



Standard Motor Products, Inc.

1st Quarter 2025

Earnings Call | April 30, 2025



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 April 30, 2025 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

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All



Q1 P&L Summary – Segments⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED MARCH 31,			
	2025		2024	
<u>Vehicle Control</u>				
Revenue	\$	192.3		\$ 185.5
Gross Margin		62.2	32.3%	58.9 31.7%
Selling, General & Administrative		37.4	19.5%	35.6 19.2%
Factoring Expenses		6.4	3.3%	7.7 4.2%
Operating Income	\$	18.3	9.5%	\$ 15.6 8.4%
Adjusted EBITDA	\$	22.2	11.6%	\$ 19.4 10.4%
<u>Temperature Control</u>				
Revenue	\$	88.9		\$ 71.6
Gross Margin		27.6	31.0%	19.7 27.5%
Selling, General & Administrative		16.9	19.0%	15.3 21.4%
Factoring Expenses		2.9	3.3%	2.3 3.2%
Operating Income	\$	7.8	8.7%	\$ 2.1 2.9%
Adjusted EBITDA	\$	9.4	10.6%	\$ 3.4 4.7%

⁽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.



Q1 P&L Summary – Segments⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED MARCH 31,				
	2025		2024		
<u>Engineered Solutions</u>					
Revenue	\$	66.0		\$	74.3
Gross Margin		11.7	17.7%		10.9 14.7%
Selling, General & Administrative		8.5	12.9%		8.7 11.7%
Operating Income	\$	3.2	4.8%	\$	2.2 3.0%
Adjusted EBITDA	\$	6.4	9.7%	\$	5.5 7.4%
<u>Nissens Automotive</u>					
Revenue	\$	66.2		\$	-
Gross Margin		27.8	42.1%		- 0.0%
Selling, General & Administrative		20.3	30.6%		- 0.0%
Operating Income	\$	7.6	11.5%	\$	- 0.0%
Adjusted EBITDA	\$	11.5	17.3%	\$	- 0.0%

⁽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.



Q1 P&L Summary – Consolidated⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED MARCH 31,					
	2025		2024			
<u>Consolidated Results</u>						
Revenue	\$	413.4	\$	331.4		
Gross Margin		129.3	31.3%	89.5	27.0%	
Selling, General & Administrative		90.0	21.8%	64.7	19.5%	
Factoring Expenses		9.3	2.3%	10.0	3.0%	
Operating Income	\$	30.0	7.3%	\$	14.8	
Net Earnings from Continuing Operations	\$	18.0		\$	10.0	
Adjusted EBITDA	\$	42.8	10.4%	\$	22.9	6.9%
Interest Expense	\$	7.8		\$	2.1	
Diluted Earnings per Share	\$	0.81		\$	0.45	

⁽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)

	MARCH 31,		DECEMBER 31,
	2025	2024	2024
<u>Working Capital Stats</u>			
Accounts Receivable, Net	\$ 280.8	\$ 203.9	\$ 210.7
Inventories	\$ 641.1	\$ 520.7	\$ 624.9
<u>Cash Flow Stats (YTD)</u>			
Operating cash flows	\$ (60.2)	\$ (45.7)	\$ 76.7
Capex	\$ (9.1)	\$ (10.1)	\$ (44.0)
M&A	\$ -	\$ -	\$ (372.5)
Dividends	\$ (6.8)	\$ (6.4)	\$ (25.3)
Share repurchases	\$ -	\$ (2.2)	\$ (10.4)
Net Change in Debt	\$ 79.1	\$ 58.7	\$ 392.6
<u>Debt & Leverage</u>			
Total debt	\$ 650.6	\$ 214.9	\$ 562.3
Cash	\$ 50.3	\$ 27.1	\$ 44.4
Net debt	\$ 600.3	\$ 187.8	\$ 517.9
LTM Adjusted EBITDA	\$ 159.9	\$ 120.6	\$ 140.1
Leverage ratio	3.75x	1.56x	3.70x
Remaining borrowing capacity	\$ 108.5	\$ 274.2	\$ 193.4
Total Liquidity	\$ 158.8	\$ 301.3	\$ 237.8



Q&A Session

Appendix



Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED	
	MARCH 31,	
	<u>2025</u>	<u>2024</u>
	(Unaudited)	
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>		
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 13,705	\$ 9,863
RESTRUCTURING AND INTEGRATION EXPENSES	673	192
ACQUISITION EXPENSES	5,147	-
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	<u>(1,513)</u>	<u>(50)</u>
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 18,012</u>	<u>\$ 10,005</u>
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>		
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 0.61	\$ 0.44
RESTRUCTURING AND INTEGRATION EXPENSES	0.03	0.01
ACQUISITION EXPENSES	0.23	-
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	<u>(0.06)</u>	<u>-</u>
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 0.81</u>	<u>\$ 0.45</u>



Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED MARCH 31,		LAST TWELVE MONTHS ENDED MARCH 31,		YEAR ENDED DECEMBER 31,
	2025	2024	2025	2024	2024
	(Unaudited)		(Unaudited)		
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 24,462	\$ 14,619			
RESTRUCTURING AND INTEGRATION EXPENSES	673	192			
ACQUISITION EXPENSES	5,147	-			
OTHER INCOME, NET	(258)	(22)			
NON-GAAP OPERATING INCOME	<u>\$ 30,024</u>	<u>\$ 14,789</u>			
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 18,949	\$ 13,371	\$ 79,567	\$ 77,978	\$ 73,989
DEPRECIATION AND AMORTIZATION	10,267	7,301	34,379	29,241	31,413
INTEREST EXPENSE	7,761	2,067	19,206	11,492	13,512
EBITDA	<u>36,977</u>	<u>22,739</u>	<u>133,152</u>	<u>118,711</u>	<u>118,914</u>
RESTRUCTURING AND INTEGRATION EXPENSES	673	192	8,149	1,922	7,668
ACQUISITION EXPENSES	5,147	-	18,623	-	13,476
SPECIAL ITEMS	5,820	192	26,772	1,922	21,144
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 42,797</u>	<u>\$ 22,931</u>	<u>\$ 159,924</u>	<u>\$ 120,633</u>	<u>\$ 140,058</u>

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 MARCH 31, 2025

	Vehicle Control	Temperature Control	Engineered Solutions	Nissens Automotive	All Other	Consolidated
	(Unaudited)					
OPERATING INCOME						
GAAP OPERATING INCOME	\$ 17,782	\$ 7,900	\$ 3,176	\$ 2,587	\$ (6,983)	\$ 24,462
RESTRUCTURING AND INTEGRATION EXPENSES	526	136	20	-	(9)	673
ACQUISITION EXPENSES	-	-	-	5,011	136	5,147
OTHER (INCOME) EXPENSE, NET	18	(261)	(1)	(14)	-	(258)
NON-GAAP OPERATING INCOME	<u>\$ 18,326</u>	<u>\$ 7,775</u>	<u>\$ 3,195</u>	<u>\$ 7,584</u>	<u>\$ (6,856)</u>	<u>\$ 30,024</u>
EBITDA WITHOUT SPECIAL ITEMS						
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 17,046	\$ 7,948	\$ 3,431	\$ (2,151)	\$ (7,325)	\$ 18,949
DEPRECIATION AND AMORTIZATION	3,669	778	2,500	2,987	333	10,267
INTEREST EXPENSE	1,007	539	459	5,620	136	7,761
EBITDA	<u>21,722</u>	<u>9,265</u>	<u>6,390</u>	<u>6,456</u>	<u>(6,856)</u>	<u>36,977</u>
RESTRUCTURING AND INTEGRATION EXPENSES	526	136	20	-	(9)	673
ACQUISITION EXPENSES	-	-	-	5,011	136	5,147
SPECIAL ITEMS	<u>526</u>	<u>136</u>	<u>20</u>	<u>5,011</u>	<u>127</u>	<u>5,820</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 22,248</u>	<u>\$ 9,401</u>	<u>\$ 6,410</u>	<u>\$ 11,467</u>	<u>\$ (6,729)</u>	<u>\$ 42,797</u>
% of Net Sales	11.6%	10.6%	9.7%	17.3%		10.4%



Reconciliation of GAAP and Non-GAAP Measures

(In thousands)

	THREE MONTHS ENDED MARCH 31, 2024					
	Vehicle Control	Temperature Control	Engineered Solutions	Nissens Automotive	All Other	Consolidated
	(Unaudited)					
<u>OPERATING INCOME</u>						
GAAP OPERATING INCOME	\$ 15,540	\$ 2,031	\$ 2,232	\$ -	\$ (5,184)	\$ 14,619
RESTRUCTURING AND INTEGRATION EXPENSES	101	58	33	-	-	192
OTHER INCOME, NET	-	-	(22)	-	-	(22)
NON-GAAP OPERATING INCOME	<u>\$ 15,641</u>	<u>\$ 2,089</u>	<u>\$ 2,243</u>	<u>\$ -</u>	<u>\$ (5,184)</u>	<u>\$ 14,789</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>						
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 14,315	\$ 1,888	\$ 2,346	\$ -	\$ (5,178)	\$ 13,371
DEPRECIATION AND AMORTIZATION	3,525	898	2,469	-	409	7,301
INTEREST EXPENSE	1,427	531	664	-	(555)	2,067
EBITDA	<u>19,267</u>	<u>3,317</u>	<u>5,479</u>	<u>-</u>	<u>(5,324)</u>	<u>22,739</u>
RESTRUCTURING AND INTEGRATION EXPENSES	101	58	33	-	-	192
SPECIAL ITEMS	<u>101</u>	<u>58</u>	<u>33</u>	<u>-</u>	<u>-</u>	<u>192</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 19,368</u>	<u>\$ 3,375</u>	<u>\$ 5,512</u>	<u>\$ -</u>	<u>\$ (5,324)</u>	<u>\$ 22,931</u>
<i>% of Net Sales</i>	<i>10.4%</i>	<i>4.7%</i>	<i>7.4%</i>	<i>0.0%</i>		<i>6.9%</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.