / Price / Mix:** Lower unit sales and lower recovery of cost inflation from customers, partially offset by favorable product mix
- **FX:** Stronger Euro
- **Aluminum:** Lower pass through of aluminum costs to customers, in part due to SPG deconsolidation

<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

<sup>(2)</sup>GAAP requires the deconsolidation of SPG's financial results from Superior effective with the commencement of the Protective Shield Proceedings, August 31, 2023.

# FY 2023 Year-over-Year Sales Bridge

**\$ and units in millions**



- **SPG Deconsolidation<sup>(2)</sup>:** Deconsolidation of SPG's financial results from Superior
- **Volume / Price / Mix:** Lower unit sales and lower recovery of cost inflation from customers, partially offset by favorable product mix
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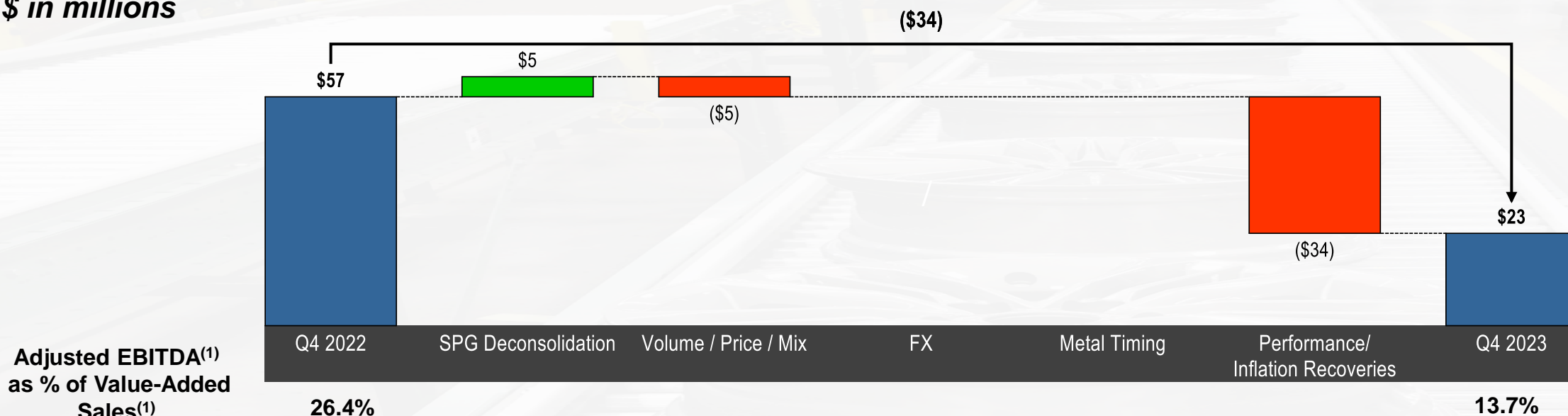
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<sup>(2)</sup>GAAP requires the deconsolidation of SPG's financial results from Superior effective with the commencement of the Protective Shield Proceedings, August 31, 2023.

# Fourth Quarter 2023 Year-over-Year Adjusted EBITDA<sup>(1)</sup> Bridge



\$ in millions



- **SPG Deconsolidation<sup>(2)</sup>:** Deconsolidation of SPG's financial results from Superior
- **Volume / Price / Mix:** Lower unit sales, partially offset by favorable product mix
- **Performance / Inflation Recoveries<sup>(3)</sup>:** Lower recovery of cost inflation from customers and various manufacturing and other inefficiencies, primarily due to the transformation of the European business and the UAW strikes

<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

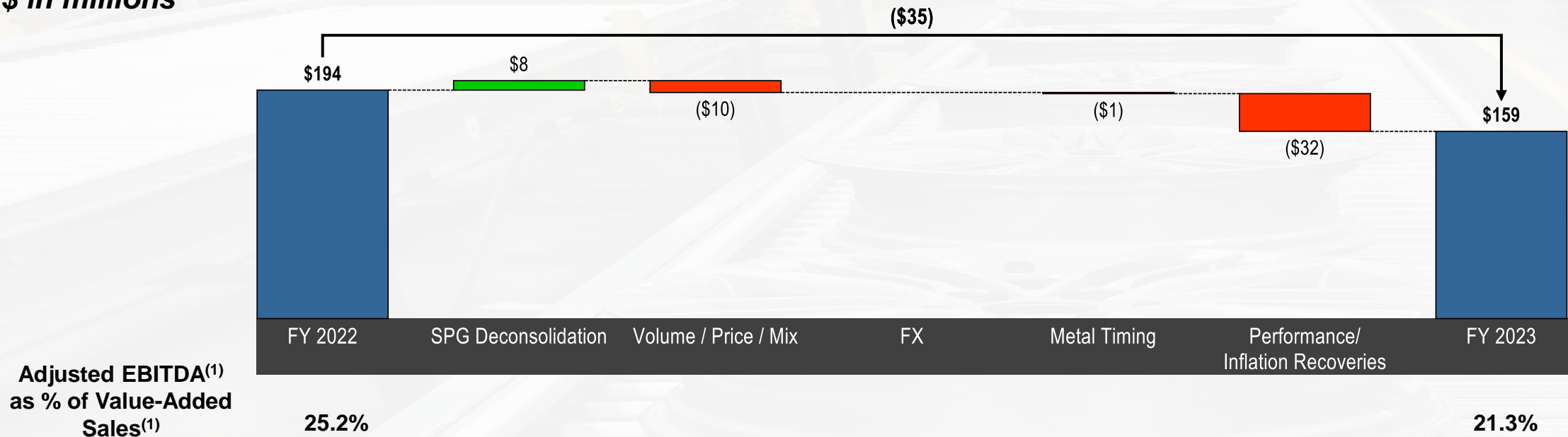
<sup>(2)</sup> GAAP requires the deconsolidation of SPG's financial results from Superior effective with the commencement of the Protective Shield Proceedings, August 31, 2023. Amount reflects the Adjusted EBITDA performance of SPG before giving effect to recovery of cost inflation from customers.

