

# SOUTHWEST IDEAS CONFERENCE

November 2024

# SAFE HARBOR STATEMENTS AND NON-GAAP FINANCIAL MEASURES

Certain statements in this Annual Report on Form 10-K constitute forward-looking statements within the meaning of the federal securities laws, which are subject to the "safe harbor" created by Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). As a general matter, forward-looking statements are those focused upon future plans, objectives or performance as opposed to historical items and include statements of anticipated events or trends and expectations and beliefs relating to matters not historical in nature. Such forward-looking statements involve known and unknown risks and are subject to uncertainties and factors relating to Core Molding Technologies' operations and business environment, all of which are difficult to predict and many of which are beyond Core Molding Technologies' control. Words such as "may," "will," "could," "would," "should," "anticipate," "predict," "potential," "continue," "expect," "intend," "plans," "projects," "believes," "estimates," "encouraged," "confident" and similar expressions are used to identify these forward-looking statements. These uncertainties and factors could cause Core Molding Technologies' actual results to differ materially from those matters expressed in or implied by such forward-looking statements.

Core Molding Technologies believes that the following factors, among others, could affect its future performance and cause actual results to differ materially from those expressed or implied by forward-looking statements made in this presentation: business conditions in the plastics, transportation, power sports, utilities and commercial product industries (including changes in demand for truck production); federal and state regulations (including engine emission regulations); general economic, social, regulatory (including foreign trade policy) and political environments in the countries in which Core Molding Technologies operates; the adverse impact of coronavirus (COVID-19) global pandemic on our business, results of operations, financial position, liquidity or cash flow, as well as impact on customers and supply chains; safety and security conditions in Mexico; fluctuations in foreign currency exchange rates; dependence upon certain major customers as the primary source of Core Molding Technologies' sales revenues; efforts of Core Molding Technologies to expand its customer base; the ability to develop new and innovative products and to diversify markets, materials and processes and increase operational enhancements; ability to accurately quote and execute manufacturing processes for new business; the actions of competitors, customers, and suppliers; failure of Core Molding Technologies' suppliers to perform their obligations; the availability of raw materials; inflationary pressures; new technologies; regulatory matters; labor relations and labor availability as well as possible work stoppages or labor disruptions at one or more of our union locations or one of our customer or supplier locations; the loss or inability of Core Molding Technologies to attract and retain key personnel; the ability to successfully identify, evaluate and manage potential acquisitions and to benefit from and properly integrate any completed acquisitions; federal, state and local environmental laws and regulations; the availability of sufficient capital; the ability of Core Molding Technologies to provide on-time delivery to customers, which may require additional shipping expenses to ensure on-time delivery or otherwise result in late fees and other customer charges; risk of cancellation or rescheduling of orders; management's decision to pursue new products or businesses which involve additional costs, risks or capital expenditures; inadequate insurance coverage to protect against potential hazards; equipment and machinery failure; product liability and warranty claims; and other risks identified from time to time in Core Molding Technologies' other public documents on file with the Securities and Exchange Commission, including those described in Item 1A of the December 31, 2023 Annual Report on Form 10-K.

This presentation includes certain non-GAAP financial measures to describe our performance. The reconciliation of those measure to GAAP measures are provided within the appendix of the presentation. Those disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.



## CORE MOLDING TECHNOLOGIES

The most reliable, innovative and responsive partner in *engineered materials* and manufacturing solutions:

SOLUTION | INNOVATION | MANUFACTURING

### Diversified Portfolio with Long Term Customer Relationships

Building Products

Industrial & Utilities

Power Sports

Transportation



(1) Based on 2023 sales by Core production location.

(2) Adjusted EBITDA is a non-GAAP financial measure as defined and reconciled later in this presentation.

