



# Dorman Products, Inc.

INVESTOR PRESENTATION

MAY 2025



# Forward-Looking Statements & Non-GAAP Financial Measures

## FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Words such as “may,” “will,” “should,” “likely,” “probably,” “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “views,” “estimates” and similar expressions are used to identify these forward-looking statements. Readers are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date such statements were made. Such forward-looking statements are based on current expectations that involve known and unknown risks, uncertainties and other factors (many of which are outside of our control). Such risks, uncertainties and other factors relate to, among other things: competition in and

the evolution of the motor vehicle aftermarket industry; changes in our relationships with, or the loss of, any customers or suppliers; our ability to develop, market and sell new and existing products; our ability to anticipate and meet customer demand; our ability to purchase necessary materials from our suppliers and the impacts of any related logistics constraints; widespread public health pandemics; political and regulatory matters, such as changes in trade policy, the imposition of tariffs and climate regulation; our ability to protect our information security systems and defend against cyberattacks; our ability to protect our intellectual property and defend against any claims of infringement; and financial and economic factors, such as our level of indebtedness, fluctuations in interest rates and inflation. More information on these risks and other potential factors that

could affect the Company’s business, reputation, results of operations, financial condition, and stock price is included in the Company’s filings with the Securities and Exchange Commission (“SEC”), including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the Company’s most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. The Company is under no obligation to, and expressly disclaims any such obligation to, update any of the information in this document, including but not limited to any situation where any forward-looking statement later turns out to be inaccurate whether as a result of new information, future events or otherwise.

## NON-GAAP FINANCIAL MEASURES

This presentation includes non-GAAP financial measures as defined under the rules of the Securities and Exchange Commission, including Adjusted Gross Margin, Adjusted Diluted Earnings Per Share “EPS”, and Free Cash Flow. These non-GAAP financial measures should not be used as a substitute for GAAP measures, or considered in isolation, for the purpose of analyzing our cash flows or results of operations. Additionally, these non-GAAP measures may not be comparable to similarly titled measures reported by other companies. Reconciliations of these non-GAAP measures to the most directly comparable GAAP financial measures are included in this presentation.

# Dorman: What We Do

We deliver product innovation to the aftermarket and develop new repair solutions.



DESIGN

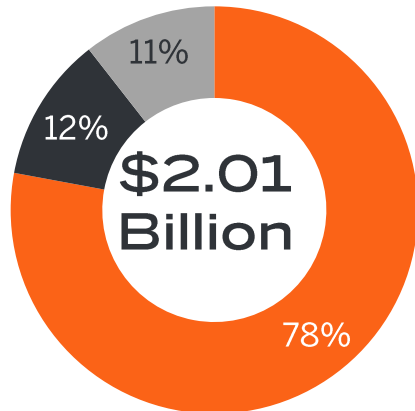


MANUFACTURE



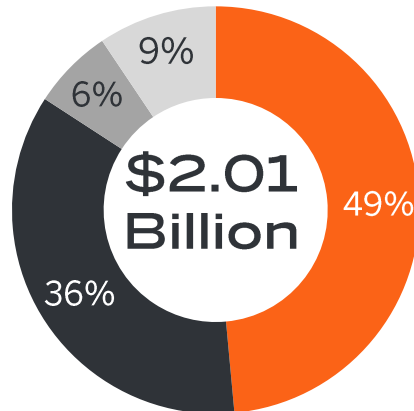
DISTRIBUTE

Net Sales  
by Segment



Light Duty    Specialty Vehicle  
Heavy Duty

Net Sales  
by Channel



Retail    Direct to Consumer  
Wholesale Distributor    Other



# Dorman: How We Do It



## Ideation & Innovation

We promote and reward inquisitiveness, courage and the pursuit of new ideas



## Deliver Customer Value

We are diligent in our efforts to understand our customers' needs and provide high quality products and services



## Empower Our Contributors

We provide our employees, who we call "contributors", the tools and resources necessary for their success



## Accountability for Results

We take responsibility for continually pushing toward improved results for our teams, customers and shareholders



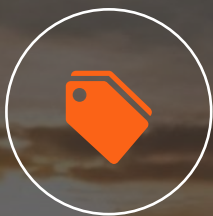
## Strive for Excellence

We are committed to the endless pursuit of success

**Our Culture of Contribution  
Drives Our Success.**



# Dorman: By the Numbers – 2024 Results



**\$2.01<sub>B</sub>**

Net  
Sales

**+4.1% YoY**



**16.1%**

Adj. Operating  
Income Margin<sup>1</sup>

**+400bps YoY**



**\$7.13**

Adj. Diluted  
Earnings Per Share<sup>1</sup>

**+57% YoY**



**1.12x**

Leverage  
Ratio\*



**138,000**

Distinct  
SKUs



**410+**

Product  
Categories



**400+**

Global  
Suppliers



**81%**

Branded Products  
Net Sales

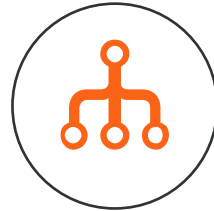
# Pillars of Our Equity Story

## DRIVING INNOVATION



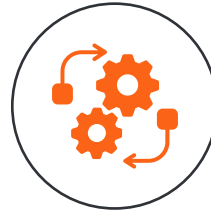
Designing and developing innovative solutions for the Aftermarket

## MARKET EXPANSION



Large Total Addressable Market across each segment

## EVOLVING AFTERMARKET



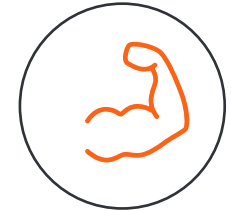
Positioned to succeed as new technologies and vehicle platforms evolve and emerge

## GLOBAL FOOTPRINT



Global engineering, supply chain, and manufacturing excellence

## FINANCIAL STRENGTH



Strong financial profile with above industry growth and performance



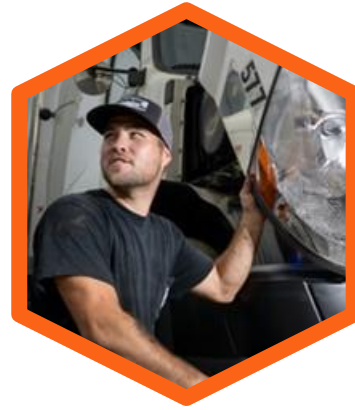
# Rapid Innovation at Scale

## Key Differentiators Driving Competitive Advantages



### INNOVATION ENGINE

- Customer and end-user relationships drive new-to-the-aftermarket ideation funnel
- Proprietary solutions that simplify repairs



### TECHNICAL CAPABILITIES

- Design and produce solutions from bumper to bumper
- Powertrain agnostic
- Advanced capabilities in complex electronics



### MANUFACTURING & SUPPLY CHAIN

- Nimble, asset-light model
- Diversified supplier base
- Focus on speed to market, speed to scale, and speed to pivot in life-cycle products



### CHANNEL PENETRATION

- Deep, strategic relationships with top customers
- Omni-channel approach
- Integrating “Dorman Model” across segments