<sup>(3)</sup> Manufacturing and other performance net of recovery of cost inflation from customers



# FY 2023 Year-over-Year Adjusted EBITDA<sup>(1)</sup> Bridge

\$ in millions



- **SPG Deconsolidation<sup>(2)</sup>:** Deconsolidation of SPG’s financial results from Superior
- **Volume / Price / Mix:** Lower unit sales, partially offset by favorable product mix
- **Performance / Inflation Recoveries<sup>(3)</sup>:** Lower recovery of cost inflation from customers and various manufacturing and other inefficiencies, primarily due to the transformation of the European business, the decline of the Aftermarket business in 1H 2023, and the UAW strikes

<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

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<sup>(3)</sup> Manufacturing and other performance net of recovery of cost inflation from customers

# Fourth Quarter and Full Year 2023 Unlevered Free Cash Flow<sup>(1)</sup>

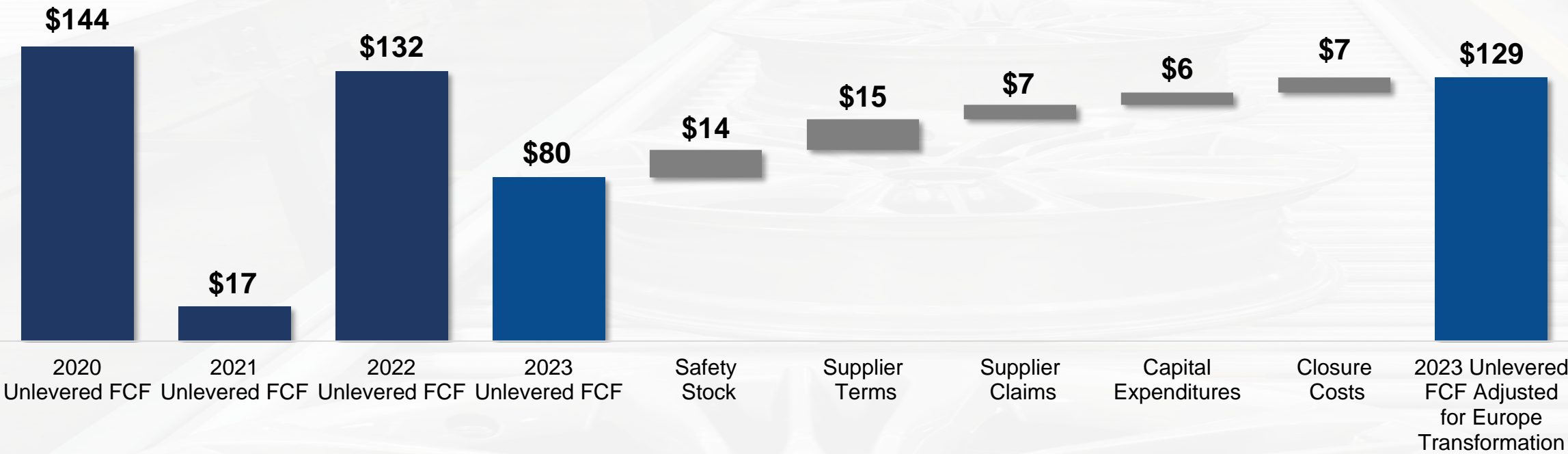


<i>Fourth Quarter</i>	Q4'23	Q4'22	<i>Full Year</i>	FY'23	FY'22
<b>Cash Flow Provided by Operating Activities</b>					
<ul style="list-style-type: none"> <li>Lower profitability and higher 2023 restructuring costs</li> </ul>	\$44M	\$78M	<ul style="list-style-type: none"> <li>Lower profitability and higher 2023 restructuring costs</li> </ul>	\$64M	\$153M
<b>Net Cash Used in Investing Activities</b>					
	(\$12M)	(\$11M)	<ul style="list-style-type: none"> <li>Reducing the capital intensity of the business</li> </ul>	(\$46M)	(\$57M)
<b>Cash Payments for Non-Debt Financing Activities</b>					
<ul style="list-style-type: none"> <li>Timing of dividend payments</li> </ul>	(\$6M)	(\$4M)		(\$16M)	(\$16M)
<b>Free Cash Flow<sup>(1)</sup></b>					
	\$26M	\$63M		\$2M	\$80M
<b>Unlevered Free Cash Flow<sup>(1)</sup></b>					
	\$50M	\$80M		\$80M	\$132M