NYSE American  
**CMT**

Founded in  
**1980**

Headquartered in  
**Columbus, OH**

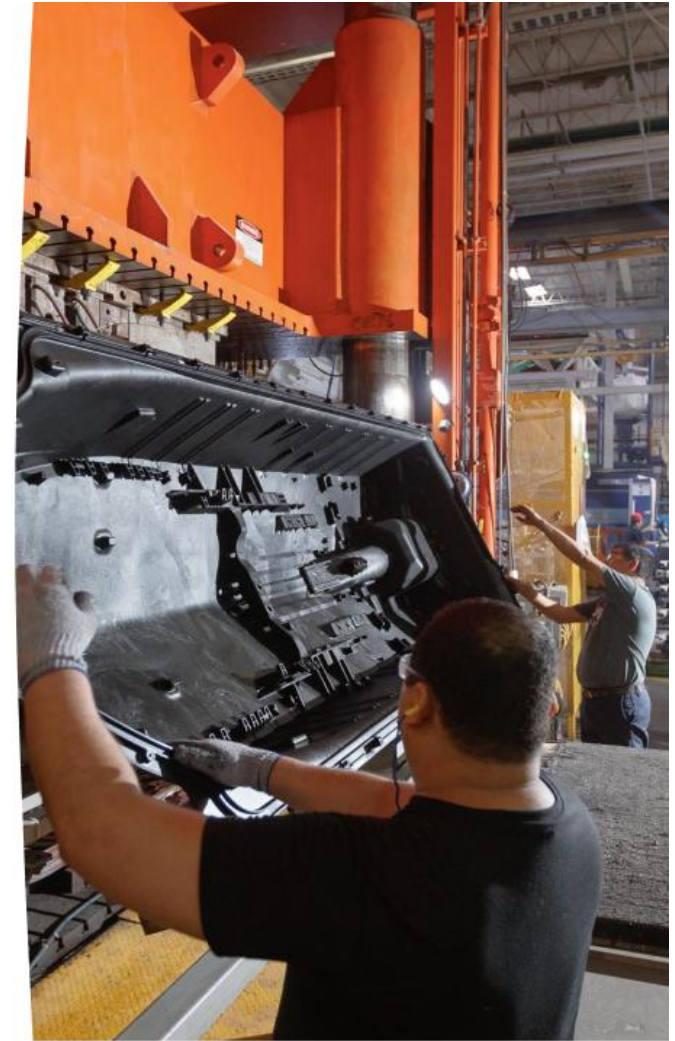
Employees  
**1,857**



**Adjusted EBITDA 12 Months Ended  
December 31, 2023 = \$42.3M<sup>(2)</sup>**

# INVESTMENT HIGHLIGHTS

- ✓ **Market Leadership Position**
- ✓ **Few competitors, high barriers to entry**
- ✓ **Large Addressable Market**
- ✓ **Long-term relationships with blue-chip companies**
- ✓ **Proprietary, Highly-Engineered Products**
- ✓ **Single source, technical solutions of structural systems**
- ✓ **Product innovation expertise with product design, functionality & durability**
- ✓ **90% recurring revenues, strong TTM Earnings, Adjusted EBITDA and Return on Capital**



## > \$10B ADDRESSABLE MARKET

						
<b>Building Products</b>	<b>Industrial &amp; Utilities</b>	<b>Packaging</b>	<b>Consumer Products</b>	<b>Truck</b>	<b>Powersports / Golf Cars</b>	<b>Construction &amp; Ag.</b>
\$2.6B Grow	\$2.3B Grow	\$1.9B Grow	\$1.9B Grow	\$0.6B Defend	\$0.5B Defend / Grow	\$0.3B Grow

### Industry Dynamics

- Grow wallet share with large customers
- Multiple industry channel expansion
- Market leader in truck & powersports
- Focus on higher value solutions
- Infrastructure spending bills
- ESG solutions for customers

- Market specific internal sales force
- Partner with third party sales agency to drive lead generation and opportunities into new sales channels



Based on management estimates with current process portfolio.