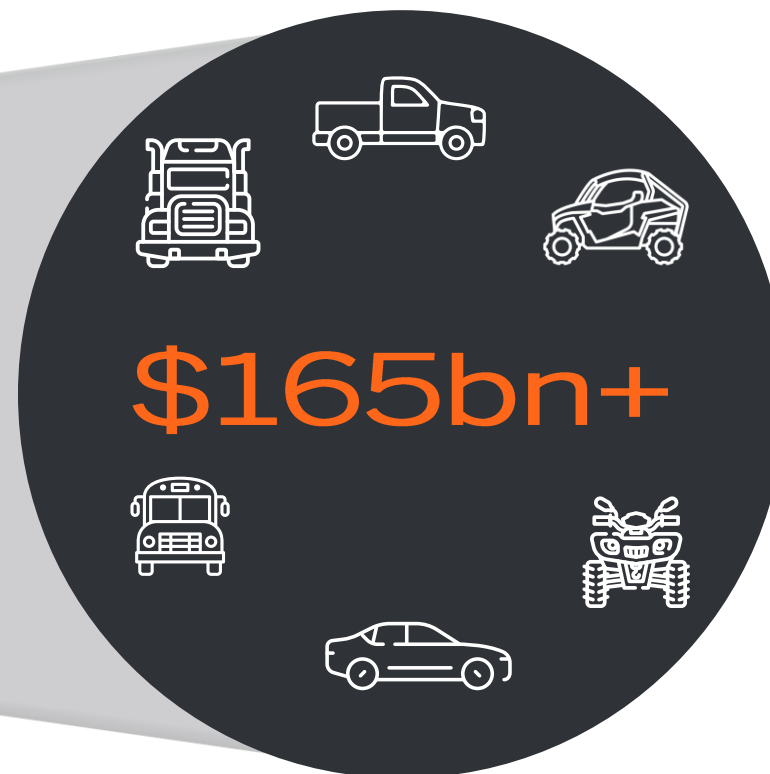
# Large Total Addressable Market

Acquisition Strategy Driving Expanded TAM in Growing Markets

2020  
TAM



2024  
TAM





# Three Distinct, Growing Segments



## Light Duty

3-yr Sector Growth: ~4%

- New products drive sales growth and margin expansion
- Invest in high margin IP-centric categories
- Broad distribution to meet customers in all commercial channels
- Optimize operating performance
- Continue to reconfigure supply chain for resiliency and efficiency



## Heavy Duty

3-yr Sector Growth: ~3%

- Leverage Dorman's new-to-aftermarket model to drive growth and expand margins
- Generate returns on growth-oriented investments
- Improve manufacturing efficiency
- Enable best-in-class ecommerce platform and digital capabilities
- Broaden distribution to reach underserved commercial customers



## Specialty Vehicle

3-yr Sector Growth: ~4%

- Invest in scalable, higher margin operation
- Accelerate development of new products
- Extend non-discretionary product line coverage
- Expand penetration of dealers in new geographies
- Execute M&A tuck-in opportunities

# Bumper-to-Bumper Coverage and Capability



# Emerging Technologies Shaping the Future

## Powertrain Agnostic: Multi-Platform Approach Accelerating Growth Opportunity

### Internal Combustion Engine (ICE)



- Expected to remain ~90% of VIO through 2035\*
- Regulation and platform changes provide significant aftermarket opportunity

### Hybrid Vehicles



- Dual powertrain provides greater opportunity for aftermarket repair
- In VIO “sweet spot” currently, with increased adoption across OEMs for future models

### Electric Vehicles (EV)



- Lower VIO exposure today, but applying Dorman approach to innovation strategy
- Higher component average selling price



**+6,000 SKUs** Hybrid / EV

Body & Suspension Application Components



**+2,500 SKUs** ICE / Hybrid / EV

Complex Electronics & Smart Motors



**+1,700 SKUs** Hybrid / EV

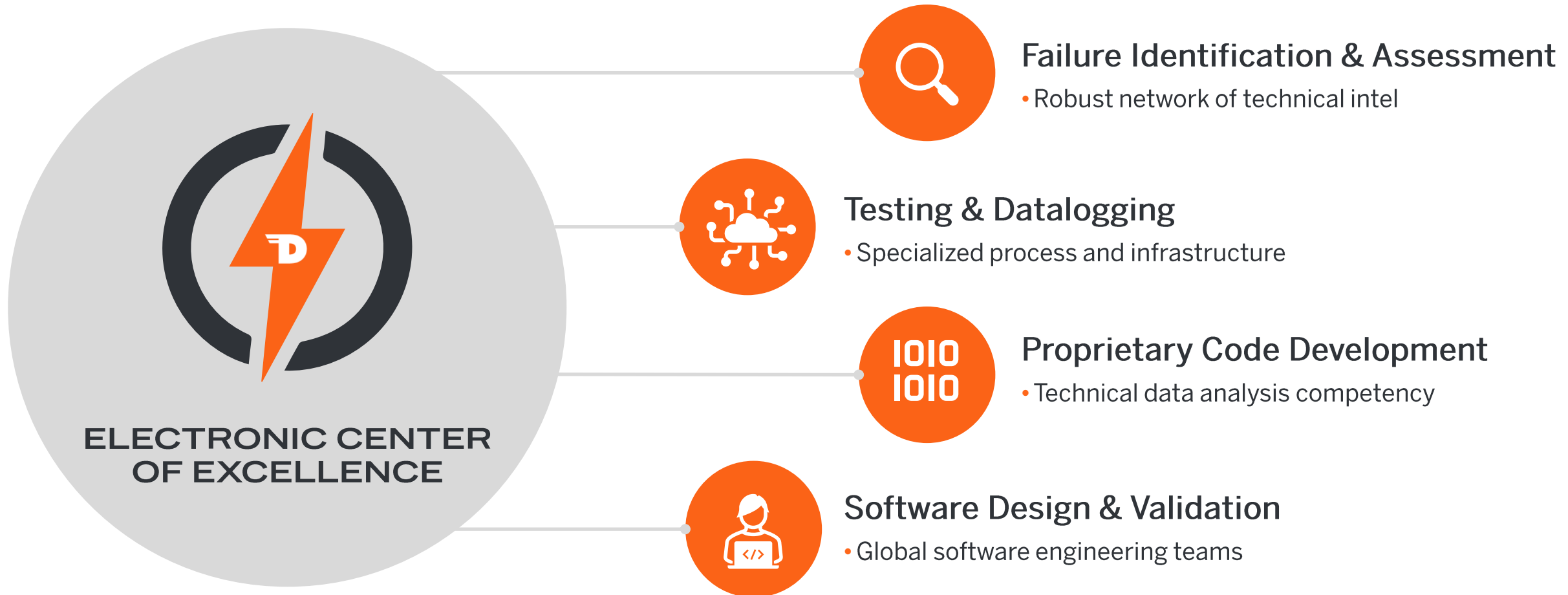
Drivetrain Application Components



**+500 SKUs** ICE / Hybrid / EV

Advanced Driver Assist Systems (ADAS)

# Complex Electronics





# Global Product Manufacturing



State-of-the-art  
development  
and testing  
capabilities

+



High-quality,  
efficient,  
and scalable  
production

+



Strategically  
located domestic  
and international  
manufacturing

+



Vertically  
integrated  
warehousing  
and distribution

- Validation of high-quality standards across facilities by skilled engineers
- Asset-light model allows for low CapEx and nimbleness in manufacturing
- Advanced network of manufacturing partners around the world