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

# Unlevered Free Cash Flow<sup>(1)</sup> Adjusted for Europe Transformation

\$ in millions



*Significantly Improved Cash Generation Post-Europe Transformation*

<sup>(1)</sup> Unlevered 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 December 31, 2023

## Capital Structure (in \$M)

<b>Total Cash</b>	<b>\$202</b>
\$60M Revolving Credit Facility	-
Term Loan	\$396
Europe Capex Loans	\$1
Finance Leases	\$1
<b>Total Senior Secured Debt</b>	<b>\$398</b>
Senior Unsecured Notes (€217M)	\$240
<b>Total Debt<sup>(1)</sup></b>	<b>\$638</b>
<b>Net Debt<sup>(2)</sup></b>	<b>\$436</b>
<b>Preferred Equity</b>	<b>\$248</b>
<b>Available Liquidity<sup>(3)</sup></b>	<b>\$219</b>

- **Cash Balance of \$202M**
- **Liquidity of \$219M**
- **Free Cash Flow<sup>(2)</sup> remains a top priority**

**Continued Focus on Deleveraging  
Balance Sheet**

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

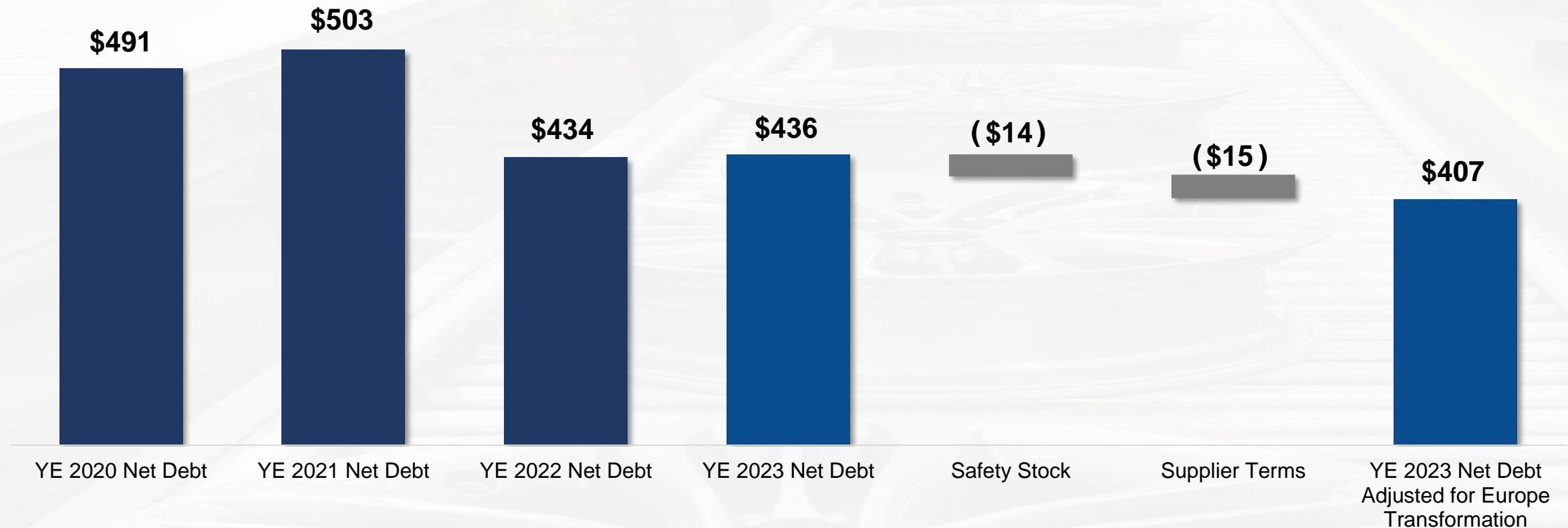
<sup>(2)</sup> Free Cash Flow and Net Debt are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures

