
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2024
OR
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission file number 001-34365
-

COMMERCIAL VEHICLE GROUP, INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
7800 Walton Parkway
New Albany, Ohio
(Address of principal executive offices)

41-1990662
(I.R.S. Employer
Identification No.)

43054
(Zip Code)

(614) 289-5360
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CVGI	The NASDAQ Global Select Market

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the Registrant's common stock, par value \$.01 per share, at May 6, 2024 was 34,377,823 shares.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
QUARTERLY REPORT ON FORM 10-Q

PART I FINANCIAL INFORMATION

<u>ITEM 1 – FINANCIAL STATEMENTS</u>	1
<u>Condensed Consolidated Statements of Operations</u>	1
<u>Condensed Consolidated Statements of Comprehensive Income (Loss)</u>	2
<u>Condensed Consolidated Balance Sheets</u>	3
<u>Condensed Consolidated Statements of Cash Flows</u>	4
<u>Condensed Consolidated Statements of Stockholders' Equity</u>	5
<u>Notes to Condensed Consolidated Financial Statements</u>	6
<u>ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	18
<u>ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	23
<u>ITEM 4 – CONTROLS AND PROCEDURES</u>	23
PART II OTHER INFORMATION	25
<u>ITEM 1 Legal Proceedings</u>	25
<u>ITEM 1A Risk Factors</u>	25
<u>ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds</u>	25
<u>ITEM 3 Defaults Upon Senior Securities</u>	25
<u>ITEM 4 Mine Safety Disclosures</u>	25
<u>ITEM 5 Other Information</u>	25
<u>ITEM 6 Exhibits</u>	25
<u>SIGNATURE</u>	26

PART I. FINANCIAL INFORMATION**ITEM 1 – FINANCIAL STATEMENTS****COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended March 31,	
	2024	2023
	(Unaudited)	
	(In thousands, except per share amounts)	
Revenues	\$ 232,068	\$ 262,709
Cost of revenues	205,403	227,500
Gross profit	26,665	35,209
Selling, general and administrative expenses	20,093	20,565
Operating income	6,572	14,644
Other expense (income)	212	(202)
Interest expense	2,251	2,890
Income before provision for income taxes	4,109	11,956
Provision for income taxes	1,170	3,256
Net income	\$ 2,939	\$ 8,700
Earnings per Common Share:		
Basic	\$ 0.09	\$ 0.26
Diluted	\$ 0.09	\$ 0.26
Weighted average shares outstanding:		
Basic	33,325	32,868
Diluted	33,403	33,182

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended March 31,	
	2024	2023
	(Unaudited) (In thousands)	
Net income	\$ 2,939	\$ 8,700
Other comprehensive income (loss):		
Foreign currency exchange translation adjustments	(2,559)	2,557
Minimum pension liability, net of tax	(467)	140
Derivative instruments, net of tax	2,032	1,343
Other comprehensive income (loss)	(994)	4,040
Comprehensive income	\$ 1,945	\$ 12,740

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2024 (Unaudited)	December 31, 2023
(In thousands, except share and per share amounts)		
ASSETS		
Current Assets:		
Cash	\$ 46,816	\$ 37,848
Accounts receivable, net of allowances of \$225 and \$208, respectively	145,140	133,949
Inventories	127,454	128,082
Other current assets	36,786	27,863
Total current assets	356,196	327,742
Property, plant and equipment, net	73,865	73,468
Intangible assets, net	8,453	11,222
Deferred income taxes	33,016	33,568
Other assets, net	37,715	37,214
Total assets	\$ 509,245	\$ 483,214
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 90,401	\$ 77,314
Accrued liabilities and other	48,158	52,562
Current portion of long-term debt and short-term debt	16,406	15,313
Total current liabilities	154,965	145,189
Long-term debt	139,330	126,201
Pension and other post-retirement benefits	9,536	9,196
Other long-term liabilities	29,875	29,696
Total liabilities	333,706	310,282
Stockholders' equity:		
Preferred stock, \$0.01 par value (5,000,000 shares authorized; no shares issued and outstanding)	\$ —	\$ —
Common stock, \$0.01 par value (60,000,000 shares authorized; 33,325,973 and 33,322,535 shares issued and outstanding respectively)	333	333
Treasury stock, at cost: 2,136,635 and 2,134,604 shares, respectively	(16,152)	(16,150)
Additional paid-in capital	265,881	265,217
Retained deficit	(43,245)	(46,184)
Accumulated other comprehensive loss	(31,278)	(30,284)
Total stockholders' equity	175,539	172,932
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 509,245	\$ 483,214

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2024	2023
	(Unaudited) (In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 2,939	\$ 8,700
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	4,472	4,262
Noncash amortization of debt financing costs	76	76
Pension cash reversion	—	2,942
Share-based compensation expense	664	1,771
Deferred income taxes	(367)	(467)
Non-cash loss (income) on derivative contracts	18	(658)
Change in other operating items:		
Accounts receivable	(12,023)	(18,429)
Inventories	(460)	3,594
Prepaid expenses	(3,925)	(2,694)
Accounts payable	13,800	(4,340)
Other operating activities, net	(7,550)	5,301
Net cash (used in) provided by operating activities	(2,356)	58
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(5,059)	(3,321)
Proceeds from sale of business	3,200	—
Net cash used in investing activities	(1,859)	(3,321)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of term loan facility	(3,281)	(2,188)
Borrowings under revolving credit facility	17,500	11,000
Surrender of shares to pay withholding taxes	(2)	(764)
Other financing activities	(41)	4,329
Net cash provided by financing activities	14,176	12,377
EFFECT OF CURRENCY EXCHANGE RATE CHANGES ON CASH	(993)	545
NET INCREASE IN CASH	8,968	9,659
CASH:		
Beginning of period	37,848	31,825
End of period	\$ 46,816	\$ 41,484

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	<u>Common Stock</u>		<u>Treasury Stock</u>	<u>Additional Paid In Capital</u>	<u>Retained Deficit</u>	<u>Accumulated Other Comp. Loss</u>	<u>Total CVG Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>					
				(Unaudited)			
				(In thousands)			
Balance - December 31, 2022	32,826,852	\$ 328	\$ (14,514)	\$ 261,371	\$ (95,595)	\$ (31,550)	\$ 120,040
Share-based compensation expense	164,616	2	(764)	1,771	—	—	1,009
Total comprehensive income	—	—	—	—	8,700	4,040	12,740
Balance - March 31, 2023	<u>32,991,468</u>	<u>\$ 330</u>	<u>\$ (15,278)</u>	<u>\$ 263,142</u>	<u>\$ (86,895)</u>	<u>\$ (27,510)</u>	<u>\$ 133,789</u>
Balance - December 31, 2023	33,322,535	\$ 333	\$ (16,150)	\$ 265,217	\$ (46,184)	\$ (30,284)	\$ 172,932
Share-based compensation expense	3,438	—	(2)	664	—	—	662
Total comprehensive income (loss)	—	—	—	—	2,939	(994)	1,945
Balance - March 31, 2024	<u>33,325,973</u>	<u>\$ 333</u>	<u>\$ (16,152)</u>	<u>\$ 265,881</u>	<u>\$ (43,245)</u>	<u>\$ (31,278)</u>	<u>\$ 175,539</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

(Amounts in thousands, except for share and per share amounts and where specifically disclosed)

1. Description of Business and Basis of Presentation

Commercial Vehicle Group, Inc. and its subsidiaries, is a global provider of systems, assemblies and components to the global commercial vehicle market, the electric vehicle market, and the industrial automation markets. References herein to the "Company", "CVG", "we", "our", or "us" refer to Commercial Vehicle Group, Inc. and its subsidiaries.