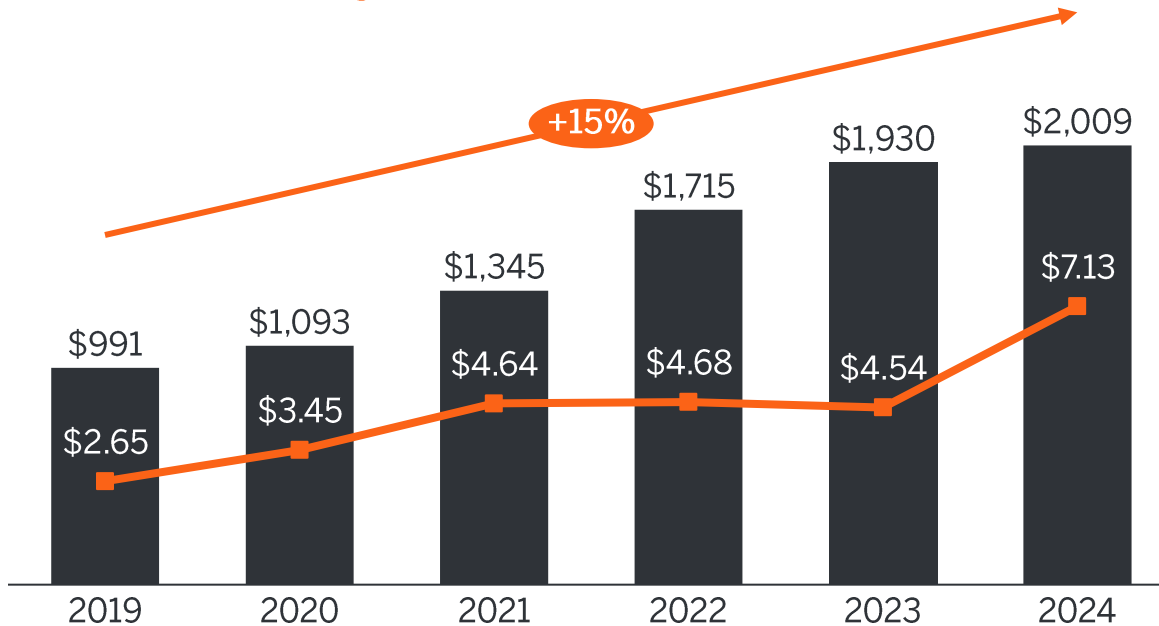
**Advanced Production to Rigorous Standards**

# Historical Financial Performance

## Topline Annualized Growth of 15% Since 2019

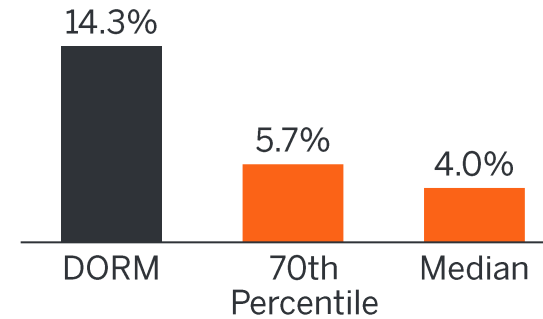
- Non-discretionary parts focus performs well in difficult economies
- End-market diversification mitigates economic cyclicality
- Broad global supply chain network provides resiliency

### Net Sales<sup>1</sup> & Adjusted Diluted EPS<sup>1</sup>

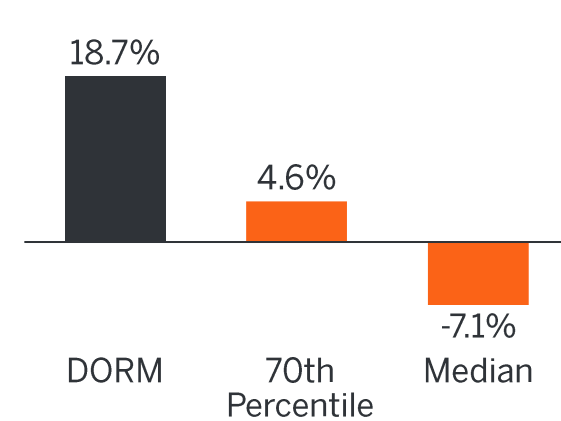


## Outperforming our Peers<sup>2</sup>

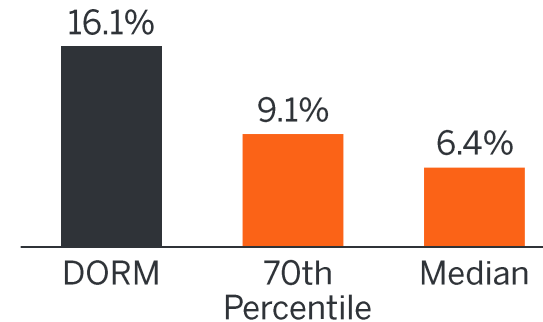
### 3-yr Net Sales Growth



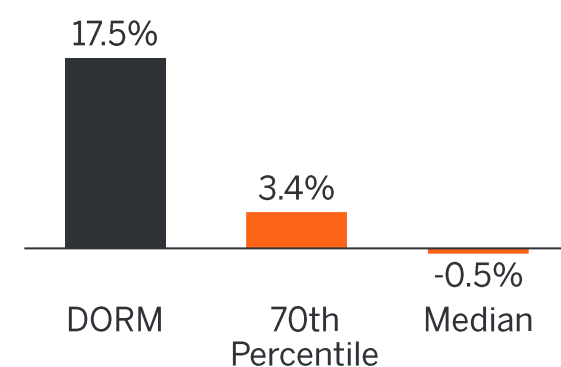
### 3-yr OI Growth<sup>3</sup>



### FY2024 OI Margin<sup>3</sup>



### 3-yr EBITDA Growth<sup>3</sup>



# Multiple Levers to Drive Growth

## Market Expansion

- Drive above-market growth across three segments
- Support customers' expansion into new geographies and product categories

## Future Technology

- Significant annual R&D investment
- Expanding new technologies
- Investments in electronics and alternative powertrain development

## Strategic Acquisitions

- Light Duty bolt-on acquisitions
- Further penetration in Heavy Duty and Specialty Vehicle channels
- Opportunistically evaluate adjacent markets and regional expansion