# LARGE NORTH AMERICAN MANUFACTURING FOOTPRINT



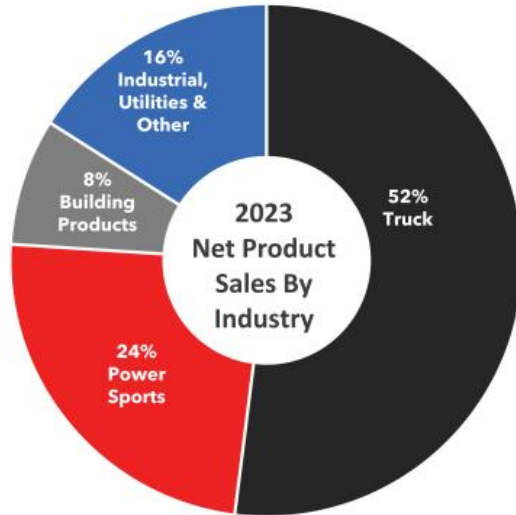
\*Based on 2023 Product Sales



**82**  
presses

**>1.3M**  
Square Feet

# INDUSTRY AND CUSTOMER DIVERSIFICATION



**Long-term relationships** with blue-chip companies providing **single-source** manufacturing arrangements with key customers



# HOW WE DIVERSIFY



Light Weighting | Durability | Cost Savings | Corrosion Resistance | Parts Consolidation | Recyclability





# Driving Core Molding to the Next Level



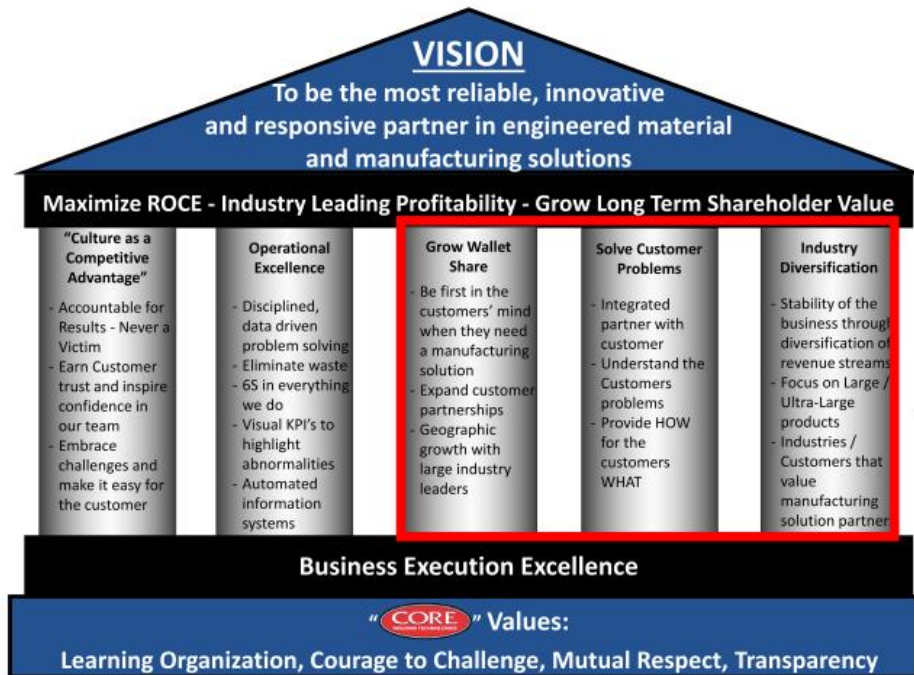
- We have an organization and plants prepared for organic growth
- We are profitable and have cash to invest (acquisition and assets)
- Driving Voice of the Customer into the organization, understand the customer's problems to solve

## Invest For Growth

1. Sales Force Development
  - Invest in Sales Function
  - Focus on Grow Wallet Share with high value solutions
2. Strengthen Core's Technology functions
  - Expertise to solve Customer Problems
3. Acquisitions
  - Sales Channel Access
  - Footprint expansion
  - Complimentary Technology and Resources