We have manufacturing operations in the United States, Mexico, China, United Kingdom, Czech Republic, Ukraine, Thailand, India, Australia and Morocco. Our products are primarily sold in North America, Europe, and the Asia-Pacific region.

We primarily manufacture customized products to meet the requirements of our customers. We believe our products are used by a majority of the North American Commercial Truck manufacturers, many construction vehicle original equipment manufacturers ("OEMs"), parts and service dealers, distributors, as well as top e-commerce retailers.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America and the rules and regulations of the Securities and Exchange Commission and include the accounts of the Company and its subsidiaries. Except as disclosed within these condensed notes to unaudited quarterly consolidated financial statements, the adjustments made were of a normal, recurring nature. Certain information and footnote disclosures normally included in our annual consolidated financial statements have been condensed or omitted.

The preparation of financial statements in conformity with GAAP in the United States requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. We adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the consolidated financial statements in future periods.

These condensed notes to unaudited quarterly consolidated financial statements should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K"), which includes a complete set of footnote disclosures, including the Company's significant accounting policies.

2. Recently Issued Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07, Improvements to Reportable Segment Disclosures (Topic 280). This ASU updates reportable segment disclosure requirements by requiring disclosures of significant reportable segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of a segment's profit or loss. This ASU also requires disclosure of the title and position of the individual identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. The ASU is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Adoption of the ASU should be applied retrospectively to all prior periods presented in the financial statements. Early adoption is also permitted. This ASU will likely result in us including the additional required disclosures when adopted. We are currently evaluating the provisions of this ASU and expect to adopt them for the year ending December 31, 2024.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures (Topic 740). The ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. This ASU will result in the required additional disclosures being included in our consolidated financial statements, once adopted.

3. Revenue Recognition

We had outstanding customer accounts receivable, net of allowances, of \$145.1 million as of March 31, 2024 and \$133.9 million as of December 31, 2023. We generally do not have material other assets or liabilities associated with customer arrangements.

Revenue Disaggregation - The following is the composition, by product category, of our revenues:

	Three Months Ended March 31, 2024				
	Vehicle Solutions	Electrical Systems	Aftermarket and Accessories	Industrial Automation	Total
Seats	\$ 63,454	\$ —	\$ 16,814	\$ —	\$ 80,268
Electrical wire harnesses, panels and assemblies	530	55,795	2,931	4,282	63,538
Plastic & Trim components	39,866	—	1,789	—	41,655
Industrial Automation	—	—	—	20	20
Cab structures	32,701	—	438	—	33,139
Mirrors, wipers and controls	1,359	—	12,089	—	13,448
Total	\$ 137,910	\$ 55,795	\$ 34,061	\$ 4,302	\$ 232,068

	Three Months Ended March 31, 2023				
	Vehicle Solutions	Electrical Systems	Aftermarket and Accessories	Industrial Automation	Total
Seats	\$ 76,990	\$ —	\$ 19,164	\$ —	\$ 96,154
Electrical wire harnesses, panels and assemblies	—	54,749	3,786	—	58,535
Plastic & Trim components	46,423	—	2,873	—	49,296
Industrial Automation	—	—	—	9,747	9,747
Cab structures	33,903	—	998	—	34,901
Mirrors, wipers and controls	3,268	—	10,808	—	14,076
Total	\$ 160,584	\$ 54,749	\$ 37,629	\$ 9,747	\$ 262,709

4. Debt

Debt consisted of the following:

	March 31, 2024	December 31, 2023
Term loan facility	\$ 138,281	\$ 141,563
Revolving credit facility	17,500	—
Unamortized issuance costs	(45)	(49)
	\$ 155,736	\$ 141,514
Less: current portion of long-term debt	(16,406)	(15,313)
Total long-term debt, net of current portion	\$ 139,330	\$ 126,201

Credit Agreement

On April 30, 2021, the Company and certain of its subsidiaries entered into a credit agreement (the “Credit Agreement”) between, among others, Bank of America, N.A. as administrative agent (the “Administrative Agent”) and other lenders party thereto (the “Lenders”) pursuant to which the Lenders made available a \$150 million Term Loan Facility (the “Term Loan Facility”) and a \$125 million Revolving Credit Facility (the “Revolving Credit Facility” and together with the Term Loan Facility, the “Credit Facilities”).

On May 12, 2022, the Company and certain of its subsidiaries entered into a second amendment (the “Amendment”) to its Credit Agreement pursuant to which the Lenders upsized the existing term loan facility to \$175 million in aggregate principal amount and increased the revolving credit facility commitments by \$25 million to an aggregate of \$150 million in revolving

credit facility commitments.

At March 31, 2024, we had \$17.5 million of borrowings under the Revolving Credit Facility, outstanding letters of credit of \$1.1 million and availability of \$131.4 million. Combined with availability under our China Credit Facility (described below) of approximately \$11.1 million, total consolidated availability was \$142.5 million at March 31, 2024. The unamortized deferred financing fees associated with the Revolving Credit Facility of \$0.9 million and \$1.0 million as of March 31, 2024 and December 31, 2023, respectively, are being amortized over the remaining life of the Credit Agreement. At December 31, 2023, we had no borrowings under the Revolving Credit Facility and we had outstanding letters of credit of \$1.2 million.

Covenants and other terms

The Credit Agreement includes (a) a minimum consolidated fixed charge coverage ratio of 1.20:1.0, and (b) a maximum consolidated total leverage ratio of 3.75:1.0 (which was subject to step-down to 3.50:1.0 at the end of the fiscal quarter ending March 31, 2023; to 3.25:1.0 at the end of the fiscal quarter ending June 30, 2023; and to 3.00:1.0 for each fiscal quarter ending on and after September 30, 2023).

We were in compliance with these covenants as of March 31, 2024.

Repayment and prepayment

The Credit Agreement requires the Company to make quarterly amortization payments to the Term Loan Facility at an annualized rate of the loans under the Term Loan Facility for every year as follows: 5.0%, 7.5%, 10.0%, 12.5% and 15.0%. The Credit Agreement also requires all outstanding amounts under the Credit Facilities to be repaid in full on the Maturity Date. See Note 15, Commitments and Contingencies, for the future minimum principal payments due on long-term debt for the next five years.

Foreign Facility

In the quarter ended March 31, 2023, we established a credit facility in China consisting of a line of credit which is subject to annual renewal (the "China Credit Facility"). China Credit Facility was renewed in the quarter ended December 31, 2023, with availability of approximately \$11.3 million (denominated in the local currency). We utilize the China Credit Facility to meet local working capital demands, fund letters of credit and bank guarantees, and support other short-term cash requirements in our China operations. We had no outstanding borrowings under the China Credit Facility as of March 31, 2024 and December 31, 2023. At March 31, 2024, we had \$11.1 million (denominated in the local currency and this amount varies based on the currency conversion rate) of availability under the China Credit Facility.

Cash Paid for Interest

For the three months ended March 31, 2024 and 2023, cash payments for interest were \$2.9 million and \$3.2 million, respectively.