# 「Business Segments





# Light Duty Segment Overview

**Strategic Supplier** to Aftermarket Retail

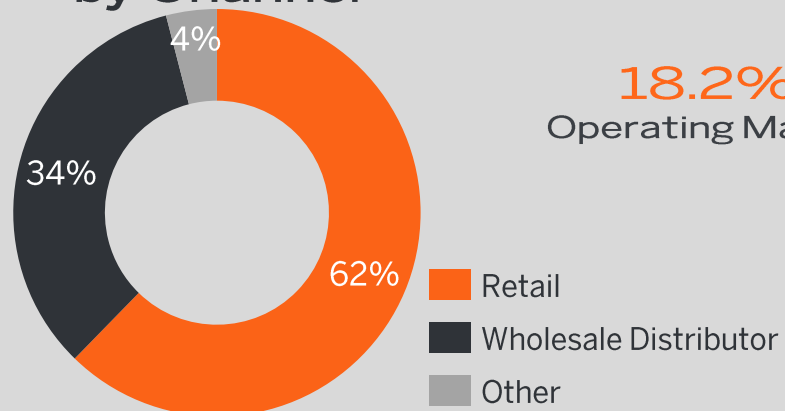
**245+** Product Categories

**~10,000** New SKUs Launched in 2022-2024

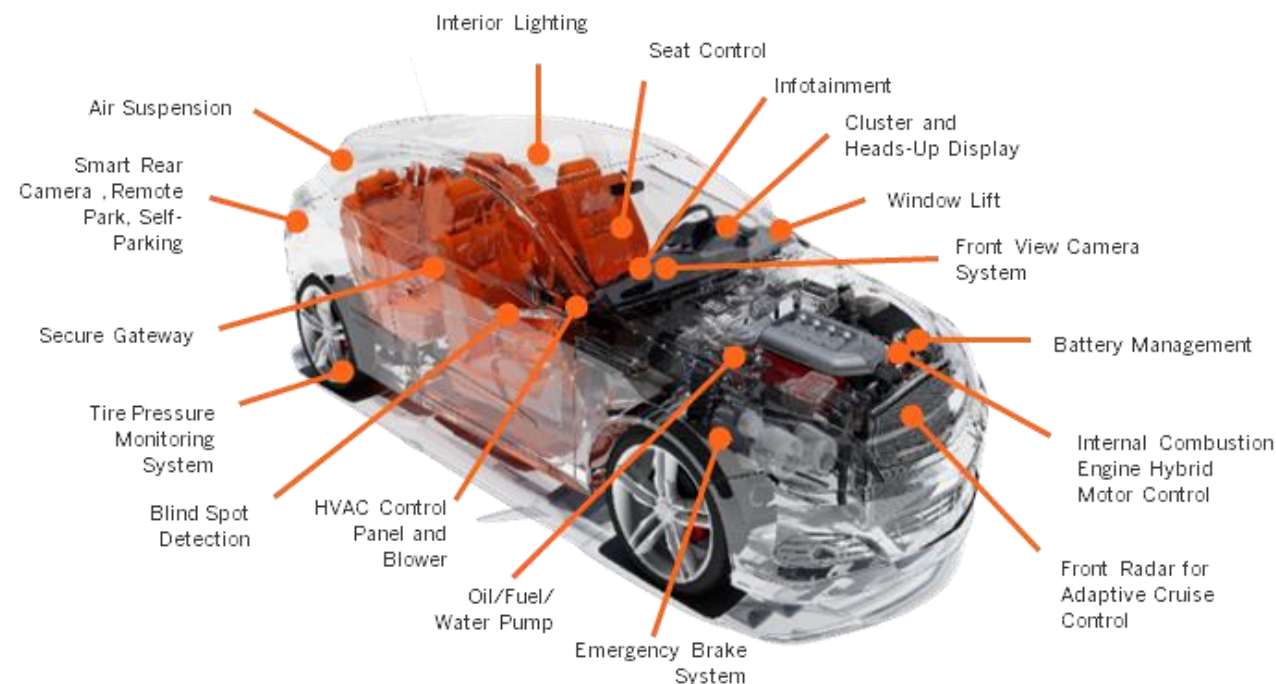
**17 Domestic** Facilities

**3 International** Facilities

**Net Sales  
by Channel**

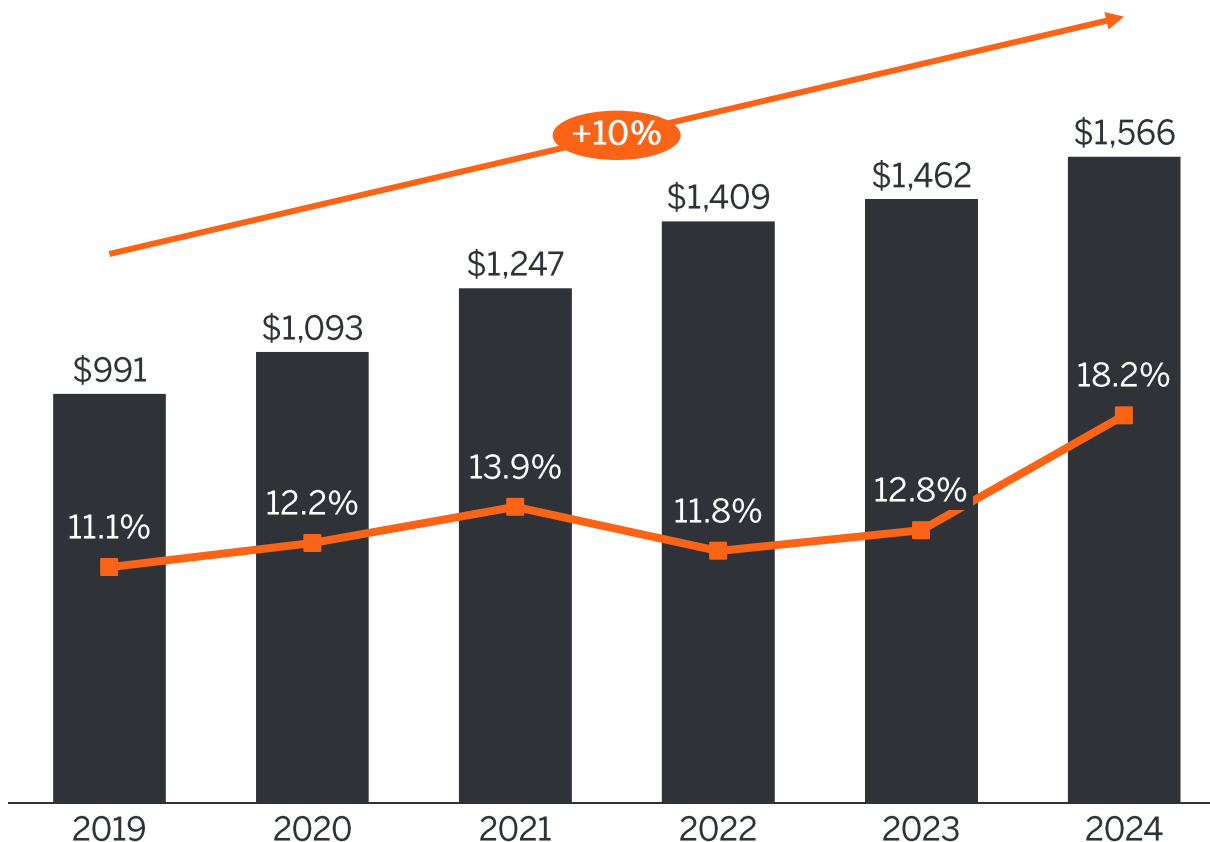


**18.2%**  
Operating Margin



# Light Duty Historical Financials

## Net Sales & Adjusted Operating Income Margin



- Net Sales growth outpaced the sector growth rate over same period
- Target organic growth of roughly 2x automobile aftermarket industry rate
- Introduced hundreds of new products to the aftermarket every month
- FY22 and FY23 SG&A impacted by interest rate changes on factoring costs
- Pricing initiatives implemented to help offset inflationary costs
- Margins improved in FY23/24 as inflation abated