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

# Year-End 2023 Net Debt<sup>(1)</sup> Adjusted for Europe Transformation



*\$ in millions*



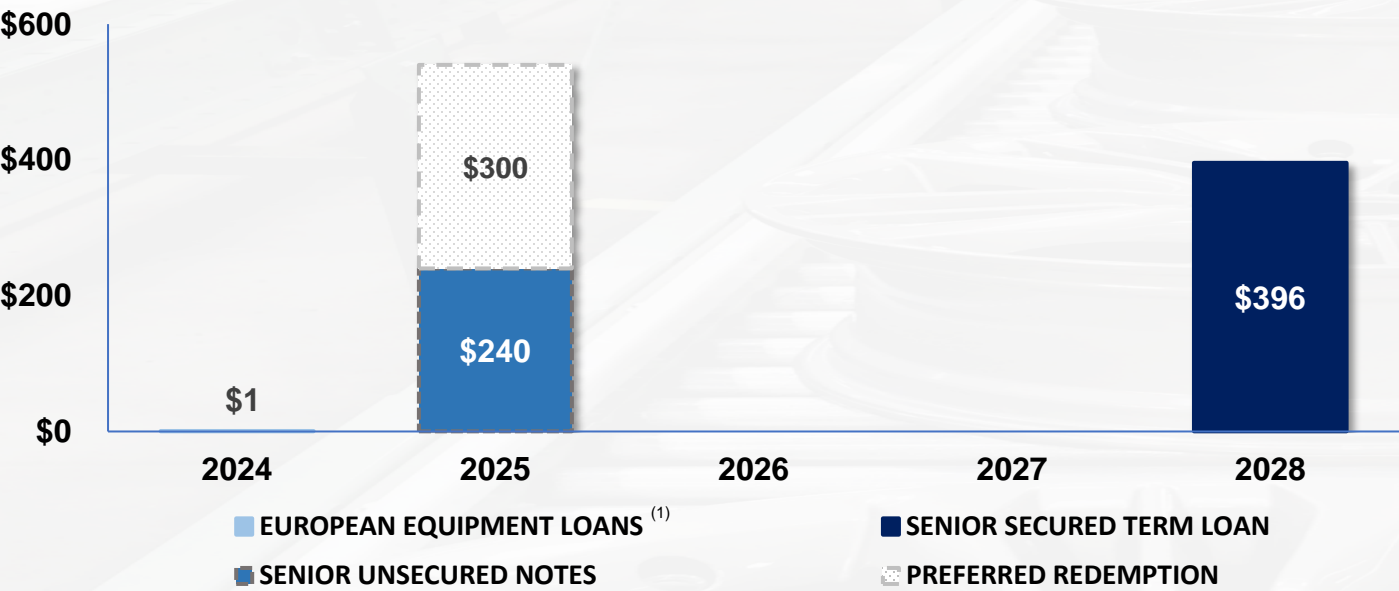
***Expect to recover Safety Stock and for Supplier Terms to Normalize in FY 2024***

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

# Debt Maturity Profile as of December 31, 2023

\$ in millions

## Debt Maturities and Optional Preferred Equity Redemption



- Engaged independent financial advisor to advise on refinancing of the Notes
- Evaluating financing opportunities in the capital markets
- Refinancing of Notes likely to involve Preferred Equity

Note: Not included is an undrawn committed revolving credit facility of \$60M and capital leases

<sup>(1)</sup> European equipment loans mature March 31, 2024



# Full Year 2024 Financial Outlook



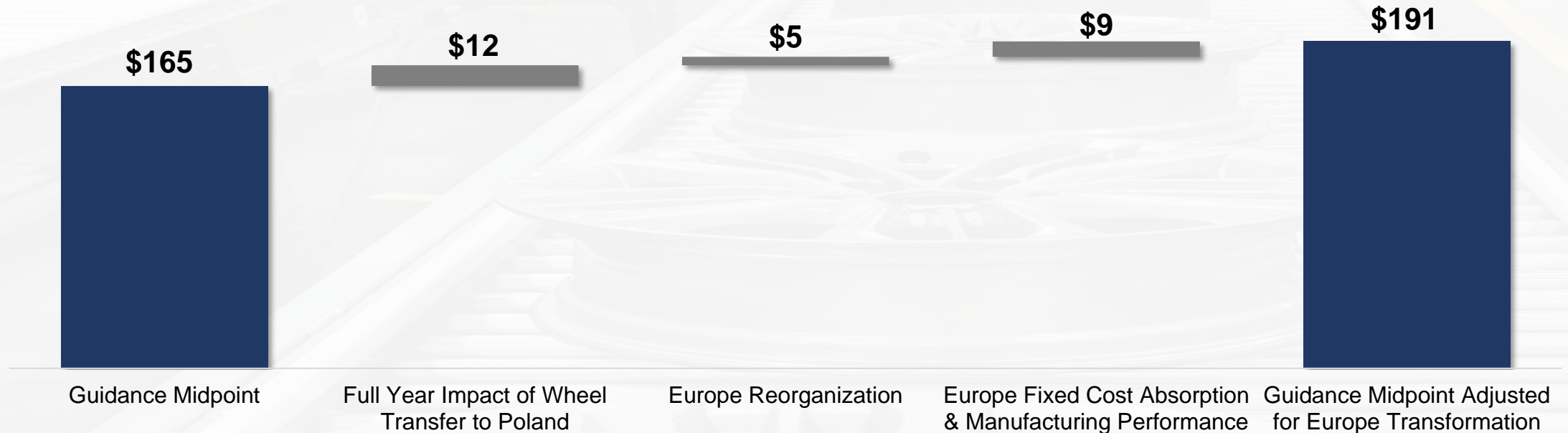
Metric	2024 Outlook	Commentary
<b>Net Sales</b>	\$1.38B – \$1.48B	<ul style="list-style-type: none"> <li>Sales reflect having addressed underperforming parts of our wheel portfolio, thereby optimizing the profitable utilization of manufacturing capacity, and light vehicle production generally consistent with IHS forecasts</li> </ul>
<b>Value-Added Sales<sup>(1)</sup></b>	\$720M - \$770M	
<b>Adjusted EBITDA<sup>(1)</sup></b>	\$155M - \$175M	<ul style="list-style-type: none"> <li>Cost inflation, especially labor and energy, to persist</li> <li>Ongoing dialogue with OEM customers to recover in wheel price their fair share of inflation</li> <li>Europe Transformation expected to be complete by year end – expect to exit 2024 with a business generating approximately \$190 million of Adjusted EBITDA<sup>(1)</sup></li> </ul>
<b>Unlevered Free Cash Flow<sup>(1)</sup></b>	\$110M - \$130M	<ul style="list-style-type: none"> <li>Cash generating power of the enterprise – cash available for debt service and shareholders</li> </ul>
<b>Capital Expenditures</b>	~\$50M	<ul style="list-style-type: none"> <li>Strategically investing in the business, especially finishing and light weighting capabilities</li> </ul>