5. Intangible Assets

Our definite-lived intangible assets were comprised of the following:

	Weighted-Average Amortization Period	March 31, 2024			December 31, 2023		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks/tradenames	22 years	\$ 11,448	\$ (5,838)	\$ 5,610	\$ 11,485	\$ (5,758)	\$ 5,727
Customer relationships	14 years	6,528	(4,613)	1,915	14,132	(10,071)	4,061
Technical know-how	5 years	9,790	(8,892)	898	9,790	(8,403)	1,387
Covenant not to compete	5 years	330	(300)	30	330	(283)	47
		<u>\$ 28,096</u>	<u>\$ (19,643)</u>	<u>\$ 8,453</u>	<u>\$ 35,737</u>	<u>\$ (24,515)</u>	<u>\$ 11,222</u>

The aggregate intangible asset amortization expense was \$0.8 million for the three months ended March 31, 2024 and 2023.

6. Fair Value Measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is estimated by applying the following hierarchy, which

prioritizes the inputs used to measure fair value into three levels, and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3 - Significant unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

Our financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, pension assets and liabilities. The carrying value of these instruments approximates fair value as a result of the short duration of such instruments or due to the variability of the interest cost associated with such instruments.

Recurring Measurements

Foreign Currency Forward Exchange Contracts. Our derivative assets and liabilities represent foreign exchange contracts that are measured at fair value using observable market inputs such as forward rates, interest rates, our own credit risk and counterparty credit risk. Based on the utilization of these inputs, the derivative assets and liabilities are classified as Level 2. To manage our risk for transactions denominated in Mexican Pesos and Czech Crown, we have entered into forward exchange contracts that are designated as cash flow hedge instruments, which are recorded in the Condensed Consolidated Balance Sheets at fair value. The gains and losses as a result of the changes in fair value of the hedge contract for transactions denominated in Mexican Pesos are deferred in accumulated other comprehensive loss and recognized in cost of revenues in the period the related hedge transactions are settled. As of March 31, 2024, hedge contracts for transactions denominated in Czech Crown were not designated as a hedging instruments; therefore, they are marked-to-market and the fair value of agreements is recorded in the Condensed Consolidated Balance Sheets with the offsetting gains and losses recognized in other (income) expense and recognized in cost of revenues in the period the related hedge transactions are settled in the Condensed Consolidated Statements of Operations.

Interest Rate Swaps. To manage our exposure to variable interest rates, we have entered into interest rate swaps to exchange, at a specified interval, the difference between fixed and variable interest amounts calculated by reference to an agreed upon notional principal amount. The interest rate swaps are intended to mitigate the impact of rising interest rates on the Company and covers approximately 50% of outstanding debt under the Term Loan Facility. Any changes in fair value are included in earnings or deferred through Accumulated other comprehensive loss, depending on the nature and effectiveness of the offset. Any ineffectiveness in a cash flow hedging relationship is recognized immediately in earnings in the consolidated statements of operations.

The fair values of our derivative assets and liabilities measured on a recurring basis are categorized as follows:

	March 31, 2024				December 31, 2023			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Foreign exchange contract designated as hedging instruments	\$ 3,573	\$ —	\$ 3,573	\$ —	\$ 1,318	\$ —	\$ 1,318	\$ —
Interest rate swap agreement	\$ 1,884	\$ —	\$ 1,884	\$ —	\$ 1,073	\$ —	\$ 1,073	\$ —
Liabilities:								
Foreign exchange contract not designated as hedging instruments	\$ 513	\$ —	\$ 513	\$ —	\$ 304	\$ —	\$ 304	\$ —

The following table summarizes the notional amount of our open foreign exchange contracts:

	March 31, 2024		December 31, 2023	
	U.S. \$ Equivalent	U.S. \$ Equivalent Fair Value	U.S. \$ Equivalent	U.S. \$ Equivalent Fair Value
Commitments to buy or sell currencies - Foreign exchange contract designated as hedging instruments	\$ 70,607	\$ 72,435	\$ 56,741	\$ 58,094
Commitments to buy or sell currencies - Foreign exchange contract not designated as hedging instruments	\$ 17,800	\$ 18,442	\$ 16,608	\$ 16,806

The following table summarizes the fair value and presentation of derivatives in the Condensed Consolidated Balance Sheets:

		Derivative Asset	
Balance Sheet Location		Fair Value	
		March 31, 2024	December 31, 2023
Foreign exchange contract designated as hedging instruments	Other current assets	\$ 3,244	\$ 1,179
Foreign exchange contract designated as hedging instruments	Other assets, net	\$ 329	\$ 139
Interest rate swap agreement	Other assets, net	\$ 1,884	\$ 1,073
		Derivative Liability	
Balance Sheet Location		Fair Value	
		March 31, 2024	December 31, 2023
Foreign exchange contracts not designated as hedging instruments	Accrued liabilities and other	\$ 470	\$ 304
Foreign exchange contracts not designated as hedging instruments	Other long-term liabilities	\$ 43	\$ —
		Derivative Equity	
Balance Sheet Location		Fair Value	
		March 31, 2024	December 31, 2023
Foreign exchange contracts designated as hedging instruments	Accumulated other comprehensive loss	\$ 2,997	\$ 1,354
Interest rate swap agreements	Accumulated other comprehensive loss	\$ 3,874	\$ 3,484

The following table summarizes the effect of derivative instruments on the Condensed Consolidated Statements of Operations:

		Three Months Ended March 31,	
		2024	2023
Location of Gain (Loss) on Derivatives Recognized in Income (Loss)		Amount of Gain (Loss) on Derivatives Recognized in Income (Loss)	
Foreign exchange contracts designated as hedging instruments	Cost of revenues	\$ 89	\$ 451
Interest rate swap agreement	Interest expense	\$ 416	\$ 265
Interest rate swap agreement settled in 2022	Interest expense	\$ 189	\$ 189
Foreign exchange contracts	Other (income) expense	\$ (206)	\$ 469

We consider the impact of our credit risk on the fair value of the contracts, as well as our ability to honor obligations under the contract.

Other Fair Value Measurements

The fair value of long-term debt obligations is based on a fair value model utilizing observable inputs. Based on these inputs, our long-term debt fair value as disclosed is classified as Level 2. The carrying amounts and fair values of our long-term debt obligations are as follows:

	March 31, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Term loan and security agreement ¹	\$ 138,236	\$ 136,335	\$ 141,514	\$ 139,213
Revolving credit facility	\$ 17,500	\$ 17,500	\$ —	\$ —

¹ Presented in the Condensed Consolidated Balance Sheets as the current portion of long-term debt of \$16.4 million and long-term debt of \$139.3 million as of March 31, 2024 and current portion of long-term debt of \$15.3 million and long-term debt of \$126.2 million as of December 31, 2023.

7. Leases

The components of lease expense are as follows:

	Three Months Ended March 31,	
	2024	2023
Operating lease cost	\$ 2,675	\$ 2,348
Finance lease cost	34	47
Short-term lease cost	931	1,931
Total lease expense	<u>\$ 3,640</u>	<u>\$ 4,326</u>

Supplemental balance sheet information related to leases is as follows:

	Balance Sheet Location	March 31, 2024	December 31, 2023
Operating Leases			
Right-of-use assets, net	Other assets, net	\$ 30,732	\$ 31,165
Current liabilities	Accrued liabilities and other	7,044	7,502
Non-current liabilities	Other long-term liabilities	24,271	24,417
Total operating lease liabilities		<u>\$ 31,315</u>	<u>\$ 31,919</u>
Finance Leases			
Right-of-use assets, net	Other assets, net	\$ 173	\$ 205
Current liabilities	Accrued liabilities and other	100	108
Non-current liabilities	Other long-term liabilities	84	107
Total finance lease liabilities		<u>\$ 184</u>	<u>\$ 215</u>

Cash payments on operating leases were \$2.7 million for the three months ended March 31, 2024 and 2023.