# Heavy Duty Segment Overview

100+ Product Categories

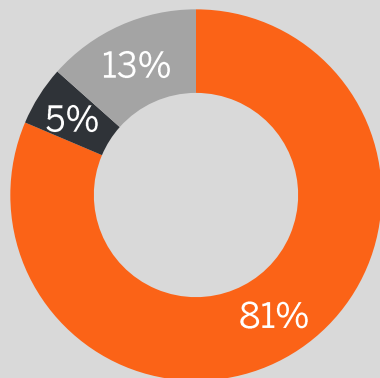
90%/10% Net Sales Above / Below Frame

2,350+ New SKUs Launched in 2022-2024

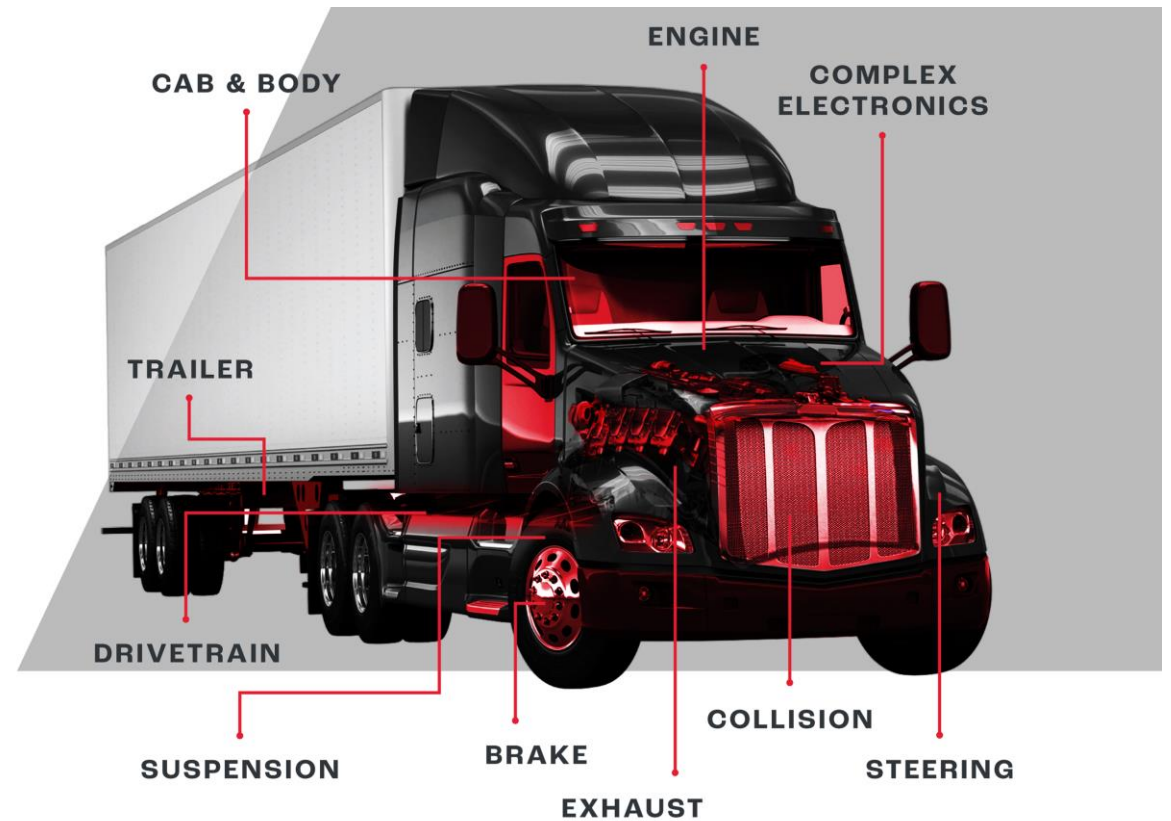
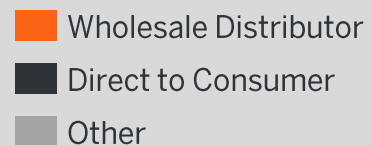
8 Domestic Facilities

4 International Facilities

Net Sales  
by Channel

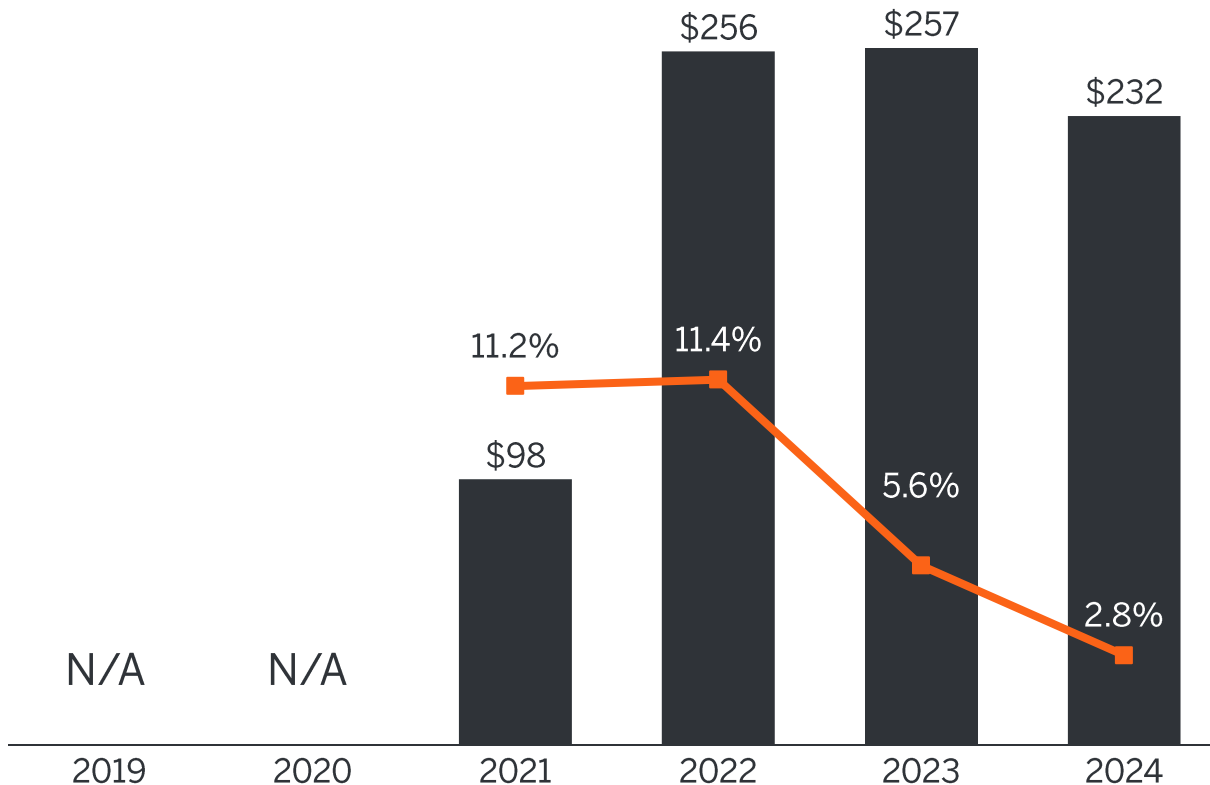


2.8%  
Operating Margin



# Heavy Duty Historical Financials

## Net Sales & Adjusted Operating Income Margin



- Acquired Dayton Parts in August 2021 and combined with legacy Dorman heavy duty business to form the Heavy Duty segment
- Challenging market in 2023/24 due to freight recession and soft trucking capacity demand following very strong 2022 post-COVID
- Margins impacted by high-cost inventory due to rapid inflation and unfavorable FX in 2023 and deleverage of fixed costs on lower volume in 2024. Pricing actions and cost saving initiatives implemented helped mitigate impacts in both years.
- Growth investments made in SG&A to drive future new product growth and better position business for eventual market rebound



# Specialty Vehicle Segment Overview

95+ Product Categories

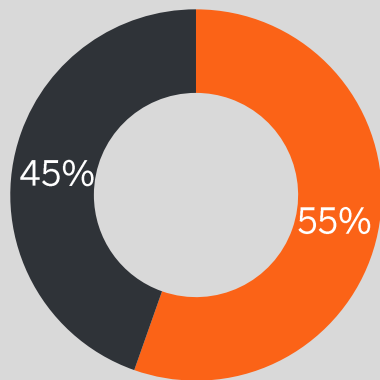
55%/45% Net Sales DTC/Dealer Channels

4,500+ New SKUs Launched in 2022-2024\*

4 Domestic Facilities

1 International Facility

Net Sales  
by Channel



15.2%  
Operating Margin

Direct to Consumer  
Other

## Product Categories



- |                          |                                     |
|--------------------------|-------------------------------------|
| A Suspension, Handling   | B Cabs, Roofs, Windshields, Mirrors |
| C Towing, Winches, Tools | D Overland Accessories              |
| E Tires, Wheels          | F Lighting, Electronics             |
| G Storage, Cargo         | H Other                             |