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

# 2024 Adj. EBITDA<sup>(1)</sup> Guidance Adjusted for Europe Transformation

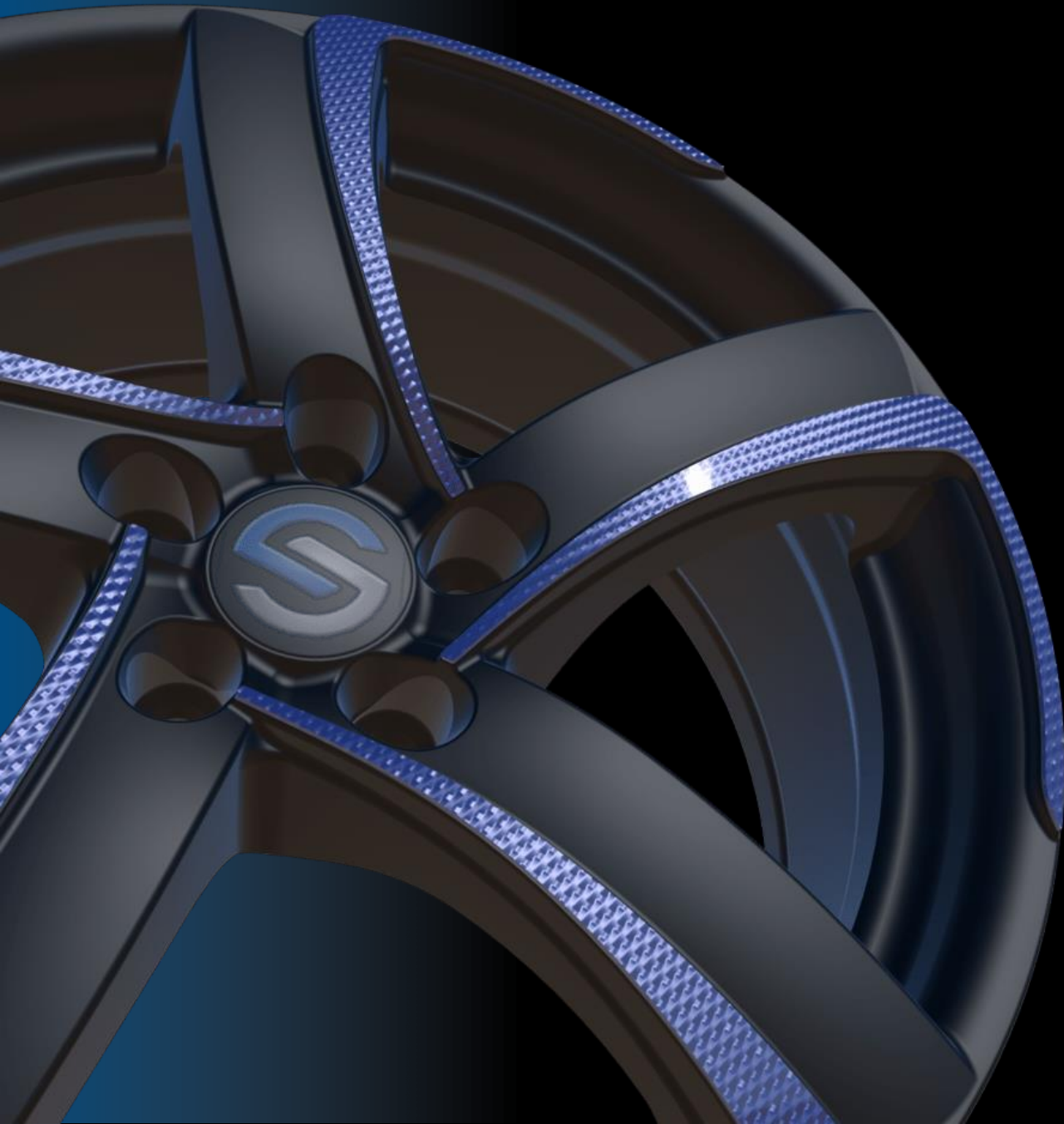


*\$ in millions*



***Europe Transformation Positioning Superior for Enhanced Profitability***

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



# Appendix



# Income Statement



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

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
	Actual	Actual	Actual	Actual
Unit Shipments (000s)	3,495	3,727	14,562	15,592
Net Sales	\$ 308.6	\$ 402.1	\$ 1,385.3	\$ 1,639.9
Value-Added Sales Adjusted for Foreign Exchange <sup>(1)</sup>	164.6	218.0	740.3	770.6
Gross Profit	14.8	54.8	115.7	166.4
SG&A Expenses	34.3	18.6	87.6	68.3
Loss on Deconsolidation of Subsidiary	-	-	79.6	-
(Loss) Income From Operations	\$ (19.4)	\$ 36.2	\$ (51.4)	\$ 98.0
Interest Expense, net	(15.1)	(15.6)	(62.1)	(46.3)
Other Expense, net	(0.6)	(0.9)	(3.2)	(0.6)
(Loss) Income Before Income Taxes	\$ (35.1)	\$ 19.7	\$ (116.8)	\$ 51.1
Income Tax Benefit (Provision)	32.7	(3.2)	23.9	(14.1)
Net (Loss) Income	\$ (2.4)	\$ 16.5	\$ (92.9)	\$ 37.0
Diluted (Loss) Earnings Per Share	\$ (0.44)	\$ 0.25	\$ (4.73)	\$ 0.02
Value-Added Sales <sup>(1)</sup>	\$ 168.7	\$ 218.0	\$ 747.6	\$ 770.6
Adjusted EBITDA <sup>(1)</sup>	\$ 23.1	\$ 57.5	\$ 159.2	\$ 194.2