Anticipated future lease costs, which are based in part on certain assumptions to approximate annual rental commitments under non-cancelable leases, are as follows:

	Operating	Financing	Total
Remainder of 2024	\$ 7,662	\$ 84	\$ 7,746
2025	9,545	78	9,623
2026	7,438	30	7,468
2027	4,491	7	4,498
2028	3,008	—	3,008
Thereafter	15,993	—	15,993
Total lease payments	<u>\$ 48,137</u>	<u>\$ 199</u>	<u>\$ 48,336</u>
Less: Imputed interest	(16,822)	(15)	(16,837)
Present value of lease liabilities	<u>\$ 31,315</u>	<u>\$ 184</u>	<u>\$ 31,499</u>

8. Income Taxes

For three months ended March 31, 2024, we recorded a \$1.2 million tax provision, or 28% effective tax rate for the period, compared to a \$3.3 million, or 27% effective tax rate for the three months ended March 31, 2023. Income tax expense is based on an estimated annual effective tax rate, which requires management to make its best estimate of annual pretax income or loss. During the year, management regularly updates forecasted annual pretax results for the various countries in which the Company operates based on changes in factors such as prices, shipments, product mix, material inflation and manufacturing operations. To the extent that actual 2024 pretax results for U.S. and foreign income or loss vary from estimates, the actual income tax

expense recognized in 2024 could be different from the forecasted amount used to estimate the income tax expense for the three months ended March 31, 2024.

For the three months ended March 31, 2024 and 2023, cash paid for taxes, net of refunds received, were \$1.9 million and \$2.0 million, respectively.

9. Pension and Other Post-Retirement Benefit Plans

The components of net periodic (benefit) cost related to pension and other post-retirement benefit plans is as follows:

	Non-U.S. Pension Plan	
	Three Months Ended March 31,	
	2024	2023
Interest cost	\$ 349	\$ 347
Expected return on plan assets	(317)	(295)
Amortization of prior service cost	13	12
Recognized actuarial loss	200	185
Net cost	\$ 245	\$ 249

Net periodic cost components, not inclusive of service costs, are recognized in other (income) expense within the Condensed Consolidated Statements of Operations.

10. Performance Awards

The following table summarizes performance awards granted in the form of cash awards under the equity incentive plans:

	Amount
Adjusted Award Value at December 31, 2023	\$ 1,901
New grants	—
Forfeitures	—
Adjustments	11
Payments	(324)
Adjusted Award Value at March 31, 2024	\$ 1,588

Unrecognized compensation expense was \$4.2 million and \$5.0 million as of March 31, 2024 and 2023, respectively.

11. Share-Based Compensation

The company's outstanding share-based compensation is comprised solely of restricted stock awards and performance stock awards to be settled in stock.

As of March 31, 2024, there was approximately \$7.8 million of unrecognized compensation expense related to non-vested share-based compensation arrangements granted under our equity incentive plans. This expense is subject to future adjustments and forfeitures and will be recognized on a straight-line basis over the remaining period listed above for each grant.

A summary of the status of our restricted stock awards as of March 31, 2024 and changes during the three months ended March 31, 2024, are presented below:

	2024	
	Shares (in thousands)	Weighted- Average Grant-Date Fair Value
Nonvested - December 31, 2023	591	\$ 7.66
Granted	—	—
Vested	(5)	9.94
Forfeited	(27)	6.88
Nonvested - March 31, 2024	559	\$ 7.67

As of March 31, 2024, a total of 2.0 million shares were available for future grants from the shares authorized for award under our 2020 Equity Incentive Plan, including cumulative forfeitures.

12. Stockholders' Equity

Common Stock — Our authorized capital stock consists of 60,000,000 shares of common stock with a par value of \$0.01 per share; of which, 33,325,973 and 33,322,535 shares were issued and outstanding as of March 31, 2024 and December 31, 2023, respectively.

Preferred Stock — Our authorized capital stock also consists of 5,000,000 shares of preferred stock with a par value of \$0.01 per share, with no preferred shares outstanding as of March 31, 2024 and December 31, 2023.

Earnings (Loss) Per Share - Basic earnings (loss) per share is determined by dividing net income by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share presented is determined by dividing net income by the weighted average number of common shares and potential common shares outstanding during the period as determined by the treasury stock method. Potential common shares are included in the diluted earnings per share calculation when dilutive.

Diluted earnings per share for the three months ended March 31, 2024 and 2023 includes the effect of potential common shares issuable when dilutive, and is as follows:

	Three Months Ended March 31,	
	2024	2023
Net income	\$ 2,939	\$ 8,700
Weighted average number of common shares outstanding (in '000s)	33,325	32,868
Dilutive effect of restricted stock grants after application of the Treasury Stock Method (in '000s)	78	314
Dilutive shares outstanding	33,403	33,182
Basic earnings per share	\$ 0.09	\$ 0.26
Diluted earnings per share	\$ 0.09	\$ 0.26

There were 408 thousand outstanding restricted shares awarded that were excluded from the calculation of diluted earnings per share for the three months ended March 31, 2024 and 134 thousand outstanding restricted shares awarded that were excluded from the calculation of diluted earnings per share for the three months ended March 31, 2023.

13. Other Comprehensive Income (Loss)

The after-tax changes in accumulated other comprehensive income (loss), are as follows:

	Foreign currency translation adjustment	Pension and post-retirement benefits plans	Derivative instruments	Accumulated other comprehensive income (loss)
Balance - December 31, 2023	\$ (23,227)	\$ (11,896)	\$ 4,839	\$ (30,284)
Net current period change	(2,559)	(712)	2,726	(545)
Amounts reclassified into earnings	—	245	(694)	(449)
Balance - March 31, 2024	\$ (25,786)	\$ (12,363)	\$ 6,871	\$ (31,278)

	Foreign currency translation adjustment	Pension and post-retirement benefit plans	Derivative instruments	Accumulated other comprehensive income (loss)
Balance - December 31, 2022	\$ (24,811)	\$ (11,512)	\$ 4,773	\$ (31,550)
Net current period change	2,557	(109)	(905)	1,543
Amounts reclassified into earnings	—	249	2,248	2,497
Balance - March 31, 2023	\$ (22,254)	\$ (11,372)	\$ 6,116	\$ (27,510)

The related tax effects allocated to each component of other comprehensive income (loss) are as follows:

	Three Months Ended March 31, 2024		
	Before Tax Amount	Tax Expense	After Tax Amount
Net current period change			
Cumulative translation adjustment	\$ (2,559)	\$ —	\$ (2,559)
Net actuarial gain and prior service credit	(713)	1	(712)
Derivative instruments	3,748	(1,022)	2,726
Net unrealized gain (loss)	476	(1,021)	(545)
Amounts reclassified into earnings:			
Actuarial loss and prior service cost	245	—	245
Derivative instruments	(875)	181	(694)
Net realized gain (loss)	\$ (630)	\$ 181	\$ (449)
Total other comprehensive income (loss)	\$ (154)	\$ (840)	\$ (994)

	Three Months Ended March 31, 2023		
	Before Tax Amount	Tax Expense	After Tax Amount
Net current period change			
Cumulative translation adjustment	\$ 2,557	\$ —	\$ 2,557
Net actuarial gain and prior service credit	(112)	3	(109)
Derivative instruments	(1,222)	317	(905)
Net unrealized gain (loss)	1,223	320	1,543
Amounts reclassified into earnings:			
Actuarial loss and prior service cost	249	—	249
Derivative instruments	3,037	(789)	2,248
Net realized gain (loss)	\$ 3,286	\$ (789)	\$ 2,497
Total other comprehensive income (loss)	\$ 4,509	\$ (469)	\$ 4,040

As of March 31, 2024, the Company estimates that net pre-tax derivative gains of \$5.5 million included in Accumulated other comprehensive income (loss) will be reclassified into earnings within the next 12 months.