## Brands

RHINO 2.0 AXLES

BLACK OPS SERIES

KELLER PERFORMANCE PRODUCTS

EZ STEER POWER STEERING

G BOOST

RACK BOSS HEAVY DUTY RACK & PINION

REV1 CLUTCH KIT

XR OPTIC

RHINO BRAND AXLES

RHINO DRIVELINE

ASSASSINATOR TIRES

2.0 RACK BOSS HEAVY DUTY RACK & PINION

X300

SAND CAT

TERMINATOR TIRES

ASSAULT INDUSTRIES

GDP GEAR DRIVEN PERFORMANCE

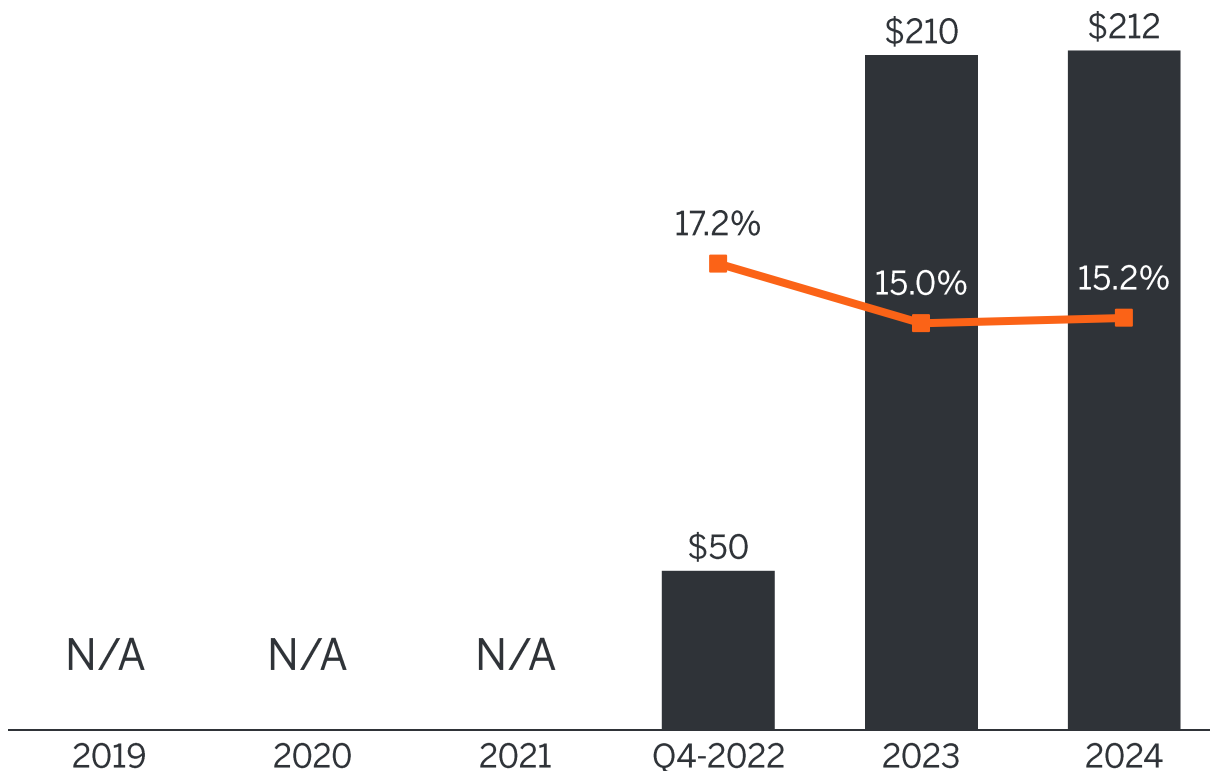
INTIMIDATOR TIRES

WARRIOR TIRES

HCR

# Specialty Vehicle Historical Financials

## Net Sales & Adjusted Operating Income Margin



- SuperATV was acquired in October 2022
- Integration completed
- 2023 represents first full year of operations
- Approximately half of net sales are non-discretionary (including repair parts and utility accessories)
- Introduction of parts for new machines and a focus on non-discretionary parts contributed to growth
- Increased penetration of dealer network, particularly in west region (area of under-representation), a priority growth initiative

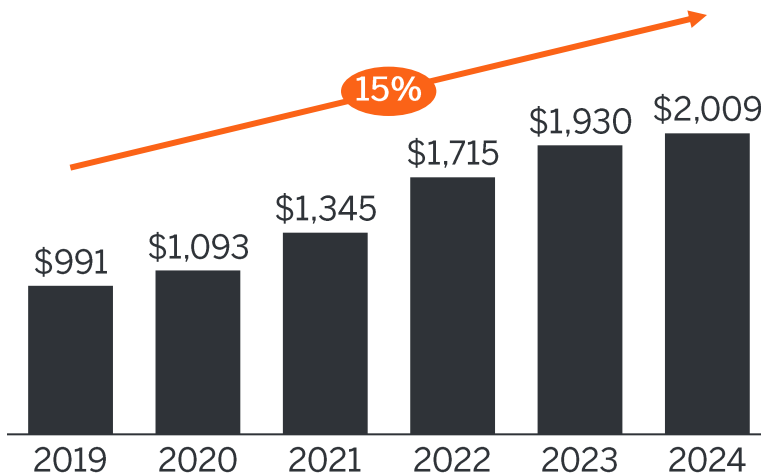


# Consolidated Financial Overview



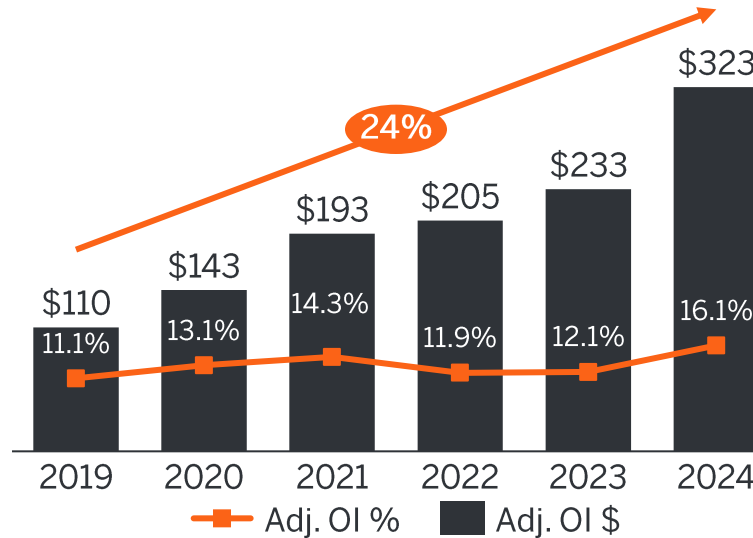
# Historical Financial Performance

## Net Sales



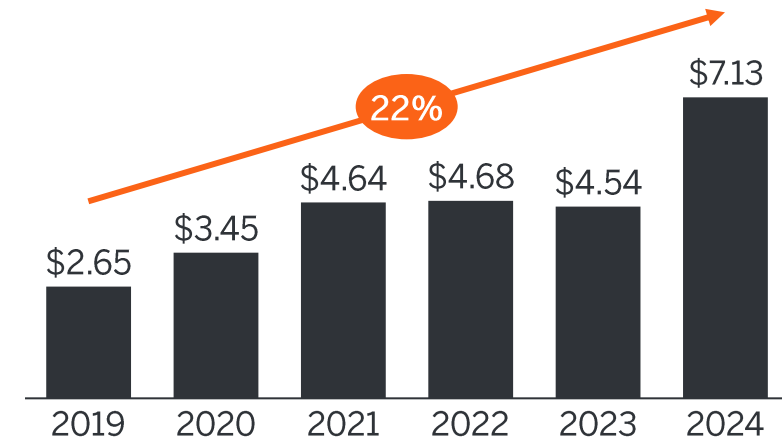
- For fiscal 2024, surpassed \$2B mark in total net sales
- Sales growth driven by strong customer demand
- New products drove success across each business segment