% of Value-Added Sales	13.7%	26.4%	21.3%	25.2%

Unaudited

<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)

## **ASSETS**

	<b><u>12/31/2023</u></b>	<b><u>12/31/2022</u></b>
Cash & Short Term Investments	\$ 201.6	\$ 213.0
Accounts Receivable, net	56.4	72.7
Inventories, net	144.6	178.7
Income Taxes Receivable	1.6	2.3
Derivative financial instruments	38.3	16.4
Other Current Assets	17.5	25.8
<b>Total Current Assets</b>	<b>\$ 459.9</b>	<b>\$ 508.9</b>
Property, Plant & Equipment, net	398.6	474.0
Deferred Income Taxes, net	52.2	35.2
Intangibles	33.2	51.5
Derivative financial instruments	40.5	18.5
Other Assets	46.1	45.6
<b>Total Assets</b>	<b>\$ 1,030.6</b>	<b>\$ 1,133.7</b>

## **LIABILITIES & EQUITY**

Accounts Payable	\$ 124.9	\$ 158.0
Current Portion of Long-term Debt	5.3	5.9
Accrued Expenses	66.8	74.1
Income Taxes Payable	1.8	13.3
<b>Total Current Liabilities</b>	<b>\$ 198.9</b>	<b>\$ 251.3</b>
Long-term Debt (Less Current Portion)	610.6	616.1
Non-Current Liabilities	57.8	67.7
Redeemable Preferred Shares	248.2	222.8
European Noncontrolling Redeemable Equity	0.9	1.1
<b>Total Shareholders' Deficit</b>	<b>\$ (85.9)</b>	<b>\$ (25.3)</b>
<b>Total Liabilities and Shareholders' Deficit</b>	<b>\$ 1,030.6</b>	<b>\$ 1,133.7</b>

Unaudited

# Statement of Cash Flow



(\$ in millions)