# CORE STRATEGY HOUSE 2.0 : INVEST FOR GROWTH



## 1. Grow Wallet Share

- Leveraging our deep and long term customer relationships, using our large portfolio of processes, is our fastest and easiest growth path.
- Dedicated Key Account Managers to deeply engage with strategic large opportunity customers that can benefit from thermosets and thermoplastics. "Intimately know the customer"

## 2. Solve Customer problems

- Strengthen technical resources to support solution development with customers
- We are the expert in bringing the customer's ideas to production. "Be first in the customer's mind when they need a solution"
- Implement business systems that drive VOC into the business planning processes

## 3. Industry Diversification

- Formalized systems to deeply understand the potential market applications and then positioning Core to capitalize on high growth industries to target customers.
- Sales Channel Development: Acquisition and Organic

# New Sales Growth

Vehicle



Marine Docks



EV Battery Trays



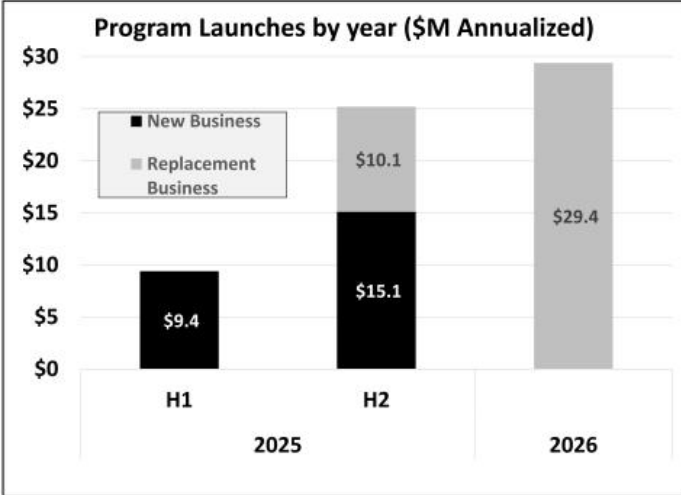
Portable Security



Medical



Refrigerated Display Bases



# INTEGRATED MATERIALS AND PROCESSES FROM ONE SUPPLIER

## Lightweight = Lower Total Costs



- Total installation cost 15% lower
- 10X faster installation

## High Strength to Weight



- High performance vs cost = Value
- Durability and corrosion resistance

## Innovative Material & Process Development



- Large format / One-piece design
- Design Flexibility
- Value Added Features

## Multi-Composite Design Flexibility



- High value integrated design: Unique Solutions
- Increased strength / durability

# LIGHT WEIGHTING

Multiple Benefits from Lightweight Parts:

- ✓ Easier installation
- ✓ Reduced Labor
- ✓ Improved Employee Safety / Reduced Injuries / OSHA
- ✓ On site modifications
- ✓ Reduced need for onsite installation equipment
- ✓ Saves 80% CO2 emissions vs concrete equivalent
- ✓ Lower overall cost



Polymer Concrete  
90 Lbs.



Composite  
25 Lbs.



Concrete  
300 Lbs.



Composite  
40 Lbs.

# PART CONSOLIDATION / SOLUTIONS

Multiple Benefits from a Solution with Part Consolidation:

- ✓ Unique Solutions creating an optimized design
- ✓ Simplified assembly / Reduced Labor for the customer
- ✓ Integrated with the customer development (Early in the development process)
- ✓ Unique capability to create large format products



- 3X higher strength, 30Lbs lighter, 60% less labor to install



- All fasteners, engine mounts and transducer molded into 1 part
- Fiber reinforced tape molded into side for side impact strength

# Why Core Molding? – Engaged teams make it happen!



Culture As A Competitive Advantage:  
 Holistic approach to purposefully create an engaged knowledgeable team that wants to win and feels empowered to win.



