



First Quarter 2019 Earnings

Thursday, May 9, 2019

Forward-Looking Statements

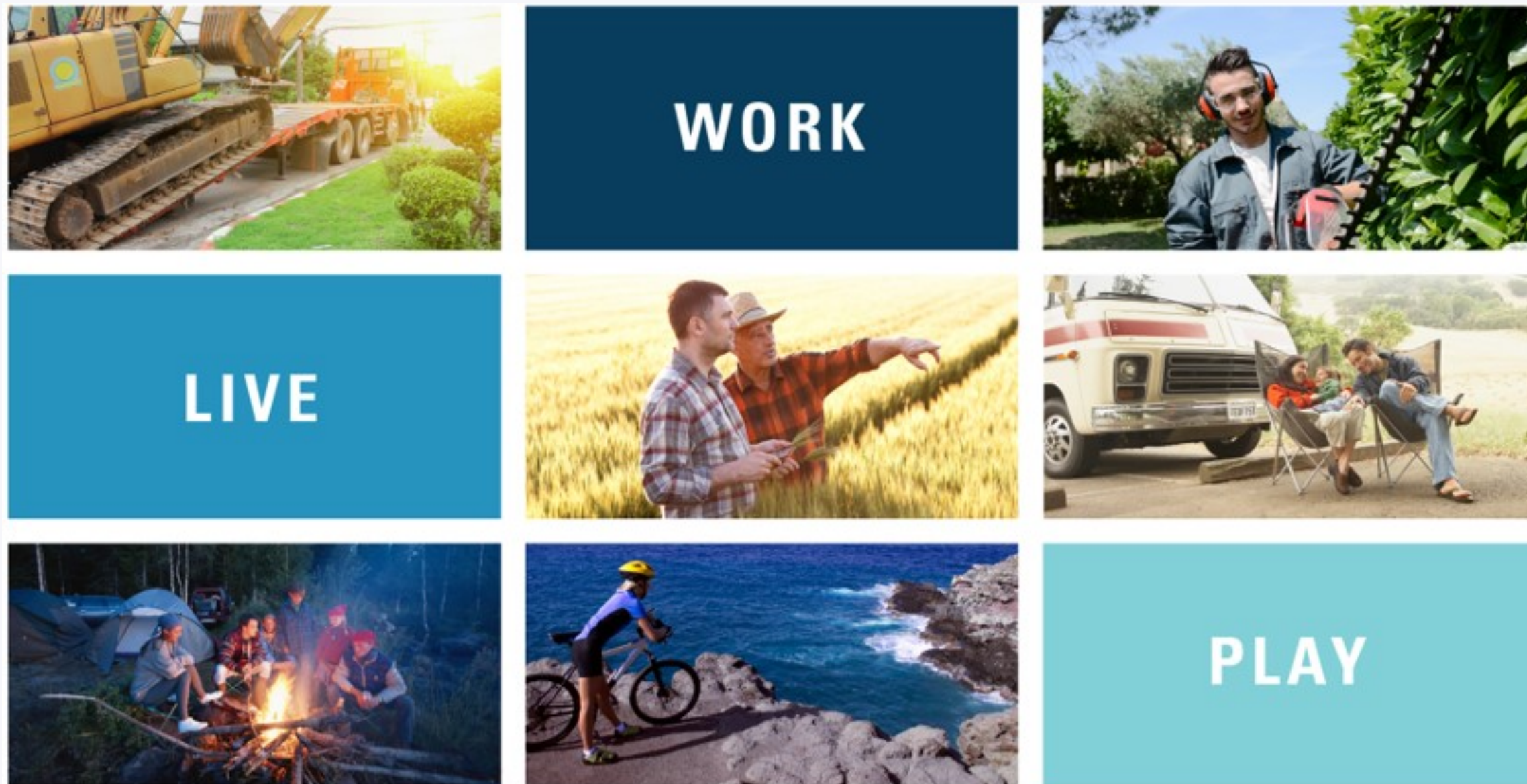
This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements contained herein speak only as of the date they are made and give our current expectations or forecasts of future events. These forward-looking statements can be identified by the use of forward-looking words, such as “may,” “could,” “should,” “estimate,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “target,” “plan” or other comparable words, or by discussions of strategy that may involve risks and uncertainties. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which could materially affect our business, financial condition or future results including, but not limited to, risks and uncertainties with respect to: the Company’s ability to regain compliance with the NYSE’s continued listing standards and maintain such compliance; the Company’s leverage; liabilities imposed by the Company’s debt instruments; the Company’s ability to meet its covenants in the agreements governing its debt, including the requirement to reduce its first lien term loan, or obtain any amendments or waivers thereto; market demand; competitive factors; supply constraints; material and energy costs; technology factors; litigation; government and regulatory actions, including the impact of any tariffs, quotas or surcharges; the Company’s accounting policies; future trends; general economic and currency conditions; various conditions specific to the Company’s business and industry; the spin-off from TriMas Corporation; the success of our Action Plan, including the actual amount of savings and timing thereof; the success of our business improvement initiatives in Europe-Africa, including the amount of savings and timing thereof; the Company’s exposure to product liability claims from customers and end users, and the costs associated therewith; and other risks that are discussed in the Company’s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. The risks described herein are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deemed to be immaterial also may materially adversely affect our business, financial position and results of operations or cash flows. We caution readers not to place undue reliance on such statements, which speak only as of the date hereof. We do not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Non-GAAP Financial Measures