14. Cost Reduction and Manufacturing Capacity Rationalization

The Company's restructuring program includes aligning cost structure to support margin expansion. The program includes workforce reductions and footprint optimization across segments.

The changes in accrued restructuring balances are as follows:

	Vehicle Solutions	Electrical Systems	Aftermarket & Accessories	Industrial Automation	Corporate/Other	Total
December 31, 2023	\$ 128	\$ —	\$ —	\$ —	\$ 983	\$ 1,111
New charges	533	1,090	34	75	164	1,896
Payments and other adjustments	(533)	(1,090)	(34)	(75)	(540)	(2,272)
March 31, 2024	<u>\$ 128</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 607</u>	<u>\$ 735</u>

	Vehicle Solutions	Electrical Systems	Aftermarket & Accessories	Industrial Automation	Corporate/Other	Total
December 31, 2022	\$ (5)	\$ —	\$ —	\$ 458	\$ —	\$ 453
New charges	83	8	—	622	—	713
Payments and other adjustments	(78)	(8)	—	(369)	—	(455)
March 31, 2023	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 711</u>	<u>\$ —</u>	<u>\$ 711</u>

Of the \$1.9 million costs incurred in the three months ended March 31, 2024 for restructuring, \$1.5 million related to headcount reductions and \$0.4 million related to facility exit and other; \$1.7 million were recorded in cost of revenue and \$0.2 million were recorded in selling, general and administrative expenses.

15. Commitments and Contingencies

Leases - As disclosed in Note 7, Leases, we lease office, warehouse and manufacturing space and equipment under non-cancelable operating lease agreements that generally require us to pay maintenance, insurance, taxes and other expenses in addition to annual rental fees. As of March 31, 2024, our equipment leases did not provide for any material guarantee of a specified portion of residual values.

Guarantees - Costs associated with guarantees are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. The most likely cost to be incurred is accrued based on an evaluation of available facts; where no amount within a range of estimates is more likely, the minimum is accrued. As of March 31, 2024 and 2023, we had no such guarantees.

Litigation - We are subject to various legal proceedings and claims arising in the ordinary course of business, including but not limited to product liability claims, customer and supplier disputes, service provider disputes, examinations by taxing authorities, employment disputes, workers' compensation claims, unfair labor practice charges, OSHA investigations, intellectual property disputes and environmental claims arising out of the conduct of our businesses.

Management believes that the Company maintains adequate insurance and that we have established reserves for issues that are probable and estimable in amounts that are adequate to cover reasonable adverse judgments not covered by insurance. Based upon the information available to management and discussions with legal counsel, it is the opinion of management that the ultimate outcome of the various legal actions and claims that are incidental to our business are not expected to have a material adverse impact on the consolidated financial position, results of operations, equity or cash flows; however, such matters are subject to many uncertainties and the outcomes of individual matters are not predictable with any degree of assurance.

Warranty - We are subject to warranty claims for products that fail to perform as expected due to design or manufacturing deficiencies. Depending on the terms under which we supply products to our customers, a customer may hold us responsible for some or all of the repair or replacement costs of defective products when the product supplied did not perform as represented. Our policy is to record provisions for estimated future customer warranty costs based on historical trends and for specific claims. These amounts, as they relate to the periods ended March 31, 2024 and December 31, 2023, are included within accrued liabilities and other in the accompanying Condensed Consolidated Balance Sheets.

On July 24, 2023, one of our customers issued a voluntary safety recall related to certain wiper system components supplied by us. To the extent a loss occurs that is attributed to us, we believe that we have reasonable levels of insurance coverage to

mitigate recall exposure risk. It is reasonably possible that we will incur additional losses and fees above the amount accrued for warranty claims but we cannot estimate a range of such reasonably possible losses or fees related to these claims at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts normally accrued.

The following presents a summary of the warranty provision for the three months ended March 31, 2024:

Balance - December 31, 2023	\$	1,458
Provision for warranty claims		362
Deduction for payments made and other adjustments		(494)
Balance - March 31, 2024	\$	<u>1,326</u>

Debt Payments - As disclosed in Note 4, Debt, the Credit Agreement requires the Company to repay a fixed amount of principal on a quarterly basis and make voluntary prepayments that coincide with certain events.

The following table provides future minimum principal payments due on long-term debt for the next five years. The existing long-term debt agreement matures in 2027; no payments are due thereafter:

		Total
Remainder of 2024	\$	12,031
2025	\$	19,687
2026	\$	24,063
2027	\$	100,000
2028	\$	—
Thereafter	\$	—

16. Segment Reporting

Operating segments are defined as components of an enterprise that are evaluated regularly by the Company's chief operating decision maker ("CODM"), which is our President and Chief Executive Officer. Each of these segments consists of a number of manufacturing facilities. Certain of our facilities manufacture and sell products through multiple segments. Our segments are more specifically described below.

The Vehicle Solutions segment designs, manufactures and sells the following products:

- Commercial vehicle seats for the global commercial vehicle markets including heavy duty trucks, medium duty trucks, last mile delivery trucks and vans, construction and agriculture equipment in North America, Europe and Asia-Pacific. This segment includes a portion of the company's activities in the electric vehicle market.
- Plastic & Trim components primarily for the North America commercial vehicle market and power sports markets; and Cab structures for the North American MD/HD truck market.

The Electrical Systems segment designs, manufactures and sells the following products:

- Cable and harness assemblies for both high and low voltage applications, control boxes, dashboard assemblies and design and engineering for these applications.
- The end markets for these products are construction, agricultural, industrial, automotive (both internal combustion and electric vehicles), truck, mining, rail, marine, power generation and the military/defense industries in North America, Europe and Asia-Pacific.

The Aftermarket & Accessories segment designs, manufactures and sells the following products:

- Seats and components sold into the commercial vehicle channels that provide repair and refurbishing. These channels include OES centers and retail distributors, and are spread across North America, Europe and Asia-Pacific.
- Commercial vehicle accessories including wipers, mirrors, and sensors. These products are sold both as Original Equipment and as repair products.
- Office seats primarily sold into the commercial and home office furniture distribution channels in Europe and Asia-Pacific.

The Industrial Automation segment designs, manufactures and sells the following products:

- Warehouse automation subsystems including control panels, electro-mechanical assemblies, cable assemblies, and power and communication solutions.

- The end markets for these products primarily include e-commerce, warehouse integration, transportation and the military/defense industry.