- Long term trusted partner with industry leaders supplying similar products (BRP, Yamaha, Polaris...)

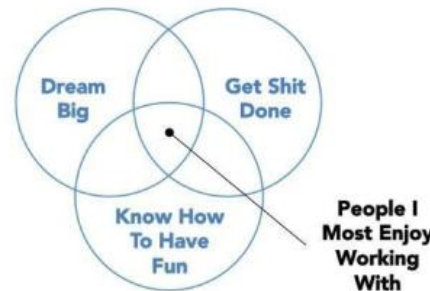
- 2023 PACCAR 10PPM Award



• 2023 BRP Gold Supplier Award



- Team that lives up to commitments and enjoys what we do.



- Culture of continuous improvement and delivering to the customer needs.

Employee Turnover	
Core	8.6%
Industry Avg.	23.3%



> 99%

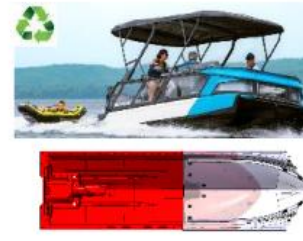
# Why Core Molding? – Difficult and Ultra Large Products



We are an Industry leader in Composite product design / manufacturing



- CAMX 2023 Material & Process Innovation Award nomination

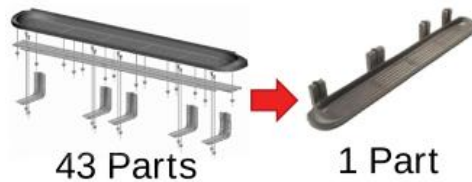


- Multi-Composite Design Flexibility



- 82 Presses
- 7 DLFT systems in 2 different location

- Co-development, product design and manufacture to optimize products for performance and cost.



- Molded in hardware (labor reduction)
- Part consolidation (labor & part reduction)

- Capability to design and develop manufacturing solutions for large / ultra-large complex products that are Hard To Do.



- Large and growing portfolio of complementary processes, capable NA footprint and deep expertise of producing in MX.



- Cobourg, Ontario
- Winona, MN
- Gaffney, SC
- Columbus, OH
- Matamoros, MX
- Monterrey, MX
- Brownsville, TX





# FINANCIALS

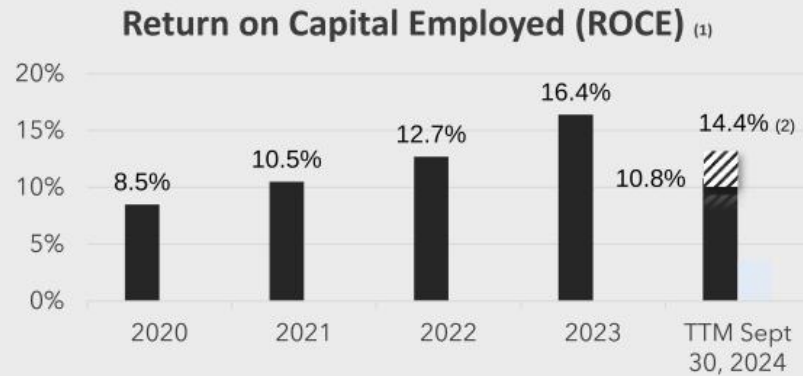
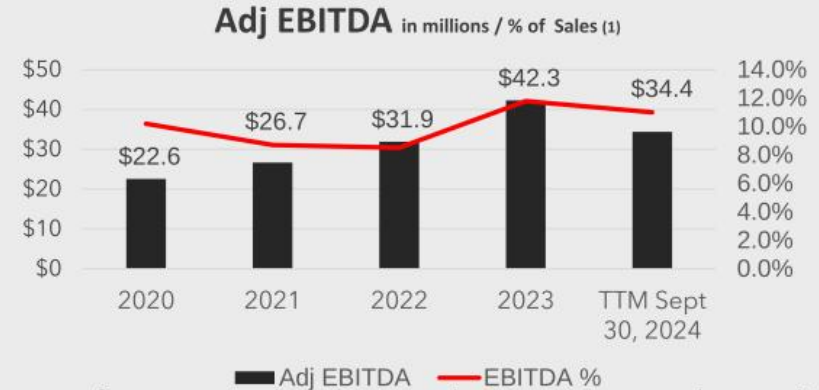
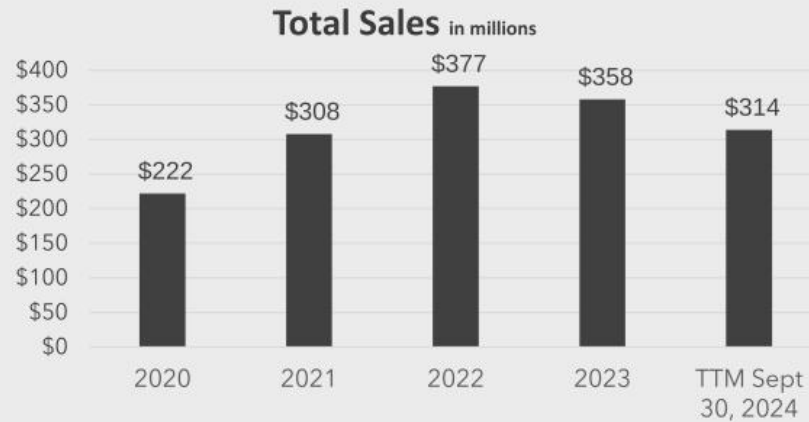