Unaudited

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
Net (Loss) Income	\$ (2.4)	\$ 16.5	\$ (92.9)	\$ 37.0
Depreciation and Amortization	23.1	22.1	93.0	91.2
Income tax, Non-cash Changes	(36.6)	(12.9)	(27.3)	(9.3)
Stock-based Compensation	3.2	3.1	7.5	9.7
Amortization of Debt Issuance Costs	1.2	5.0	4.8	8.7
Loss on Deconsolidation of Subsidiary	-	-	79.6	-
Other Non-cash Items	7.8	1.3	3.1	(0.5)
Changes in Operating Assets and Liabilities:				
Accounts Receivable	56.8	67.6	18.9	10.2
Inventories	21.3	25.8	13.1	(11.3)
Other Assets and Liabilities	(9.0)	(5.2)	3.6	(3.3)
Accounts Payable	(22.5)	(59.1)	(27.6)	5.1
Income Taxes	1.5	14.0	(11.4)	15.1
<b>Cash Flow Provided By Operating Activities</b>	<b>\$ 44.3</b>	<b>\$ 78.1</b>	<b>\$ 64.4</b>	<b>\$ 152.6</b>
Capital Expenditures	(11.7)	(11.4)	(41.2)	(57.2)
Deconsolidation of Subsidiary Cash	-	-	(4.4)	-
Proceeds from Sale of Property, Plant and Equipment	-	-	-	0.2
<b>Net Cash Used In Investing Activities</b>	<b>\$ (11.7)</b>	<b>\$ (11.4)</b>	<b>\$ (45.6)</b>	<b>\$ (57.0)</b>
Proceeds from the Issuance of Long-term Debt	-	388.0	-	388.0
Debt Repayment	(2.4)	(350.8)	(16.4)	(354.4)
Cash Dividends	(6.8)	(3.4)	(13.6)	(13.6)
Financing Costs Paid and Other	(0.1)	(12.6)	(0.2)	(12.6)
Payments Related to Tax Withholdings for Stock-Based Compensation	-	-	(3.3)	(1.8)
Finance Lease Payments	(0.2)	(0.3)	(0.7)	(1.1)
<b>Cash Flow (Used In) Provided By Financing Activities</b>	<b>\$ (9.5)</b>	<b>\$ 20.9</b>	<b>\$ (34.2)</b>	<b>\$ 4.5</b>
Effect of Exchange Rate on Cash	1.9	3.6	4.0	(0.5)
<b>Net Change in Cash</b>	<b>\$ 25.1</b>	<b>\$ 91.2</b>	<b>\$ (11.4)</b>	<b>\$ 99.5</b>
<b>Cash - Beginning</b>	<b>176.5</b>	<b>121.8</b>	<b>213.0</b>	<b>113.5</b>
<b>Cash - Ending</b>	<b>\$ 201.6</b>	<b>\$ 213.0</b>	<b>\$ 201.6</b>	<b>\$ 213.0</b>



# Earnings per Share Calculation

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

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

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
Net (Loss) Income	\$ (2.4)	\$ 16.5	\$ (92.9)	\$ 37.0
Less: Accretion of Preferred Stock	(6.6)	(5.9)	(25.5)	(22.9)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(13.5)	(13.6)
<b>Numerator</b>	<b>\$ (12.4)</b>	<b>\$ 7.2</b>	<b>\$ (131.9)</b>	<b>\$ 0.5</b>
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>28.1</b>	<b>27.0</b>	<b>27.9</b>	<b>26.8</b>

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

<b>\$ (0.44)</b>	<b>\$ 0.26</b>	<b>\$ (4.73)</b>	<b>\$ 0.02</b>
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## Diluted EPS Calculation<sup>(1)</sup>

Net (Loss) Income	\$ (2.4)	\$ 16.5	\$ (92.9)	\$ 37.0
Less: Accretion of Preferred Stock	(6.6)	(5.9)	(25.5)	(22.9)
Less: Redeemable Preferred Stock Dividends	(3.4)	(3.4)	(13.5)	(13.6)
<b>Numerator</b>	<b>\$ (12.4)</b>	<b>\$ 7.2</b>	<b>\$ (131.9)</b>	<b>\$ 0.5</b>

Weighted Avg. Shares Outstanding-Basic	28.1	27.0	27.9	26.8
Dilutive Stock Options and Restricted Stock Units	-	1.2	-	0.8
<b>Denominator:</b> Weighted Avg. Shares Outstanding	<b>28.1</b>	<b>28.3</b>	<b>27.9</b>	<b>27.6</b>

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

<b>\$ (0.44)</b>	<b>\$ 0.25</b>	<b>\$ (4.73)</b>	<b>\$ 0.02</b>
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<sup>(1)</sup> 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 December 31, 2023 and 2022.

# 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 <sup>(1)</sup>

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
<b>Net Sales</b>	<b>\$ 308.6</b>	<b>\$ 402.1</b>	<b>\$ 1,385.3</b>	<b>\$ 1,639.9</b>
Less: Aluminum, Other Costs, and Outside Service Provider Costs	(139.9)	(184.1)	(637.7)	(869.3)
<b>Value-Added Sales <sup>(1)</sup></b>	<b>\$ 168.7</b>	<b>\$ 218.0</b>	<b>\$ 747.6</b>	<b>\$ 770.6</b>
Currency Impact on Current Period Value-Added Sales	(4.1)	-	(7.3)	-
<b>Value-Added Sales Adjusted for Foreign Exchange <sup>(1)</sup></b>	<b>\$ 164.6</b>	<b>\$ 218.0</b>	<b>\$ 740.3</b>	<b>\$ 770.6</b>
Deconsolidation Impact	-	(25.6)	-	(31.9)
<b>Value-Added Sales Adjusted for Foreign Exchange &amp; Deconsolidation <sup>(1)</sup></b>	<b>\$ 164.6</b>	<b>\$ 192.4</b>	<b>\$ 740.3</b>	<b>\$ 738.7</b>
 Wheels Shipped	 3,495	 3,727	 14,562	 15,592
<b>Content per Wheel <sup>(1)</sup></b>	<b>\$ 47.10</b>	<b>\$ 58.49</b>	<b>\$ 50.84</b>	<b>\$ 49.42</b>