Corporate expenses consist of certain overhead and shared costs that are not directly attributable to the operations of a segment. For purposes of business segment performance measurement, some of these costs that are for the benefit of the operations are allocated based on a combination of methodologies. The costs that are not allocated to a segment are considered stewardship costs and remain at corporate in our segment reporting.

The following tables present financial information for the Company's reportable segments for the periods indicated:

	Three Months Ended March 31, 2024					
	Vehicle Solutions	Electrical Systems	Aftermarket and Accessories	Industrial Automation	Corporate/Other	Total
Revenues	\$ 137,910	\$ 55,795	\$ 34,061	\$ 4,302	\$ —	\$ 232,068
Gross profit	16,229	4,553	6,439	(556)	—	26,665
Selling, general & administrative expenses	5,877	2,542	1,907	1,439	8,328	20,093
Operating income (loss)	\$ 10,352	\$ 2,011	\$ 4,532	\$ (1,995)	\$ (8,328)	\$ 6,572

	Three Months Ended March 31, 2023					
	Vehicle Solutions	Electrical Systems	Aftermarket and Accessories	Industrial Automation	Corporate/Other	Total
Revenues	\$ 160,584	\$ 54,749	\$ 37,629	\$ 9,747	\$ —	\$ 262,709
Gross profit	19,471	8,297	7,227	214	—	35,209
Selling, general & administrative expenses	6,077	2,227	1,650	1,076	9,535	20,565
Operating income (loss)	\$ 13,394	\$ 6,070	\$ 5,577	\$ (862)	\$ (9,535)	\$ 14,644

17. Other Financial Information

Items reported in inventories consisted of the following:

	March 31, 2024	December 31, 2023
Raw materials	\$ 98,174	\$ 98,371
Work in process	12,135	12,855
Finished goods	17,145	16,856
Inventories	\$ 127,454	\$ 128,082

Items reported in property, plant, and equipment, net consisted of the following:

	March 31, 2024	December 31, 2023
Land and buildings	\$ 34,257	\$ 34,072
Machinery and equipment	220,709	220,901
Construction in progress	7,318	6,536
Property, plant, and equipment, gross	262,284	261,509
Less accumulated depreciation	(188,419)	(188,041)
Property, plant and equipment, net	\$ 73,865	\$ 73,468

Items reported in accrued expenses and other liabilities consisted of the following:

	March 31, 2024	December 31, 2023
Compensation and benefits	\$ 17,925	\$ 23,659
Operating lease liabilities	7,044	7,502
Taxes payable	6,163	5,018
Accrued freight	2,716	2,679
Accrued legal and professional fees	2,015	1,535
Warranty costs	1,326	1,458
Other	10,969	10,711
Accrued liabilities and other	\$ 48,158	\$ 52,562

ITEM 2 – MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis below described material changes in financial condition and results of operations as reflected in our condensed consolidated financial statements for the three months ended March 31, 2024 and 2023. This discussion and analysis should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our 2023 Form 10-K.

Business Overview

CVG is a global provider of systems, assemblies and components to the global commercial vehicle market, the electric vehicle market, and the industrial automation markets. We deliver real solutions to complex design, engineering and manufacturing problems while creating positive change for our customers, industries, and communities we serve.

We have manufacturing operations in the United States, Mexico, China, United Kingdom, Czech Republic, Ukraine, Morocco, Thailand, India and Australia. Our products are primarily sold in North America, Europe, and the Asia-Pacific region.

We primarily manufacture customized products to meet the requirements of our customer. We believe our products are used by a majority of the North American Commercial Truck markets, many construction vehicle OEMs and top e-commerce retailers

Key Developments

During the year ended December 31, 2023, management approved restructuring programs to align the Company’s cost structure to support margin expansion. The programs include workforce reductions and footprint optimization across segments. We incurred \$1.9 million expense during the three months ended March 31, 2024 related to these programs.

Consolidated Results of Operations

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

The table below sets forth certain consolidated operating data for the three months ended March 31 (dollars are in thousands):

	2024	2023	\$ Change	% Change
Revenues	\$ 232,068	\$ 262,709	\$ (30,641)	(11.7)%
Gross profit	26,665	35,209	(8,544)	(24.3)
Selling, general and administrative expenses	20,093	20,565	(472)	(2.3)
Other expense (income)	212	(202)	414	NM ¹
Interest expense	2,251	2,890	(639)	(22.1)
Provision for income taxes	1,170	3,256	(2,086)	(64.1)
Net income	2,939	8,700	(5,761)	(66.2)

¹ Not meaningful

Revenues. The decrease in consolidated revenues resulted from:

- a \$21.6 million, or 10.0%, decrease in OEM and other revenues;
- a \$3.6 million, or 9.5%, decrease in aftermarket and OES sales; and
- a \$5.4 million, or 55.9%, decrease in industrial automation sales.

The decrease in revenues of 11.7% is due primarily to a softening in customer demand, the wind-down of certain programs in our Vehicle Solutions segment, and a further decline in our Industrial Automation and Aftermarket segments, partially offset by increased pricing in our Electrical Systems segment.

Gross Profit. Included in gross profit is cost of revenues, which consists primarily of raw materials and purchased components for our products, wages and benefits for our employees and overhead expenses such as manufacturing supplies, facility rent and utilities costs related to our operations. The \$8.5 million decrease in gross profit is primarily attributable to the impact of lower sales volumes partially offset by increased pricing. Cost of revenues decreased \$22.1 million, or 9.7%, as a result of a decrease in raw material and purchased component costs of \$22.9 million, or 15.5%, offset by an increase in labor and overhead expenses of \$0.8 million, or 0.9%. As a percentage of revenues, gross profit margin was 11.5% for the three months ended March 31, 2024 compared to 13.4% for the three months ended March 31, 2023.

Selling, General and Administrative Expenses. Selling, general and administrative ("SG&A") expenses consist primarily of wages and benefits and other expenses such as marketing, travel, legal, audit, rent and utilities costs, which are not directly or indirectly associated with the manufacturing of our products. SG&A expenses decreased \$0.5 million compared to the three months ended March 31, 2023, primarily as a result of reduced incentive compensation expense, partially offset by an increase in salary expense during the 2024 period. As a percentage of revenues, SG&A expense was 8.7% for the three months ended March 31, 2024 compared to 7.8% for the three months ended March 31, 2023.

Other Expense. Other expenses increased \$0.4 million in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 due primarily to an unfavorable change in the fair value of foreign currency forward exchange contracts.

Interest Expense. Interest associated with our debt was \$2.3 million and \$2.9 million for the three months ended March 31, 2024 and 2023, respectively. The decrease in interest expense primarily related to lower average debt balances and lower interest rates on variable rate debt during the respective comparative periods.

Provision for Income Taxes. Income tax expense of \$1.2 million and \$3.3 million was recorded for the three months ended March 31, 2024 and 2023, respectively. The period over period change in income tax was primarily attributable to a \$7.8 million decrease in pre-tax income versus the prior year period.

In 2021, as part of the Organization for Economic Co-operation and Development's ("OECD") Inclusive Framework, 140 member countries agreed to the implementation of the Pillar Two Global Minimum Tax ("Pillar Two") of 15%. The OECD continues to release additional guidance, including administrative guidance on how Pillar Two rules should be interpreted and applied by jurisdictions as they adopt Pillar Two. These changes, when enacted by various countries in which we do business, may increase our taxes in these countries. Changes to these and other areas in relation to international tax reform, including future actions taken by foreign governments in response to Pillar Two, could increase uncertainty and may adversely affect our tax rate and cash flow in future years. We continue to evaluate the potential impact on future periods of Pillar Two, pending legislative adoption by individual countries.