# CAPITAL ALLOCATION STRATEGY

Organic Growth	M&A	Return Capital to Shareholders	Maintain Strong Balance Sheet
<ul style="list-style-type: none"><li>• Capital investments meeting Company's return requirements</li><li>• Projected capital spend in 2024 of \$11- \$13mm</li><li>• R&amp;D spending</li></ul>	<ul style="list-style-type: none"><li>• Tuck in acquisitions</li><li>• Valuations of \$10 - \$40 million</li><li>• One to two acquisitions a year</li><li>• Disciplined evaluation process to identify appropriate opportunities</li></ul>	<ul style="list-style-type: none"><li>• Share repurchase is preferred method</li><li>• Authorized \$7.5mm share repurchase program in place</li><li>• Approximately 135k shares @ \$17.40 per share repurchased in 2024</li></ul>	<ul style="list-style-type: none"><li>• Zero net debt</li><li>• Current leverage ratio of ~.6 times Adjusted EBITDA</li><li>• Available liquidity flexibility to take advantage of opportunities</li></ul>

Multifaceted allocation strategy to maximize shareholder value

# SELECTED FINANCIAL INFORMATION



- Impact of economic slowdown reducing customer demand in 2024
- Company focus on operational improvements and portfolio profitability driving higher earnings
  - Adjusted EBITDA as % of sales increased to 11.0%
- Disciplined capital deployment approach resulting in increased ROCE
  - Excluding ~ \$42mm of accumulated cash to be redeployed for TTM September 30, 2024, ROCE = 14.4%



(1) Adjusted EBITDA and ROCE are non-GAAP financial measure as defined and reconciled later in this presentation.  
 (2) ROCE excluding accumulated cash.

# CASH FLOWS AND REINVESTMENT

<i>in millions</i>	<b>Operating Cash Flows</b>	<b>Sustaining Capex</b>	<b>Growth Capex</b>	<b>Free Cash Flows</b>	<b>Free Cash Flows Excluding Growth Capex</b>
2021	\$ 12.5	\$ 6.3	\$ 5.1	\$ 1.1	\$ 6.2
2022	\$ 19.0	\$ 7.8	\$ 8.8	\$ 2.4	\$ 11.2
2023	\$ 34.8	\$ 6.1	\$ 3.0	\$ 25.7	\$ 28.7
Total	\$ 66.3	\$ 20.2	\$ 16.9	\$ 29.2	\$ 46.1
3 Year Avg.	\$ 22.1	\$ 6.7	\$ 5.6	\$ 9.7	\$ 15.4
Nine Months Ended Sept 30, 2024	\$ 30.2	\$ 6.0	\$ 1.1	\$ 23.1	\$ 24.2