In this presentation, certain non-GAAP financial measures may be used. Except as otherwise disclosed herein, reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measure may be found at the end of this presentation. Additional information is available at www.horizonglobal.com.

- (1) Refer to **Appendix, "Company and Business Segment Financial Information"** which details certain costs, expenses, other charges, and gains or income, collectively described as **"Special Items"**, that are included in the determination of **operating profit (loss)** under GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents **adjusted operating profit (loss)** and **adjusted corporate expenses** excluding these **Special Items** to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends. Further, the Company presents **adjusted operating profit (loss)** excluding these **Special Items**, to provide investors with a better understanding of the Company's view of the first quarter and full year results as compared to prior periods.
- (2) We evaluate growth in our operations on both an as reported basis and a **constant currency basis**. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. We believe providing constant currency information provides valuable supplemental information regarding our growth, consistent with how we evaluate our performance. Constant currency revenue results are calculated by translating current period revenue in local currency using the prior period's currency conversion rate. This non-GAAP measure has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. Our use of this term may vary from the use of similarly-titled measures by other issuers due to the potential inconsistencies in the method of calculation and differences due to items subject to interpretation. See **Appendix, "Constant Currency Reconciliation"**.
- (3) Refer to **Appendix, "Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures"**, which details certain costs, expenses, other charges, and gains or income, collectively described as **"Special Items"** that are included in the determination of **net income (loss)** and **earnings (loss) per share** under GAAP, but that management would not consider important in evaluating the quality of the Company's operating results as they are not indicative of the Company's core operating results or may obscure trends useful in evaluating the Company's continuing activities. Accordingly, the Company presents **adjusted net income (loss)** and **adjusted diluted earnings (loss) per share** excluding these **Special Items** to help investors evaluate our operating performance and trends in our business consistent with how management evaluates such performance and trends.
- (4) **"Working Capital"** defined as "total current assets" excluding "cash and cash equivalents" and "deferred income taxes", less "total current liabilities" excluding "current maturities, long-term debt" and "short-term operating lease liabilities".

OUR VISION: Empowering People to Live, Work, and Play



Our global business is focused on top-quality towing and trailering products and solutions for commercial and recreational use:

WORK

Agricultural, automotive, construction, fleet, industrial marine, military, mining, and municipalities

PLAY

Power sports, equestrian, recreational vehicle, specialty automotive, and truck accessory

Q1 Overview and Business Update

Q1 2019 Key Impacts

- Term loan amendment and second lien term loan completed to support 2019 business plan
- Continued listing compliance plan submitted and approved by NYSE
- Six new independent directors named; governance actions taken to increase alignment with shareholders
- Americas' distribution network performed as expected to meet seasonal ramp
- Improved operating results, despite slower-than-expected start to year

HORIZON BUSINESS INITIATIVES

- Kansas City main distribution hub ready for Q2 and Q3 prime season; ASRS initiated on limited basis
- New COO for Americas recruited and set to start in late Q2
- 2019 Americas' pricing initiatives now in effect, with generally good acceptance
- Americas' restructuring driving positive impact on SG&A
- Asia-Pacific segment continues driving strong operational results
- Europe-Africa progress against business improvement initiatives continues
- Corporate headquarters on track to move into Americas Plymouth location to reduce costs and enhance management of business

Europe-Africa Business Improvement Initiatives

INITIATIVE	STATUS	TIMING
Procurement actions to reduce material costs through localizing supply, consolidation and standardization		Q1 2019 → Q4 2019
Regain aftermarket share through optimizing stock build and new product introductions		Q1 2019 → Q2 2020
Streamline logistics to improve efficiency and reduce annual freight expenses		Q1 2019 → Q3 2019
Execute productivity initiatives to increase manufacturing efficiency in Germany, France, and Romania		Q1 2019 → Q4 2019
Expand business with higher-margin programs		Q2 2019 → Q2 2021
Refine and restructure U.K. market approach to increase profitability		Q2 2019 → Q2 2020