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

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
<b>Net (Loss) Income</b>	<b>\$ (2.4)</b>	<b>\$ 16.5</b>	<b>\$ (92.9)</b>	<b>\$ 37.0</b>
<b>Adjusting Items:</b>				
- Interest Expense, net	15.1	15.6	62.1	46.3
- Income Tax (Benefit) Provision	(32.7)	3.2	(23.9)	14.1
- Depreciation	18.2	17.5	73.5	70.2
- Amortization	4.8	4.6	19.5	20.9
- Loss on Deconsolidation of Subsidiary	-	-	79.6	-
- Restructuring and Other	22.0	(0.9)	40.4	3.1
- Change in Fair Value of Preferred Derivative	(3.4)	-	(3.4)	-
- Factoring Fees	1.4	1.0	4.2	2.4
	<b>\$ 25.4</b>	<b>\$ 41.0</b>	<b>\$ 252.0</b>	<b>\$ 157.0</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$ 23.1</b>	<b>\$ 57.5</b>	<b>\$ 159.2</b>	<b>\$ 194.2</b>

Unaudited

<sup>(1)</sup> Value-Added Sales, Value-Added Sales Adjusted for Foreign Exchange, Value-Added Sales Adjusted for Foreign Exchange and Deconsolidation, 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



# Reconciliation of Non-GAAP Financial Measures (continued)



(\$ in millions)

## Free Cash Flow <sup>(1)</sup>

	Three Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022
Cash Flow Provided By Operating Activities	\$ 44.3	\$ 78.1	\$ 64.4	\$ 152.6
Net Cash Used In Investing Activities	(11.7)	(11.4)	(45.6)	(57.0)
Cash Payments for Non-debt Financing Activities	(6.8)	(3.4)	(16.9)	(15.4)
Free Cash Flow <sup>(1)</sup>	\$ 25.8	\$ 63.3	\$ 1.9	\$ 80.2

## Unlevered Free Cash Flow <sup>(1)</sup>

	Three Months		Twelve Months		Twelve Months	
	4Q 2023	4Q 2022	YTD 2023	YTD 2022	YTD 2020	YTD 2021
Cash Flow Provided By Operating Activities	\$ 44.3	\$ 78.1	\$ 64.4	\$ 152.6	\$ 150.1	\$ 44.9
Capital Expenditures	(11.7)	(11.4)	(41.2)	(57.2)	(45.0)	(64.1)
Cash Interest Paid	17.6	13.7	56.8	36.7	39.2	36.4
Unlevered Free Cash Flow <sup>(1)</sup>	\$ 50.2	\$ 80.4	\$ 80.0	\$ 132.1	\$ 144.3	\$ 17.2

## Net Debt <sup>(1) (3)</sup>

	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Long Term Debt (Less Current Portion)	\$ 632.2	\$ 641.5	\$ 610.2	\$ 637.1
Short Term Debt	5.3	5.9	6.1	6.1
Total Debt	637.5	647.4	616.3	643.2
Less: Cash and Cash Equivalents	(201.6)	(213.0)	(113.5)	(152.4)
Net Debt <sup>(1)</sup>	435.9	434.4	502.8	490.8
Currency Impact on Current Period Net Debt <sup>(2)</sup>	(7.2)	-	-	-
Net Debt Adjusted for Foreign Exchange <sup>(1)</sup>	\$ 428.7	\$ 434.4	\$ 502.8	\$ 490.8

Unaudited

(1) Net Debt, Net Debt Adjusted for Foreign Exchange, Free Cash Flow and Unlevered Free Cash Flow are non-GAAP financial measures; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures

(2) Exchange rate adjustment to state 2023 net debt at 2022 currency levels.

(3) Excluding Debt Issuance Cost



# Reconciliation of Non-GAAP Financial Measures



(\$ in millions)

## Net Sales Adjusted for the Impact of the Change in the Cost of Aluminum and SPG Deconsolidation <sup>(1)</sup>

### Net Sales

Change in Cost of Aluminum

SPG Deconsolidation

### Net Sales Adjusted for the Impact of the Change in the Cost of Aluminum and SPG Deconsolidation <sup>(1)</sup>

Three Months		Twelve Months	
4Q 2023	4Q 2022	YTD 2023	YTD 2022
\$ 308.6	\$ 402.1	\$ 1,385.3	\$ 1,639.9
-	(44.0)	-	(231.9)
-	(37.9)	-	(49.6)
<u>\$ 308.6</u>	<u>\$ 320.2</u>	<u>\$ 1,385.3</u>	<u>\$ 1,358.4</u>

Unaudited

<sup>(1)</sup> Net Sales Adjusted for the Impact of the Change in the Cost of Aluminum and SPG Deconsolidation is a non-GAAP financial measure; see page 2 for definitions and the appendix for reconciliations to the most comparable GAAP measures