

Safe Harbor – Forward Looking Statements

You should be aware that except for historical information, the matters discussed herein are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements, including projections and anticipated levels of future performance, are based on current information and assumptions and involve risks and uncertainties which may cause actual results to differ materially from those discussed herein. You are urged to review all of our filings with the SEC and our press releases from time to time for details of these risks and uncertainties.

In addition, please see our press release issued on October 27, 2023 for factors that could cause future performance to vary from the expectations expressed or implied by the forward-looking statements herein and for certain reconciliations of GAAP to non-GAAP results.

❖ Welcome & Introduction

Tony Cristello, VP Investor Relations

❖ Overview & Market Trends

Eric Sills, CEO

❖ Financial Results & Balance Sheet

Nathan Iles, CFO

❖ Final Comments

Eric Sills, CEO

❖ Q&A

All

3rd Quarter P&L Summary – Segments⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,				NINE MONTHS ENDED SEPTEMBER 30,				
	2023		2022		2023		2022		
<u>Vehicle Control</u>									
Revenue	\$	190.9	\$	197.7	\$	559.3	\$	560.7	
Gross Margin		60.9	31.9%	60.4	30.5%	179.4	32.1%	169.5	30.2%
Selling, General & Administrative		34.8	18.2%	33.2	16.8%	101.6	18.2%	98.4	17.6%
Factoring Expenses		8.0	4.2%	6.0	3.0%	22.7	4.1%	13.5	2.4%
Operating Income	\$	18.1	9.5%	21.1	10.7%	55.1	9.9%	57.6	10.3%
Adjusted EBITDA	\$	21.8	11.4%	25.0	12.6%	66.4	11.9%	69.2	12.3%
<u>Temperature Control</u>									
Revenue	\$	123.6	\$	117.4	\$	293.1	\$	296.1	
Gross Margin		37.8	30.6%	35.1	29.9%	83.5	28.5%	83.9	28.3%
Selling, General & Administrative		18.0	14.6%	17.0	14.6%	48.4	16.5%	47.4	16.0%
Factoring Expenses		6.6	5.3%	4.7	3.9%	13.4	4.6%	8.4	2.8%
Operating Income	\$	13.2	10.6%	13.4	11.4%	21.7	7.4%	28.1	9.5%
Adjusted EBITDA	\$	14.7	11.9%	13.8	11.8%	25.0	8.5%	32.3	10.9%
<u>Engineered Solutions</u>									
Revenue	\$	71.8	\$	66.3	\$	215.1	\$	206.8	
Gross Margin		16.1	22.4%	11.3	17.1%	44.4	20.6%	39.6	19.1%
Selling, General & Administrative		8.8	12.3%	8.0	12.1%	25.2	11.7%	24.9	12.0%
Operating Income	\$	7.3	10.1%	3.3	5.0%	19.2	8.9%	14.7	7.1%
Adjusted EBITDA	\$	11.2	15.6%	7.3	11.0%	28.8	13.4%	23.8	11.5%

⁽¹⁾ All operating results provided except for revenues are on a non-GAAP basis. See financial statements in earnings release for reconciliation of GAAP to non-GAAP earnings.

3rd Quarter P&L Summary – Consolidated⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,				NINE MONTHS ENDED SEPTEMBER 30,							
	2023		2022		2023		2022					
<u>Consolidated Results</u>												
Revenue	\$	386.4	\$	381.4	\$	1,067.5	\$	1,063.6				
Gross Margin		114.8	29.7%	106.8	28.0%	307.3	28.8%	293.0	27.5%			
Selling, General & Administrative		65.2	16.9%	62.6	16.4%	187.2	17.5%	182.7	17.2%			
Factoring Expenses		14.6	3.8%	10.6	2.8%	36.1	3.4%	21.9	2.1%			
Operating Income	\$	35.0	9.1%	\$	33.6	8.8%	\$	84.0	7.9%	\$	88.4	8.3%
Net Earnings from Continuing Operations	\$	24.7		\$	22.9		\$	56.6		\$	64.3	
Adjusted EBITDA	\$	44.0	11.4%	\$	42.1	11.0%	\$	108.3	10.1%	\$	114.3	10.7%
Interest Expense	\$	3.6		\$	3.7		\$	10.8		\$	6.3	
Diluted Earnings per Share	\$	1.11		\$	1.05		\$	2.55		\$	2.90	

⁽¹⁾ All operating results provided except for revenues are on a non-GAAP basis. See financial statements in earnings release for reconciliation of GAAP to non-GAAP earnings.