Done
 On track
 Behind
 Not started

Financial Results - First Quarter 2019

(Unaudited - dollars in millions, except per share amounts)

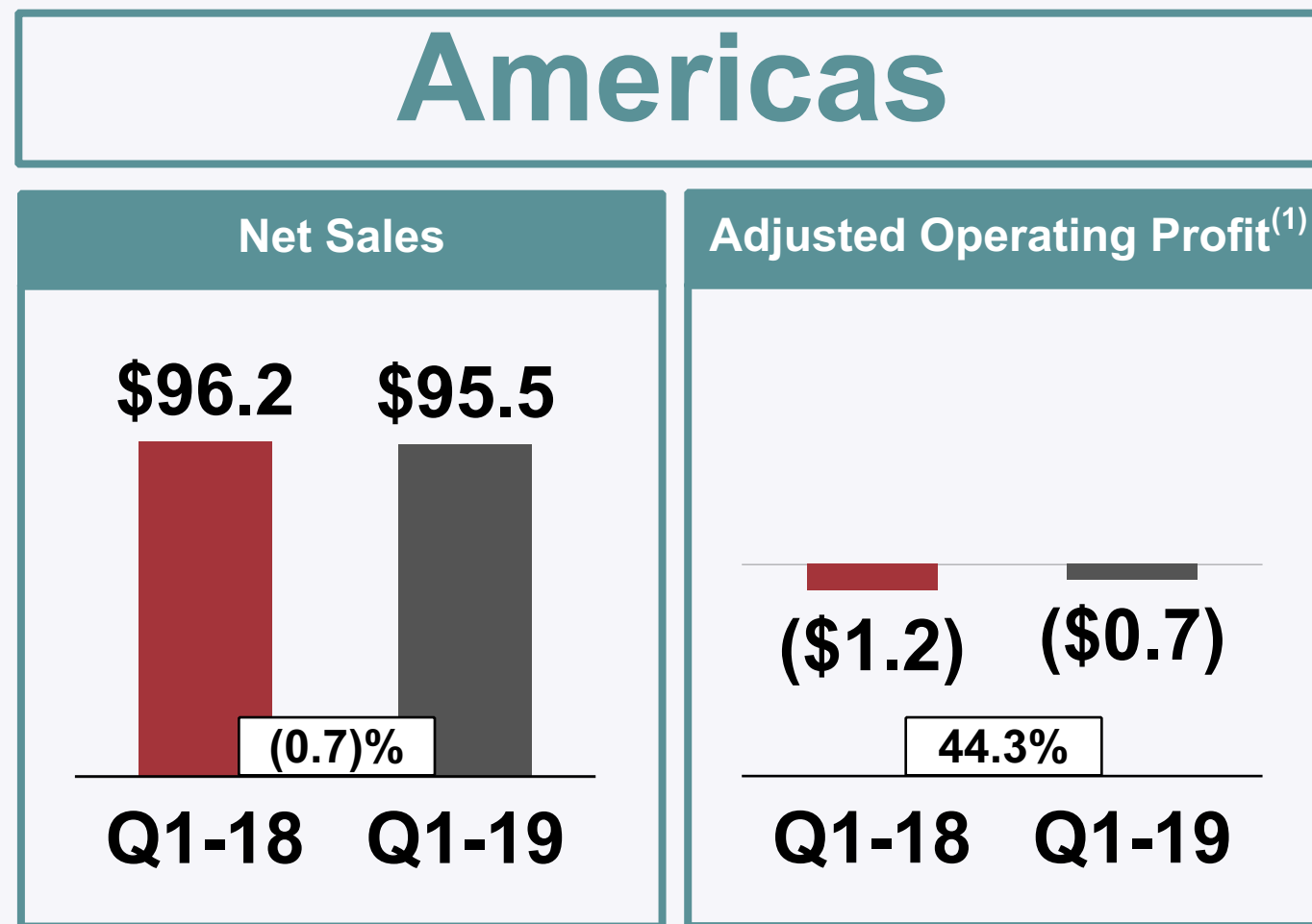
	Q1 2019 QTD	Q1 2018 QTD	Variance
Net Sales	\$209.7	\$216.8	(3.3%)
Operating Loss	(\$8.0)	(\$53.3)	85.0%
<i>Operating Loss Margin</i>	<i>(3.8%)</i>	<i>(24.6%)</i>	<i>fav.</i>
<i>Adjusted Operating Loss⁽¹⁾</i>	<i>(\$1.8)</i>	<i>(\$2.9)</i>	<i>37.9%</i>
<i>Adjusted Loss⁽¹⁾ Margin</i>	<i>(0.9%)</i>	<i>(1.4%)</i>	<i>fav.</i>
Net Loss attributable to Horizon Global	(\$25.1)	(\$57.5)	56.3%
<i>Adjusted Net Loss attributable to Horizon Global⁽³⁾</i>	<i>(\$16.6)</i>	<i>(\$8.1)</i>	<i>(104.9%)</i>
Diluted Loss per Share attributable to Horizon Global	(\$1.00)	(\$2.30)	56.5%
<i>Adjusted Diluted Loss per Share attributable to Horizon Global⁽³⁾</i>	<i>(\$0.66)</i>	<i>(\$0.32)</i>	<i>(106.3%)</i>
YTD Operating Cash Flow	(\$40.4)	(\$30.2)	(33.8%)
Total Debt	\$393.2	\$308.1	(27.6%)

