

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. Further, the COVID-19 pandemic and resulting supply chain disruption has caused our business and industry to experience significant volatility, uncertainty, and economic disruption, and could continue to impact our future sales and profitability as described in our quarterly and annual reports filed with the SEC. 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 May 3, 2022 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.

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- ❖ Financial Results & Balance Sheet
- ❖ Board of Director Changes
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Tony Cristello, VP Investor Relations

Eric Sills, CEO

Jim Burke, COO

Nathan Iles, CFO

Larry Sills, Chairman

Eric Sills, CEO

All

Q1 2022 P&L Summary⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED					
	MARCH 31,					
	2022		2021			
<u>Engine Management</u>						
Revenue	\$	239.3	\$	212.0		
Gross Margin		65.5	27.4%	65.1	30.7%	
Selling, General & Administrative		38.7	16.2%	34.0	16.0%	
Operating Income	\$	26.8	11.2%	\$	31.1	
<u>Temperature Control</u>						
Revenue	\$	81.3	\$	62.5		
Gross Margin		20.0	24.6%	16.0	25.6%	
Selling, General & Administrative		14.8	18.2%	12.4	19.9%	
Operating Income	\$	5.2	6.4%	\$	3.6	
<u>Consolidated Results</u>						
Revenue	\$	322.8	\$	276.6		
Gross Margin		89.8	27.8%	83.8	30.3%	
Selling, General & Administrative		62.8	19.5%	54.5	19.7%	
Operating Income	\$	27.0	8.3%	\$	29.3	
Net Earnings from Continuing Operations	\$	20.6		\$	22.2	
Diluted Earnings per Share	\$	0.92		\$	0.97	
Adjusted EBITDA	\$	35.4	11.0%	\$	36.5	13.2%

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

Balance Sheet & Cash Flow Highlights

(In millions)

Working Capital Stats

	MARCH 31, 2022	DECEMBER 31, 2021
Accounts Receivable, Net	\$ 225.3	\$ 180.6
Inventories	\$ 534.4	\$ 468.8

Cash Flow Stats (YTD)

	MARCH 31,	
	2022	2021
Operating cash flows	\$ (104.0)	\$ (11.4)
Capex	\$ (6.4)	\$ (5.0)
M&A	\$ -	\$ (2.1)
Dividends	\$ (5.9)	\$ (5.6)
Share repurchases	\$ (6.5)	\$ (11.1)
Net borrowings (payments) on revolver	\$ 120.3	\$ 32.4

Debt & Leverage

	MARCH 31, 2022	DECEMBER 31, 2021
Total debt	\$ 248.7	\$ 128.4
Cash	\$ 20.0	\$ 21.8
Net debt	\$ 228.7	\$ 106.6
LTM Adjusted EBITDA	\$ 160.7	\$ 161.8
Leverage ratio	1.4x	0.7x



Q&A Session

Appendix

Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED	
	2022	MARCH 31, 2021
	(Unaudited)	
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>		
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 20,562	\$ 22,164
RESTRUCTURING AND INTEGRATION EXPENSES	41	-
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(11)	-
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 20,592</u>	<u>\$ 22,164</u>
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>		
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 0.91	\$ 0.97
RESTRUCTURING AND INTEGRATION EXPENSES	0.01	-
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	-	-
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 0.92</u>	<u>\$ 0.97</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,	
	2022	2021		
	(Unaudited)		(Unaudited)	
<u>OPERATING INCOME</u>				
GAAP OPERATING INCOME	\$ 26,915	\$ 29,324		
RESTRUCTURING AND INTEGRATION EXPENSES	41	-		
NON-GAAP OPERATING INCOME	<u>\$ 26,956</u>	<u>\$ 29,324</u>		
<u>EBITDA WITHOUT SPECIAL ITEMS</u>				
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 27,559	\$ 29,750	\$ 128,274	\$ 124,203
DEPRECIATION AND AMORTIZATION	6,952	6,514	27,681	26,298
INTEREST EXPENSE	805	209	2,624	1,664
EBITDA	<u>35,316</u>	<u>36,473</u>	<u>158,579</u>	<u>152,165</u>
RESTRUCTURING AND INTEGRATION EXPENSES	41	-	433	259
ONE-TIME ACQUISITION COSTS	-	-	1,711	-
INTANGIBLE ASSET IMPAIRMENT	-	-	-	2,600
SPECIAL ITEMS	<u>41</u>	<u>-</u>	<u>2,144</u>	<u>2,859</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 35,357</u>	<u>\$ 36,473</u>	<u>\$ 160,723</u>	<u>\$ 155,024</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.