Balance Sheet & Cash Flow Highlights

(In millions)

	SEPTEMBER 30,		DECEMBER 31,
	2023	2022	2022
<u>Working Capital Stats</u>			
Accounts Receivable, Net	\$ 208.1	\$ 230.4	\$ 167.6
Inventories	\$ 479.8	\$ 534.3	\$ 528.7
<u>Cash Flow Stats (YTD)</u>			
Operating cash flows	\$ 132.9	\$ (75.5)	
Capex	\$ (18.0)	\$ (19.5)	
M&A	\$ (4.0)	\$ -	
Dividends	\$ (18.8)	\$ (17.6)	
Share repurchases	\$ -	\$ (29.7)	
Net Change in Debt	\$ (92.1)	\$ 141.5	
<u>Debt & Leverage</u>			
Total debt	\$ 147.6	\$ 269.5	\$ 239.6
Cash	\$ 28.5	\$ 17.5	\$ 21.2
Net debt	\$ 119.1	\$ 252.0	\$ 218.4
LTM Adjusted EBITDA	\$ 140.2	\$ 147.1	\$ 146.1
Leverage ratio	0.8x	1.7x	1.5x
Remaining borrowing capacity	\$ 344.0	\$ 227.9	\$ 255.6
Total Liquidity	\$ 372.5	\$ 245.4	\$ 276.8



Q&A Session

Appendix

Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>				
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 24,859	\$ 23,140	\$ 55,915	\$ 64,494
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(312)	(249)	(312)	(249)
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(46)	-	(360)	(11)
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 24,678</u>	<u>\$ 22,891</u>	<u>\$ 56,626</u>	<u>\$ 64,278</u>
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>				
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 1.12	\$ 1.06	\$ 2.52	\$ 2.91
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	0.06	-
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(0.01)	(0.01)	(0.01)	(0.01)
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	-	-	(0.02)	-
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 1.11</u>	<u>\$ 1.05</u>	<u>\$ 2.55</u>	<u>\$ 2.90</u>



Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,		LAST TWELVE MONTHS ENDED SEPTEMBER 30,		YEAR ENDED DECEMBER 31,
	2023	2022	2023	2022			
OPERATING INCOME							
GAAP OPERATING INCOME	\$ 34,806	\$ 33,615	\$ 82,730	\$ 88,423			
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44			
OTHER INCOME, NET	(4)	(30)	(74)	(43)			
NON-GAAP OPERATING INCOME	\$ 34,979	\$ 33,585	\$ 84,039	\$ 88,424			
EBITDA WITHOUT SPECIAL ITEMS							
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 32,917	\$ 31,472	\$ 74,723	\$ 87,030	\$ 86,025	\$ 111,817	\$ 98,332
DEPRECIATION AND AMORTIZATION	7,332	7,002	21,461	20,895	28,864	27,978	28,298
INTEREST EXPENSE	3,621	3,656	10,766	6,282	15,101	6,954	10,617
EBITDA	43,870	42,130	106,950	114,207	129,990	146,749	137,247
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44	3,230	270	1,891
CUSTOMER BANKRUPTCY CHARGE	-	-	-	-	7,002	-	7,002
ONE-TIME ACQUISITION COSTS	-	-	-	-	-	105	-
SPECIAL ITEMS	177	-	1,383	44	10,232	375	8,893
EBITDA WITHOUT SPECIAL ITEMS	\$ 44,047	\$ 42,130	\$ 108,333	\$ 114,251	\$ 140,222	\$ 147,124	\$ 146,140

MANAGEMENT BELIEVES THAT NON-GAAP EARNINGS FROM CONTINUING OPERATIONS AND NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS WHICH ARE ATTRIBUTABLE TO SMP, AND NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

Reconciliation of GAAP and Non-GAAP Measures

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<u>OPERATING INCOME</u>					
GAAP OPERATING INCOME	\$ 18,071	\$ 13,054	\$ 7,254	\$ (3,573)	\$ 34,806
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
OTHER INCOME, NET	(3)	-	(1)	-	(4)
NON-GAAP OPERATING INCOME	<u>\$ 18,113</u>	<u>\$ 13,161</u>	<u>\$ 7,278</u>	<u>\$ (3,573)</u>	<u>\$ 34,979</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 15,702	\$ 12,780	\$ 8,078	\$ (3,643)	\$ 32,917
DEPRECIATION AND AMORTIZATION	3,482	908	2,450	492	7,332
INTEREST EXPENSE	2,563	942	620	(504)	3,621
EBITDA	<u>21,747</u>	<u>14,630</u>	<u>11,148</u>	<u>(3,655)</u>	<u>43,870</u>
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
SPECIAL ITEMS	45	107	25	-	177
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 21,792</u>	<u>\$ 14,737</u>	<u>\$ 11,173</u>	<u>\$ (3,655)</u>	<u>\$ 44,047</u>
% of Net Sales	11.4%	11.9%	15.6%		11.4%