Takeaways

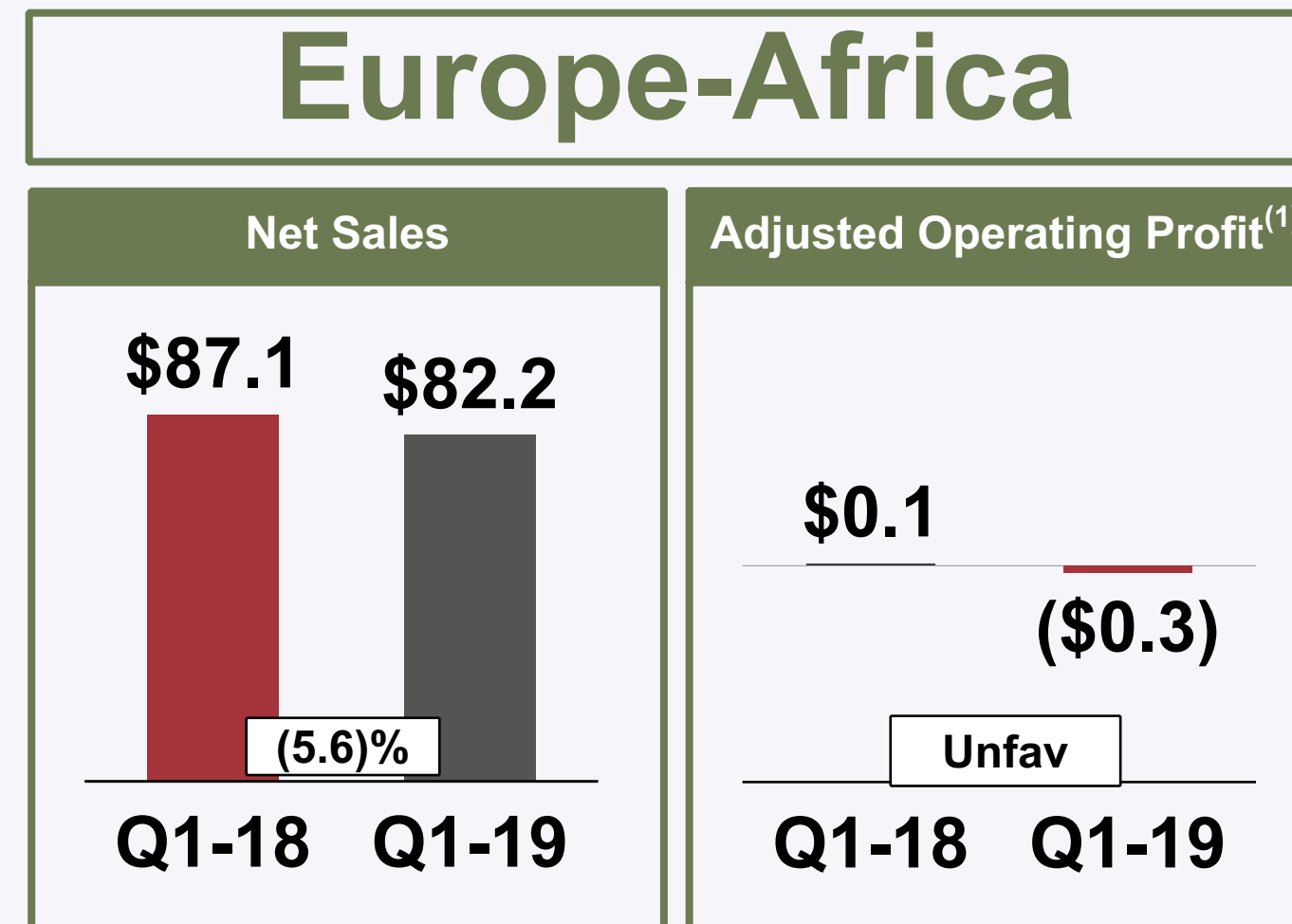
- Net sales increased 1.3% in constant currency⁽²⁾, higher OE net sales partially offset by lower Retail and Aftermarket net sales
- Lower shipping volumes in Retail and Aftermarket channels due to a slow weather-related seasonal ramp-up; partially offset by higher customer pricing
- Improved adjusted operating loss⁽¹⁾ resulted from lower SG&A and higher prices partially offset by lower net sales