## Three Year Summary

**~\$66M**  
Operating cash flow

**\$29M**  
free cash flows




excluding growth capex  
**\$46M**

**\$17M**  
Reinvestment to support Company growth

**Capacity in place** to support \$425 to \$475 million of revenues



# LONG TERM FINANCIAL GOALS

	December 2023		3 – 5 Years
<b>Revenues</b>	<b>\$358MM</b>		<b>&gt;\$500MM</b> <ul style="list-style-type: none"> <li>• Organic growth</li> <li>• Acquisitions</li> <li>• Goal timing may be impacted due to return to pre-pandemic demand levels</li> </ul>
<b>Operating Income</b>	<b>7.4%</b>		<b>8%-10%</b> <ul style="list-style-type: none"> <li>• Operational improvements</li> <li>• Value selling</li> <li>• Leverage fixed costs</li> </ul>
<b>Return on Capital Employed</b>	<b>16.4%</b>		<b>14%-16%</b> <ul style="list-style-type: none"> <li>• Investment in capacity and automation</li> <li>• Acquisitions</li> <li>• Working Capital Management</li> </ul>

# CONTACTS

## Company Contact

John Zimmer  
Chief Financial Officer  
jzimmer@coremt.com

## Investor Contact

Sandy Martin / Steven Hooser  
Three Part Advisors  
214.616.2207





# APPENDIX

# NET INCOME (LOSS) TO ADJUSTED EBITDA RECONCILIATION

In thousands	Twelve Months Ended December 31,										TTM Sept 30 2024
	2015	2016	2017	2018	2019	2020	2021	2022	2023		
Net income (loss)	\$ 12,050	\$ 7,411	\$ 5,459	\$ (4,782)	\$ (15,223)	\$ 8,165	\$ 4,671	\$ 12,203	\$ 20,324	\$ 15,520	
Income tax expense (benefit)	\$ 6,118	\$ 3,836	\$ 2,286	\$ (664)	\$ (355)	\$ (3,618)	\$ 4,248	\$ 2,382	\$ 5,422	\$ 3,225	
Other expenses <sup>(1)</sup>	\$ 330	\$ 298	\$ 245	\$ 2,394	\$ 4,144	\$ 5,923	\$ 2,149	\$ 3,418	\$ 791	\$ (402)	
Depreciation and amortization	\$ 6,041	\$ 6,283	\$ 6,240	\$ 9,384	\$ 10,376	\$ 10,775	\$ 11,130	\$ 11,603	\$ 12,831	\$ 13,271	
Share-based compensation	\$ 785	\$ 1,003	\$ 1,331	\$ 1,743	\$ 1,564	\$ 1,355	\$ 1,886	\$ 2,329	\$ 2,923	\$ 2,767	
Goodwill impairment	\$ -	\$ -	\$ -	\$ 2,403	\$ 4,100	\$ -	\$ -	\$ -	\$ -	\$ -	
Plant closure costs <sup>(2)</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,581	\$ -	\$ -	\$ -	
<b>Adjusted EBITDA*</b>	<b>\$ 25,324</b>	<b>\$ 18,831</b>	<b>\$ 15,561</b>	<b>\$ 10,478</b>	<b>\$ 4,606</b>	<b>\$ 22,600</b>	<b>\$ 26,665</b>	<b>\$ 31,935</b>	<b>\$ 42,291</b>	<b>\$ 34,381</b>	

(1) Includes net interest expense, non-cash periodic post retirement costs and loss on extinguishment of debt.

(2) Reflects Cincinnati facility closing.