Net Income. Net income was \$2.9 million for the three months ended March 31, 2024 compared to \$8.7 million for the three months ended March 31, 2023. The decrease in net income is attributable to the factors noted above.

Segment Results**Vehicle Solutions Segment Results****Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

The table below sets forth certain Vehicle Solutions Segment operating data for the three months ended March 31 (dollars are in thousands):

	2024	2023	\$ Change	% Change
Revenues	\$ 137,910	\$ 160,584	\$ (22,674)	(14.1)%
Gross profit	16,229	19,471	(3,242)	(16.7)
Selling, general & administrative expenses	5,877	6,077	(200)	(3.3)
Operating income	10,352	13,394	(3,042)	(22.7)

Revenues. The decrease in Vehicle Solutions Segment revenues of \$22.7 million was primarily driven by a lower customer demand and the wind-down of certain programs.

Gross Profit. The decrease in gross profit of \$3.2 million was primarily attributable to lower customer demand and increased freight offset by a decrease in cost of revenues driven by a decrease in raw material and purchased component costs of \$15.6 million, or 16.4%, and a decrease in labor and overhead expenses of \$3.8 million, or 8.4%.

As a percentage of revenues, gross profit margin was 11.8% for the three months ended March 31, 2024 compared to 12.1% for the three months ended March 31, 2023. The decrease in gross profit margin was primarily due to lower customer demand and increased freight. The three months ended March 31, 2024 results include charges of \$0.5 million associated with the restructuring program.

Selling, General and Administrative Expenses. SG&A expenses decreased \$0.2 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Electrical Systems Segment Results**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

The table below sets forth certain Electrical Systems Segment operating data for the three months ended March 31 (dollars are in thousands):

	2024	2023	\$ Change	% Change
Revenues	\$ 55,795	\$ 54,749	\$ 1,046	1.9%
Gross profit	4,553	8,297	(3,744)	(45.1)
Selling, general & administrative expenses	2,542	2,227	315	14.1
Operating income	2,011	6,070	(4,059)	(66.9)

Revenues. The increase in Electrical Systems Segment revenues of \$1.0 million primarily resulted from increased pricing to offset material cost pass-through and labor inflationary items.

Gross Profit. The decrease in gross profit of \$3.7 million is primarily attributable to restructuring activities, labor inflation and unfavorable foreign exchange impacts, partially offset by increased pricing to offset material cost through and labor inflationary items. Cost of revenues increase was driven by an increase in labor and overhead expenses of \$5.1 million, or 24.5%; partially offset by a decrease in raw material and purchased component costs of \$0.3 million, or 1.3%.

As a percentage of revenues, gross profit margin was 8.2% for the three months ended March 31, 2024 compared to 15.2% for the three months ended March 31, 2023. The decrease in gross profit margin was primarily due to restructuring activities, labor inflation, and unfavorable foreign exchange impacts. The three months ended March 31, 2024 results include charges of \$1.1 million associated with the restructuring program.

Selling, General and Administrative Expenses. SG&A expenses increased \$0.3 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Aftermarket & Accessories Segment Results**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

The table below sets forth certain Aftermarket & Accessories Segment operating data for the three months ended March 31 (dollars are in thousands):

	2024	2023	\$ Change	% Change
Revenues	\$ 34,061	\$ 37,629	\$ (3,568)	(9.5)%
Gross profit	6,439	7,227	(788)	(10.9)
Selling, general & administrative expenses	1,907	1,650	257	15.6
Operating income	4,532	5,577	(1,045)	(18.7)

Revenues. The decrease in Aftermarket & Accessories Segment revenues of \$3.6 million primarily resulted from lower sales volume due to decreased customer demand and the reduction of backlog in the prior period.

Gross Profit. The decrease in gross profit is primarily attributable to lower sales volume. Cost of revenues decreased in line with the sales decrease of 9.5%, driven by a decrease in raw material and purchased component costs of \$2.7 million, or 13.6%; and a decrease in labor and overhead expenses of \$0.1 million, or 1.1%.

As a percentage of revenues, gross profit margin was 18.9% for the three months ended March 31, 2024 compared to 19.2% for the three months ended March 31, 2023. The decrease in gross profit margin was primarily due to lower sales volume and product mix.

Selling, General and Administrative Expenses. SG&A expenses increased \$0.3 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Industrial Automation Segment Results**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

The table below sets forth certain Industrial Automation Segment operating data for the three months ended March 31 (dollars are in thousands):

	2024	2023	\$ Change	% Change
Revenues	\$ 4,302	\$ 9,747	\$ (5,445)	(55.9)%
Gross profit	(556)	214	(770)	NM ¹
Selling, general & administrative expenses	1,439	1,076	363	33.7
Operating loss	(1,995)	(862)	(1,133)	131.4

¹ Not meaningful

Revenues. The decrease in Industrial Automation Segment revenues of \$5.4 million primarily resulted from lower sales volume due to decreased customer demand.

Gross Profit. The decrease in gross profit of \$0.8 million was primarily attributable to lower sales volume. Cost of revenues decreased in line with the sales decrease of 55.9%, driven by a decrease in raw material and purchased component costs of \$4.2 million, or 62.2%; and a decrease in labor and overhead expenses of \$0.4 million, or 15.8%.

As a percentage of revenues, gross profit margin was (12.9)% for the three months ended March 31, 2024 compared to 2.2% for the three months ended March 31, 2023. The decrease in gross profit margin is primarily due to the previously noted lower sales volume. The three months ended March 31, 2024 results include charges of \$0.1 million associated with the restructuring program.

Selling, General and Administrative Expenses. SG&A expenses increased \$0.4 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 primarily attributable to investment in new product development.

Liquidity and Capital Resources

As of March 31, 2024, the Company had total liquidity of \$189.3 million, including \$46.8 million of cash and \$142.5 million of availability from its U.S. and China credit facilities.

Our primary sources of liquidity as of March 31, 2024 were operating income, cash and availability under our credit facility. We believe that these sources of liquidity will provide adequate funds for our working capital needs, capital expenditures and debt service throughout the next twelve months. However, no assurance can be given that this will be the case. We also rely on the timely collection of receivables as a source of liquidity. As of March 31, 2024, we had outstanding letters of credit of \$1.1 million and borrowing availability of \$142.5 million from our U.S. and China credit facilities.

As of March 31, 2024, cash of \$46.8 million was held by foreign subsidiaries. The Company had a \$0.5 million deferred tax liability as of March 31, 2024 for the expected future income tax implications of repatriating cash from the foreign subsidiaries for which indefinite reinvestment is not expected.

Covenants and Liquidity

Our ability to comply with the covenants in the Credit Agreement, as discussed in Note 4, Debt, may be affected by economic or business conditions beyond our control. Based on our current forecast, we believe that we will be able to maintain compliance with the financial maintenance covenants and the fixed charge coverage ratio covenant and other covenants in the Credit Agreement for the next twelve months; however, no assurances can be given that we will be able to comply. We base our forecasts on historical experience, industry forecasts and other assumptions that we believe are reasonable under the circumstances. If actual results are substantially different than our current forecast, we may not be able to comply with our financial covenants.