Segment Performance - First Quarter

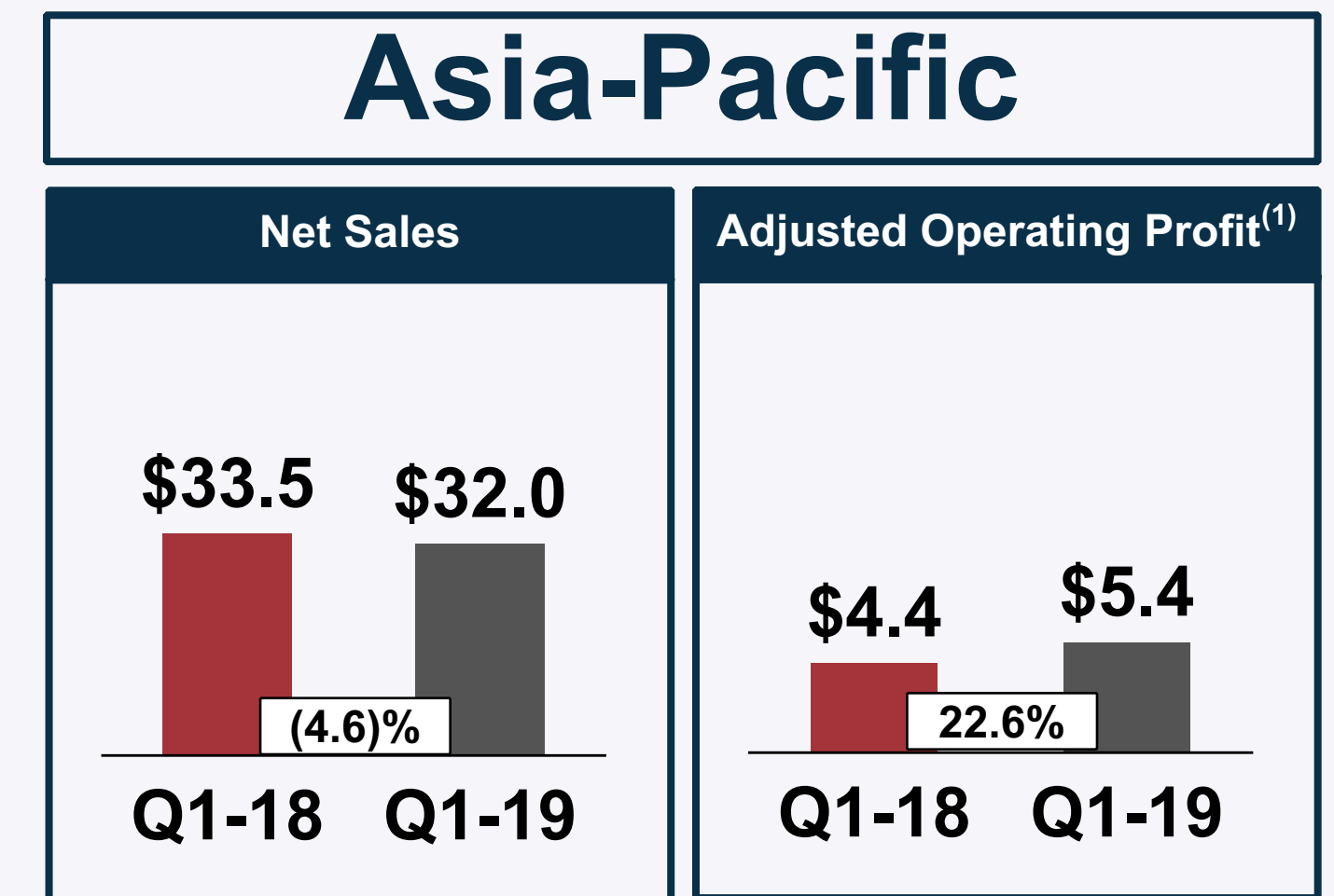
(Unaudited - dollars in millions)