Reconciliation of GAAP to Non-GAAP Financial Measures

\* Adjusted EBITDA represents net income before, as applicable from time to time, (i) interest expense, net, (ii) provision (benefit) for income taxes, (iii) depreciation and amortization of long-lived assets, (iv) share based compensation expense, (v) non-recurring charges including restructuring costs, plant closure costs, goodwill impairment charges, (vi) nonrecurring legal settlement costs and associated legal expenses unrelated to the Company's core operations. This metric is a supplemental measure of our operating performance that are neither required by, nor presented in accordance with, GAAP. This measure has limitations as an analytical tool and should not be considered in isolation or as an alternative to performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA because management uses this measure as key performance indicators, and we believe that securities analysts, investors and others use this measure to evaluate companies in our industry. Our calculation of this measure may not be comparable to similarly named measures reported by other companies. The above table presents a reconciliation of net income (loss), the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA for the periods presented.





# YEAR-END AND RETURN ON CAPITAL EMPLOYED (“ROCE”) RECONCILIATION

	2020	2021	2022	2023	TTM Sept 30, 2024		TTM Sept 30, 2024 (2)
<i>in thousands</i>						<i>in thousands</i>	
EBIT	\$ 10,390	\$ 11,068	\$ 18,003	\$ 26,537	\$ 18,343	EBIT	\$ 18,343
Plant Closure Costs (1)		2,581				Plant Closure Costs (1)	
<b>Adjusted EBIT</b>	<b>\$ 10,390</b>	<b>\$ 13,649</b>	<b>\$ 18,003</b>	<b>\$ 26,537</b>	<b>\$ 18,343</b>	<b>Adjusted EBIT</b>	<b>\$ 18,343</b>
	<b>December 31,</b>						
	2020	2021	2022	2023	TTM Sept 30, 2024		TTM Sept 30, 2024
Shareholders' Equity	\$ 93,932	\$ 100,095	\$ 116,125	\$ 138,953	\$ 147,840	Shareholders' Equity	\$ 147,840
Debt						Debt	
Short Term Portion of Term Debt	2,535	3,943	1,208	1,468	1,814	Short Term Portion of Term Debt	1,814
Long Term Portion of Term Debt	25,198	21,251	22,986	21,519	20,164	Long Term Portion of Term Debt	20,164
Revolver	420	4,424	1,864	-	-	Accumulated Cash	(42,348)
<b>Total Capital Employed</b>	<b>\$ 122,085</b>	<b>\$ 129,713</b>	<b>\$ 142,183</b>	<b>\$ 161,940</b>	<b>\$ 169,818</b>	<b>Total Capital Employed</b>	<b>\$ 127,470</b>
<b>ROCE</b>	<b>8.5%</b>	<b>10.5%</b>	<b>12.7%</b>	<b>16.4%</b>	<b>10.8%</b>	<b>ROCE</b>	<b>14.4%</b>

(1) Reflects Cincinnati facility closing

(2) ROCE excluding accumulated cash for TTM Sept 30, 2024

## Reconciliation of GAAP to Non-GAAP Financial Measures

\* Return on Capital Employed represents net income before, as applicable from time to time, (i) interest expense, net, (ii) provision (benefit) for income taxes, (iii) restructuring and plant closure costs, (iv) nonrecurring legal settlement costs and associated legal expenses unrelated to the Company's core operations divided by Total Capital Employed which includes (i) Shareholders' Equity, (ii) term debt, and (iii) revolving debt. This metric is a supplemental measure of our operating performance that are neither required by, nor presented in accordance with, GAAP. This measure has limitations as an analytical tool and should not be considered in isolation or as an alternative to performance measure derived in accordance with GAAP as an indicator of our operating performance. We present ROCE because management uses this measure as key performance indicators, and we believe that securities analysts, investors and others use these measures to evaluate companies in our industry. Our calculation of this measure may not be comparable to similarly named measures reported by other companies.