Sources and Uses of Cash

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Net cash (used in) provided by operating activities	\$ (2,356)	\$ 58
Net cash used in investing activities	(1,859)	(3,321)
Net cash provided by financing activities	14,176	12,377
Effect of currency exchange rate changes on cash	(993)	545
Net increase in cash	<u>\$ 8,968</u>	<u>\$ 9,659</u>

Operating activities. For the three months ended March 31, 2024, net cash used in operating activities was \$2.4 million compared to net cash provided by operating activities of \$0.1 million for the three months ended March 31, 2023. Net cash used in operating activities is primarily attributable to a smaller increase in working capital offset by the decrease in net income from the three months ended March 31, 2024 as compared to the three months ended March 31, 2023.

Investing activities. For the three months ended March 31, 2024, net cash used in investing activities of \$1.9 million compared to \$3.3 million for the three months ended March 31, 2023 was mainly due to an increase in capital expenditures, offset by \$3.2 million proceeds from sale of the Company's FinishTEK business during the quarter. In 2024, we expect capital expenditures to be in the range of \$25 million to \$30 million.

Financing activities. For the three months ended March 31, 2024, net cash provided by financing activities was \$14.2 million compared to \$12.4 million for the three months ended March 31, 2023. Net cash provided by financing activities for the three months ended March 31, 2024 is attributable to borrowings under the revolving credit facility to fund the working capital increase.

Debt and Credit Facilities

The debt and credit facilities descriptions in Note 4, Debt are incorporated in this section by reference.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). For a comprehensive discussion of our significant accounting policies, see “Note 1. Significant Accounting Policies”, to our consolidated financial statements in Item 8 in our 2023 Form 10-K.

Critical accounting estimates are those that are most important to the portrayal of our financial condition and results. These estimates require management’s most difficult, subjective, or complex judgments, often as a result of the need to estimate matters that are inherently uncertain. We review the development, selection, and disclosure of our critical accounting estimates with the Audit Committee of our board of directors. For information about critical accounting estimates, see Critical Accounting Estimates in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2023 Form 10-K. At March 31, 2024, there have been no material changes to our critical accounting estimates from those disclosed in our 2023 Form 10-K.

Forward-Looking Statements

This Quarter Report on Form 10-Q contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. For this purpose, any statements contained herein that are not statements of historical fact, including without limitation, certain statements under “Item 2 - Management’s Discussion and Analysis of Financial Condition and Results of Operations” and located elsewhere herein regarding industry outlook, the Company’s expectations for future periods with respect to its plans to improve financial results, the future of the Company’s end markets, changes in the Class 8 and Class 5-7 North America truck build rates, performance of the global construction equipment business, the Company’s prospects in the wire harness, warehouse automation and electric vehicle markets, the Company’s initiatives to address customer needs, organic growth, the Company’s strategic plans and plans to focus on certain segments, competition faced by the Company, volatility in and disruption to the global economic environment, including inflation and labor shortages, financial covenant compliance, anticipated effects of acquisitions, production of new products, plans for capital expenditures and our results of operations or financial position and liquidity, may be deemed to be forward-looking statements. Without limiting the foregoing, the words “believe”, “anticipate”, “plan”, “expect”, “intend”, “will”, “should”, “could”, “would”, “project”, “continue”, “likely”, and similar expressions, as they relate to us, are intended to identify forward-looking statements. The important factors discussed in “Item 1A - Risk Factors”, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. Such forward-looking statements represent management’s current expectations and are inherently uncertain. Investors are warned that actual results may differ from management’s expectations. Additionally, various economic and competitive factors could cause actual results to differ materially from those discussed in such forward-looking statements, including, but not limited to, factors which are outside our control.

Any forward-looking statement that we make in this report speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information relating to quantitative and qualitative disclosures about market risk, see the discussion under “Item 7A. Quantitative and Qualitative Disclosures About Market Risk” in our 2023 Form 10-K. As of March 31, 2024, there have been no material changes in our exposure to market risk from those disclosed in our 2023 Form 10-K.

ITEM 4 – CONTROLS AND PROCEDURES

Disclosure Controls and Procedures. Our senior management is responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms.

We evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2024. Based on this evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were

effective as of March 31, 2024 to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting. There were no changes during the quarter ended March 31, 2024 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls. Our management, including our Interim President and Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of error or mistake. Controls also can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

ITEM 1 Legal Proceedings

We are subject to various legal proceedings and claims arising in the ordinary course of business, including, but not limited to, product liability claims, customer and supplier disputes, service provider disputes, examinations by taxing authorities, employment disputes, workers' compensation claims, unfair labor practice charges, OSHA investigations, intellectual property disputes and environmental claims arising out of the conduct of our businesses. Based upon the information available to management and discussions with legal counsel, it is the opinion of management that the ultimate outcome of the various legal actions and claims that are incidental to our business are not expected to have a material adverse impact on the consolidated financial position, results of operations, stockholders' equity or cash flows; however, such matters are subject to many uncertainties and the outcomes of individual matters are not predictable with any degree of assurance.

ITEM 1A Risk Factors

You should carefully consider the information in this Form 10-Q, the risk factors discussed in "Risk Factors" and other risks discussed in our 2023 Form 10-K and our filings with the SEC since December 31, 2023. These risks could materially and adversely affect our results of operations, financial condition, liquidity and cash flows. Our business also could be affected by risks that we are not presently aware of or that we currently consider immaterial to our operations.

ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell any equity securities during the three months ended March 31, 2024 that were not registered under the Securities Act of 1933, as amended. We did not repurchase any equity securities during the three months ended March 31, 2024.

ITEM 3 Defaults Upon Senior Securities

Not applicable.

ITEM 4 Mine Safety Disclosures

Not applicable.

ITEM 5 Other Information

Neither the Company nor any of our officers or directors adopted or terminated a Rule 10b5-1 or non-Rule 10b5-1 trading arrangement as defined by Item 408(a) and Item 408(d) of Regulation S-K during the last fiscal quarter.

ITEM 6 Exhibits

- [31.1](#) 302 Certification by James R. Ray, President and Chief Executive Officer.
- [31.2](#) 302 Certification by Andy Cheung, Executive Vice President and Chief Financial Officer.
- [32.1](#) Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- [32.2](#) Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101 Interactive Data Files

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMMERCIAL VEHICLE GROUP, INC.

Date: May 6, 2024 By /s/ Andy Cheung
Chung Kin Cheung ("Andy Cheung")
Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2024 By /s/ Angela M. O'Leary
Angela M. O'Leary
Chief Accounting Officer
(Principal Accounting Officer)

302 CERTIFICATION

I, James R. ray, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commercial Vehicle Group, Inc. and Subsidiaries;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 6, 2024

/s/ James R. Ray

James R. Ray
President and Chief Executive Officer
(Principal Executive Officer)

302 CERTIFICATION

I, Andy Cheung, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Commercial Vehicle Group, Inc. and Subsidiaries;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 6, 2024

/s/ Andy Cheung

Chung Kin Cheung ("Andy Cheung")

Chief Financial Officer

(Principal Financial Officer)

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Commercial Vehicle Group, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James R. Ray, President and Chief Executive Officer (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

May 6, 2024

/s/ James R. Ray

James R. Ray

President and Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Commercial Vehicle Group, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andy Cheung, Chief Financial Officer (Principal Financial Officer) of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

May 6, 2024

/s/ Andy Cheung

Chung Kin Cheung ("Andy Cheung")

Chief Financial Officer

(Principal Financial Officer)