- Net sales decreased (0.4)% in constant currency⁽²⁾
- Slow start to selling season to due unusually poor weather
 - Lower Retail and Aftermarket net sales offset partially by increased OE and eCommerce net sales
- Higher input costs pass-through pricing began mid quarter
- Unfavorable product mix offset by lower SG&A



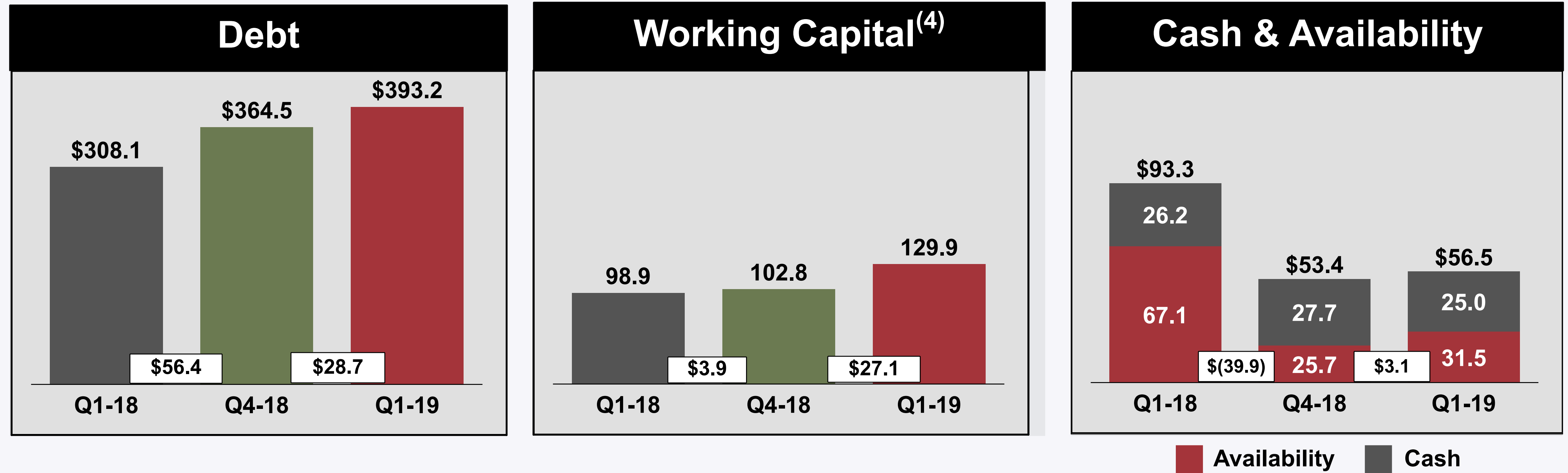
- Net sales increased 2.7% in constant currency⁽²⁾
- Increase in OE net sales partially offset by lower Aftermarket resulted in unfavorable product mix on gross margin
- Unfavorable gross margin partly offset by lower SG&A



- Net sales increased 2.7% in constant currency⁽²⁾
- Higher OE volumes
- Increase in adjusted operating profit⁽¹⁾ margin of 3.7%, to 16.8%, due to lower SG&A spending; partially offset by unfavorable sales mix on gross margin

Capitalization

(Unaudited - dollars in millions)



- Debt reflects new \$51M Second Lien Term Loan net of \$15M of OID, issuance costs and amount allocated to detachable warrants and Series A Preferred Stock; partially offset by ABL repayments
- Increased working capital driven by seasonally higher inventory and AR and reduction in past due AP
- Cash and availability under ABL projected to be sufficient to cover 2019 seasonal working capital cycle

Summary

*Strong markets;
leading customers;
strong brands with
market leading
positions*

*Business improvement
initiatives in Europe-
Africa progressing;
leaner and more
efficient Americas
segment driving better
results*

*Kansas City
distribution center
performing well in
prime season; ongoing
productivity and
targeted operational
improvements
expected to increase
efficiency and drive
improved profitability*

*Global team improved
with greater expertise
and operational focus
combines with new,
experienced Board
members engaged in
the business to
achieve near-,
medium- and long-
term strategic goals*

FOCUSED ON IMPROVING THE BUSINESS AND RETURNING SHAREHOLDER VALUE



FIRST QUARTER 2019 EARNINGS

Q&A



FIRST QUARTER 2019 EARNINGS

Appendix

Condensed Consolidated Balance Sheets

(dollars in thousands)