## Adj. Operating Income



- For fiscal 2024, drove significant margin expansion on sales growth and operational excellence initiatives
- Navigated inflationary headwinds with pricing initiatives and diversified supply chain

## Adj. Diluted EPS



- For fiscal 2024, increased adjusted diluted EPS by 57% over prior year
- Long-term growth driven by significant margin expansion, cash flow generation, and further strengthening of balance sheet



# Leverage & Liquidity

## Strong Balance Sheet and Liquidity Position

### Net Leverage

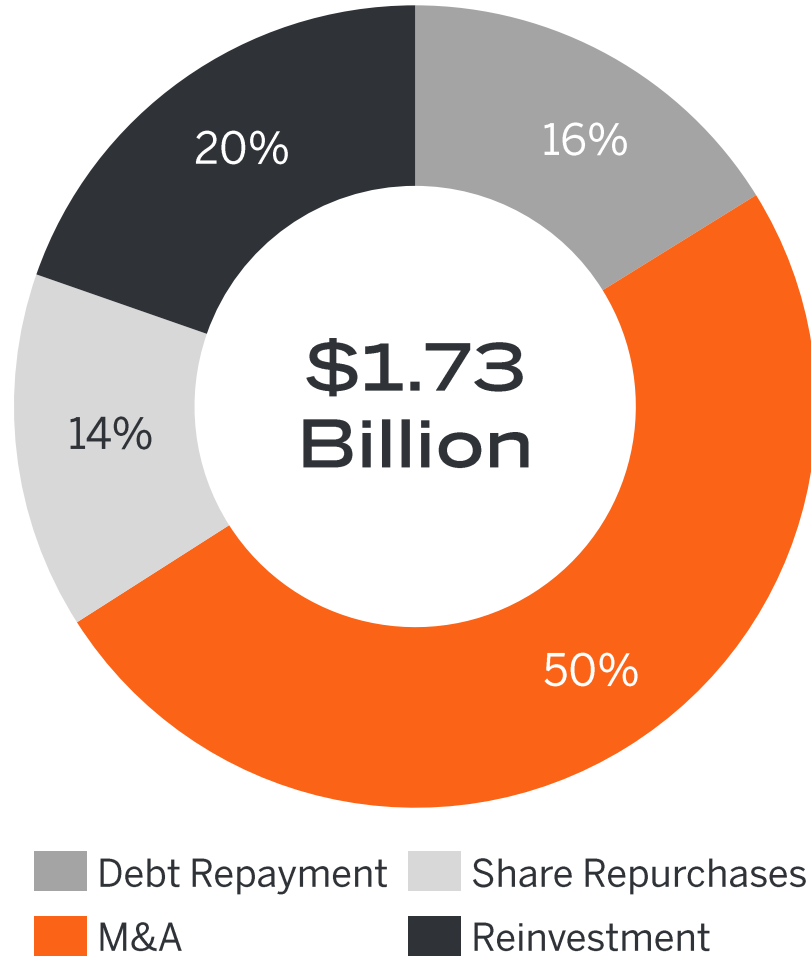
Revolving Credit Facility	\$0
Term Loan	\$463
Less: Cash and Cash Equivalents	(\$61)
<b>Net Debt</b>	<b>\$402</b>
LTM Consolidated EBITDA <sup>1</sup>	\$399
<b>Total Net Leverage Ratio<sup>1</sup></b>	<b>1.01x</b>

### Liquidity

Total Revolver Commitment	\$600
Less: Revolver Draw Outstanding <sup>2</sup>	(\$1)
<b>Available Revolver Capacity</b>	<b>\$599</b>
Cash and Cash Equivalents	\$61
<b>Total Liquidity</b>	<b>\$660</b>

# Capital Allocation Strategy

## 2019-2024 Capital Deployment



## Long-Term Priorities

### Target Leverage

- Target 2.0x leverage, 3.0x in first year following an acquisition

### Reinvestment

- Continue to fund R&D and Capital Expenditures to enhance our existing product portfolio

### Mergers & Acquisitions

- Acquisitions supplement our profitable growth, increase our customer base, add to our distribution capabilities, and enhance our product development resources

### Share Repurchases

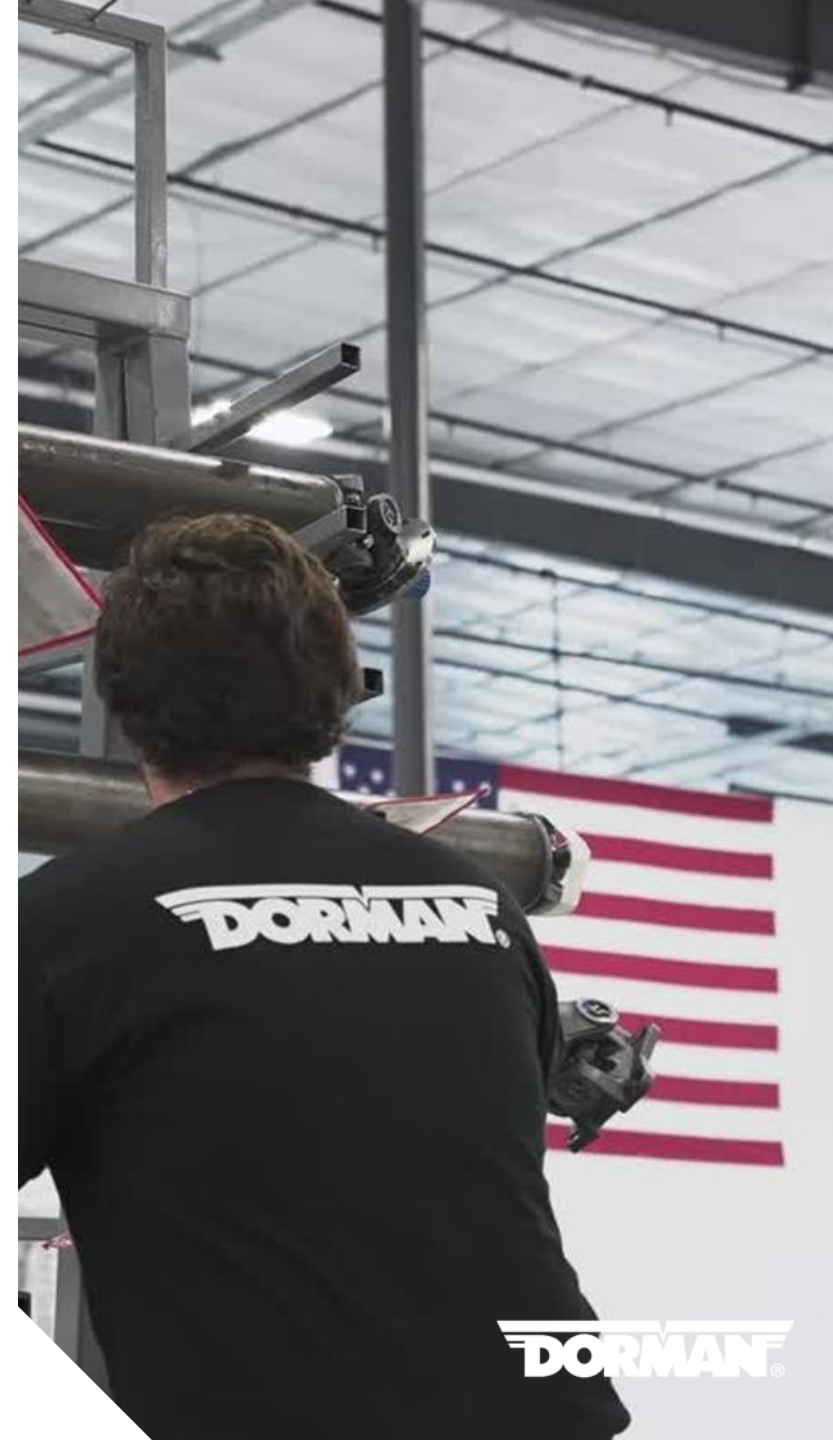
- Share repurchase program allows for repurchase of up to \$500M of our outstanding common stock through December 31, 2027