Reconciliation of GAAP and Non-GAAP Measures

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<u>OPERATING INCOME</u>					
GAAP OPERATING INCOME	\$ 21,151	\$ 13,389	\$ 3,302	\$ (4,227)	\$ 33,615
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	-	-	-
OTHER INCOME, NET	(30)	-	-	-	(30)
NON-GAAP OPERATING INCOME	<u>\$ 21,121</u>	<u>\$ 13,389</u>	<u>\$ 3,302</u>	<u>\$ (4,227)</u>	<u>\$ 33,585</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 18,745	\$ 12,351	\$ 4,650	\$ (4,274)	\$ 31,472
DEPRECIATION AND AMORTIZATION	3,511	661	2,424	406	7,002
INTEREST EXPENSE	2,748	788	202	(82)	3,656
EBITDA	<u>25,004</u>	<u>13,800</u>	<u>7,276</u>	<u>(3,950)</u>	<u>42,130</u>
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	-	-	-
SPECIAL ITEMS	-	-	-	-	-
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 25,004</u>	<u>\$ 13,800</u>	<u>\$ 7,276</u>	<u>\$ (3,950)</u>	<u>\$ 42,130</u>
<i>% of Net Sales</i>	<i>12.6%</i>	<i>11.8%</i>	<i>11.0%</i>		<i>11.0%</i>

Reconciliation of GAAP and Non-GAAP Measures

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<u>OPERATING INCOME</u>					
GAAP OPERATING INCOME	\$ 54,719	\$ 20,938	\$ 19,064	\$ (11,991)	\$ 82,730
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
OTHER INCOME, NET	(65)	-	(9)	-	(74)
NON-GAAP OPERATING INCOME	<u>\$ 55,138</u>	<u>\$ 21,716</u>	<u>\$ 19,176</u>	<u>\$ (11,991)</u>	<u>\$ 84,039</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 47,994	\$ 19,144	\$ 19,611	\$ (12,026)	\$ 74,723
DEPRECIATION AND AMORTIZATION	10,267	2,439	7,417	1,338	21,461
INTEREST EXPENSE	7,608	2,677	1,616	(1,135)	10,766
EBITDA	<u>65,869</u>	<u>24,260</u>	<u>28,644</u>	<u>(11,823)</u>	<u>106,950</u>
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
SPECIAL ITEMS	<u>484</u>	<u>778</u>	<u>121</u>	<u>-</u>	<u>1,383</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 66,353</u>	<u>\$ 25,038</u>	<u>\$ 28,765</u>	<u>\$ (11,823)</u>	<u>\$ 108,333</u>
% of Net Sales	11.9%	8.5%	13.4%		10.1%

Reconciliation of GAAP and Non-GAAP Measures

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<u>OPERATING INCOME</u>					
GAAP OPERATING INCOME	\$ 57,554	\$ 28,074	\$ 14,699	\$ (11,904)	\$ 88,423
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
OTHER INCOME, NET	(43)	-	-	-	(43)
NON-GAAP OPERATING INCOME	<u>\$ 57,555</u>	<u>\$ 28,074</u>	<u>\$ 14,699</u>	<u>\$ (11,904)</u>	<u>\$ 88,424</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 54,039	\$ 28,895	\$ 16,178	\$ (12,082)	\$ 87,030
DEPRECIATION AND AMORTIZATION	10,419	2,083	7,177	1,216	20,895
INTEREST EXPENSE	4,676	1,354	487	(235)	6,282
EBITDA	<u>69,134</u>	<u>32,332</u>	<u>23,842</u>	<u>(11,101)</u>	<u>114,207</u>
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
SPECIAL ITEMS	44	-	-	-	44
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 69,178</u>	<u>\$ 32,332</u>	<u>\$ 23,842</u>	<u>\$ (11,101)</u>	<u>\$ 114,251</u>
<i>% of Net Sales</i>	<i>12.3%</i>	<i>10.9%</i>	<i>11.5%</i>		<i>10.7%</i>

MANAGEMENT BELIEVES THAT NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.