	March 31, 2019	December 31, 2018
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 24,960	\$ 27,650
Receivables, net of allowance for doubtful accounts of approximately \$5.1 million at March 31, 2019 and December 31, 2018	129,490	108,340
Inventories	174,360	173,690
Prepaid expenses and other current assets	10,850	9,690
Total current assets	339,660	319,370
Property and equipment, net	97,660	102,280
Operating lease right-of-use assets	68,560	—
Goodwill	12,720	12,660
Other intangibles, net	72,750	78,050
Deferred income taxes	2,160	2,690
Other assets	6,640	6,300
Total assets	\$ 600,150	\$ 521,350
Liabilities, Temporary and Shareholders' Equity		
Current liabilities:		
Short-term borrowings and current maturities, long-term debt	\$ 15,460	\$ 13,860
Accounts payable	116,010	123,130
Short-term operating lease liabilities	15,980	—
Accrued liabilities	68,770	65,820
Total current liabilities	216,220	202,810
Long-term debt	377,700	350,650
Deferred income taxes	14,230	14,150
Long-term operating lease liabilities	52,580	—
Other long-term liabilities	20,060	19,960
Total liabilities	680,790	587,570
Contingencies (See Note 12)		
Total temporary equity	5,340	—
Total Horizon Global shareholders' deficit	(82,960)	(63,720)
Noncontrolling interest	(3,020)	(2,500)
Total shareholders' deficit	(85,980)	(66,220)
Total liabilities, temporary and shareholders' equity	\$ 600,150	\$ 521,350

Condensed Consolidated Statements of Operations

(Unaudited - dollars in thousands, except per share amounts)

	Three months ended March 31,	
	2019	2018
Net sales	\$ 209,660	\$ 216,810
Cost of sales	(177,580)	(178,360)
Gross profit	32,080	38,450
Selling, general and administrative expenses	(41,530)	(48,180)
Impairment of goodwill	—	(43,430)
Net gain on dispositions of property and equipment	1,460	(110)
Operating loss	(7,990)	(53,270)
Other expense, net	(5,610)	(1,120)
Interest expense	(10,940)	(5,950)
Loss before income tax	(24,540)	(60,340)
Income tax benefit (expense)	(1,080)	2,580
Net loss	(25,620)	(57,760)
Less: Net loss attributable to noncontrolling interest	(520)	(250)
Net loss attributable to Horizon Global	\$ (25,100)	\$ (57,510)
Net loss per share attributable to Horizon Global:		
Basic	\$ (1.00)	\$ (2.30)
Diluted	\$ (1.00)	\$ (2.30)
Weighted average common shares outstanding:		
Basic	25,188,094	24,963,120
Diluted	25,188,094	24,963,120

Condensed Consolidated Statements of Cash Flow

(Unaudited - dollars in thousands)

	Three months ended March 31,	
	2019	2018
Cash Flows from Operating Activities:		
Net loss	\$ (25,620)	\$ (57,760)
Adjustments to reconcile net loss to net cash used for operating activities:		
Net (gain) loss on dispositions of property and equipment	(1,460)	110
Depreciation	4,270	4,130
Amortization of intangible assets	2,070	2,230
Impairment of goodwill	—	43,430
Amortization of original issuance discount and debt issuance costs	5,470	1,940
Deferred income taxes	1,710	(800)
Non-cash compensation expense	350	720
Increase in receivables	(25,000)	(20,220)
Increase in inventories	(7,800)	(5,400)
(Increase) decrease in prepaid expenses and other assets	(2,540)	250
Increase in accounts payable and accrued liabilities	4,750	2,040
Other, net	3,360	(890)
Net cash used for operating activities	(40,440)	(30,220)
Cash Flows from Investing Activities:		
Capital expenditures	(1,990)	(4,190)
Net proceeds from sale of business	4,970	—
Net proceeds from disposition of property and equipment	1,390	90
Net cash provided by (used for) investing activities	4,370	(4,100)
Cash Flows from Financing Activities:		
Net cash provided by financing activities	33,230	30,290
Effect of exchange rate changes on cash	150	700
Cash and Cash Equivalents:		
Decrease for the period	(2,690)	(3,330)
At beginning of period	27,650	29,570
At end of period	\$ 24,960	\$ 26,240
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 6,620	\$ 4,420
Cash paid for taxes	\$ 2,100	\$ 1,350

Condensed Consolidated Statements of Shareholders' Equity

(Unaudited - dollars in thousands)