# 2025 Guidance Reaffirmed

## Reaffirm 2025 Guidance (as of May 5, 2025)

Net Sales change vs. previous year	3% - 5%
Diluted EPS	\$7.00 - \$7.30
<i>Change vs. previous year</i>	14% - 19%
Adjusted Diluted EPS	\$7.55 - \$7.85
<i>Change vs. previous year</i>	6% - 10%

- Guidance excludes any impact from U.S. tariffs enacted or proposed in 2025 or potential retaliatory measures from U.S. trade partners.
- Additionally, our guidance excludes any potential impact from future acquisitions and divestitures, supply chain disruptions, significant inflation, interest rate changes, and share repurchases.
- Assumes 24% effective tax rate





# Appendix

## NON-GAAP RECONCILIATIONS



# Results Adjusted for 53<sup>rd</sup> Week of 2022

	Twelve Months Ended December 31		
	2022	53rd Week	2022 Adjusted
\$ in thousands, except EPS			
<b>Net Sales</b>			
Light Duty	\$ 1,425,892	\$ (16,834)	\$ 1,409,058
Heavy Duty	258,215	(2,365)	255,850
Specialty Vehicle	49,642	—	49,642
Consolidated	<u>\$ 1,733,749</u>	<u>\$ (19,199)</u>	<u>\$ 1,714,550</u>
<b>Adjusted Operating Income</b>			
Light Duty	\$ 169,579	\$ (2,786)	\$ 166,793
Heavy Duty	29,738	(473)	29,265
Specialty Vehicle	8,537	—	8,537
Consolidated	<u>\$ 207,854</u>	<u>\$ (3,259)</u>	<u>\$ 204,595</u>
<b>Adjusted Operating Margin</b>			
Light Duty	11.9%		11.8%
Heavy Duty	11.5%		11.4%
Specialty Vehicle	<u>17.2%</u>		<u>17.2%</u>
Consolidated	<u>12.0%</u>		<u>11.9%</u>
<b>Adjusted Diluted EPS</b>			
Consolidated	\$ 4.76	\$ (0.08)	\$ 4.68



# Reconciliation of Adjusted Diluted EPS

	Twelve Months Ended					
	12/28/19*	12/26/20*	12/25/21*	12/31/22*	12/31/23*	12/31/24*
Diluted earnings per share (GAAP)	\$ 2.56	\$ 3.30	\$ 4.12	\$ 3.85	\$ 4.10	\$ 6.14
Pretax acquisition-related intangible assets amortization	0.08	0.10	0.20	0.45	0.69	0.73
Pretax acquisition-related transaction and other costs	0.04	0.14	0.47	0.72	0.49	0.08
Capitalized debt issuance fee write-off	—	—	—	0.00	—	—
Executive transition services expense	—	—	—	—	0.06	—
Fair value adjustment to contingent consideration	—	—	—	—	(0.65)	—
Pretax reduction in workforce costs	—	—	—	—	—	0.16
Pretax gain on equity method investment	—	(0.08)	—	—	—	—
Noncash impairment related to equity method investment	—	0.06	—	—	—	—
Discrete tax adjustment for state tax matters	—	—	—	—	—	0.26
Tax benefit for reversal of deferred tax liability for equity method investment	—	(0.03)	—	—	—	—
Tax adjustment (related to above items)	(0.03)	(0.06)	(0.14)	(0.27)	(0.15)	(0.24)
Adjusted diluted earnings per share (Non-GAAP)	<u>\$ 2.65</u>	<u>\$ 3.45</u>	<u>\$ 4.64</u>	<u>\$ 4.76</u>	<u>\$ 4.54</u>	<u>\$ 7.13</u>

\*Amounts may not add due to rounding

# Reconciliation of Adjusted Operating Income

	Twelve Months Ended											
(\$ in thousands)	12/28/19	% of Sales*	12/26/20	% of Sales*	12/25/21	% of Sales*	12/31/22	% of Sales*	12/31/23	% of Sales*	12/31/24	% of Sales*
Income from operations (GAAP)	\$ 105,828	10.7%	\$ 133,373	12.2%	\$ 171,551	12.8%	\$ 171,048	9.9%	\$ 214,760	11.1%	\$ 292,909	14.6%
Pretax acquisition-related intangible assets amortization	2,502	0.3%	3,205	0.3%	6,340	0.5%	14,070	0.8%	21,817	1.1%	22,476	1.1%
Pretax acquisition-related transaction and other costs	1,426	0.1%	4,527	0.4%	15,072	1.1%	22,736	1.3%	15,373	0.8%	2,621	0.1%
Executive transition services expense	—	—	—	—	—	—	—	—	1,801	0.1%	—	—
Pretax noncash impairment related to equity method investment	—	—	2,080	0.2%	—	—	—	—	—	—	—	—
Fair value adjustment to contingent consideration	—	—	—	—	—	—	—	—	(20,469)	-1.1%	—	—
Pretax reduction in workforce costs	—	—	—	—	—	—	—	—	—	—	4,973	0.2%
Adjusted operating income (Non-GAAP)	\$ 109,756	11.1%	\$ 143,185	13.1%	\$ 192,963	14.3%	\$ 207,854	12.0%	\$ 233,282	12.1%	\$ 322,979	16.1%
Net sales	\$ 991,329		\$ 1,092,748		\$ 1,345,249		\$ 1,733,749		\$ 1,929,788		\$ 2,009,197	

\*Amounts may not add due to rounding

# Reconciliation of Adjusted EBITDA

	Twelve Months Ended	
	12/25/21	12/31/24
(\$ in thousands)		
Net income (GAAP)	\$ 131,532	\$ 190,004
Pretax acquisition-related intangible assets amortization	6,340	22,476
Pretax acquisition-related transaction and other costs	15,072	2,621
Pretax reduction in workforce costs	—	4,973
Discrete tax adjustment for state tax matters	—	8,088
Tax adjustment (related to above items)	(4,589)	(7,465)
Adjusted net income (Non-GAAP)	\$ 148,355	\$ 220,697
EBITDA addbacks:		
Provision for income taxes	42,823	65,626
Interest expense, net	2,162	39,727
Depreciation and accretion	28,853	34,224
Adjusted EBITDA (Non-GAAP)	\$ 222,193	\$ 360,274

# Reconciliation of Adjusted Diluted EPS - Guidance

	Year Ending 12/31/2025	
	Low End	High End
Diluted earnings per share (GAAP)	\$ 7.00	\$ 7.30
Pretax acquisition-related intangible assets amortization	0.69	0.69
Pretax acquisition transaction and other costs	0.03	0.03
Tax adjustment (related to above items)	(0.17)	(0.17)
Adjusted diluted earnings per share (Non-GAAP)	<u>\$ 7.55</u>	<u>\$ 7.85</u>
Weighted average diluted shares outstanding (in thousands)	30,800	30,800