	Common Stock	Common Stock Warrants	Paid-in Capital	Treasury Stock	Accumulate d Deficit	Accumulated Other Comprehensiv e Income	Total Horizon Global Shareholders ' Deficit	Noncontrollin g Interest	Total Shareholders ' Deficit
Balance at January 1, 2019	\$ 250	\$ —	\$ 160,990	\$ (10,000)	\$ (222,720)	\$ 7,760	\$ (63,720)	\$ (2,500)	\$ (66,220)
Net loss	—	—	—	—	(25,100)	—	(25,100)	(520)	(25,620)
Other comprehensive income, net of tax	—	—	—	—	—	140	140	—	140
Shares surrendered upon vesting of employees; share based payment awards to cover tax obligations	—	—	(10)	—	—	—	(10)	—	(10)
Non-cash compensation expense	—	—	350	—	—	—	350	—	350
Issuance of Warrants	—	5,380	—	—	—	—	5,380	—	5,380
Balance at March 31, 2019	\$ 250	\$ 5,380	\$ 161,330	\$ (10,000)	\$ (247,820)	\$ 7,900	\$ (82,960)	\$ (3,020)	\$ (85,980)

Company and Business Segment Financial Information

(Unaudited - dollars in thousands)

	Three months ended March 31,	
	2019	2018
Horizon Americas		
Net sales	\$ 95,500	\$ 96,220
Operating loss	\$ (1,500)	\$ (5,110)
Special Items to consider in evaluating operating loss:		
Severance	\$ 60	\$ 690
Restructuring	\$ 760	\$ 1,090
Distribution center inefficiencies & fines	\$ —	\$ 2,110
Adjusted operating loss	\$ (680)	\$ (1,220)
Horizon Europe-Africa		
Net sales	\$ 82,170	\$ 87,060
Operating loss	\$ (3,190)	\$ (45,090)
Special Items to consider in evaluating operating loss:		
Severance	\$ (10)	\$ 380
Acquisition & integration costs	\$ —	\$ 420
Impairment of goodwill	\$ —	\$ 43,430
Restructuring	\$ (1,400)	\$ 450
Product liability recall claims	\$ 4,320	\$ —
Brink transaction and termination costs	\$ —	\$ 480
Adjusted operating profit (loss)	\$ (280)	\$ 70
Horizon Asia-Pacific		
Net sales	\$ 31,990	\$ 33,530
Operating profit	\$ 5,380	\$ 4,390
Corporate Expenses		
Operating loss	\$ (8,680)	\$ (7,460)
Special Items to consider in evaluating operating loss:		
Acquisition & integration costs	\$ —	\$ 410
Debt issuance costs	\$ 1,220	\$ —
Board transition support	\$ 690	\$ —
Brink transaction and termination costs	\$ —	\$ 870
Other	\$ 510	\$ —
Adjusted operating loss	\$ (6,260)	\$ (6,180)
Total Company		
Net sales	\$ 209,660	\$ 216,810
Operating loss	\$ (7,990)	\$ (53,270)
Total Special Items to consider in evaluating operating loss	\$ 6,150	\$ 50,330
Adjusted operating loss	\$ (1,840)	\$ (2,940)

Additional Information Regarding Special Items Impacting Reported GAAP Financial Measures

(Unaudited - dollars in thousands, except per share amounts)

	Three months ended March 31,	
	2019	2018
Net loss attributable to Horizon Global, as reported	\$ (25,100)	\$ (57,510)
Impact of Special Items to consider in evaluating quality of income (loss):		
Severance	50	1,060
Impairment of goodwill	—	43,430
Acquisition & integration costs	—	770
Brink transaction and termination costs	—	1,980
Distribution center inefficiencies & fines	—	2,110
Debt issuance costs	1,230	—
Terwa construction disposition	3,630	—
Board transition support	690	—
Product liability recall claims	4,320	—
Restructuring	(640)	1,550
Other	510	60
Tax impact of Special Items	(1,280)	(1,510)
Adjusted net loss attributable to Horizon Global	\$ (16,590)	\$ (8,060)

	Three months ended March 31,	
	2019	2018
Diluted loss per share attributable to Horizon Global, as reported	\$ (1.00)	\$ (2.30)
Impact of Special Items to consider in evaluating quality of EPS:		
Severance	—	0.05
Impairment of goodwill	—	1.74
Acquisition & integration costs	—	0.03
Brink transaction and termination costs	—	0.08
Distribution center inefficiencies & fines	—	0.08
Debt issuance costs	0.05	—
Terwa construction disposition	0.14	—
Board transition support	0.03	—
Product liability recall claims	0.17	—
Restructuring	(0.03)	0.06
Other	0.02	—
Tax impact of Special Items	(0.05)	(0.06)
Impact of change in dilutive shares outstanding due to Special Items	—	—
Adjusted loss per share attributable to Horizon Global	\$ (0.66)	\$ (0.32)
Weighted-average shares outstanding, diluted, as reported	25,188,094	24,963,120
Dilution effect on adjusted net income (loss)	—	—
Diluted weighted-average shares outstanding, as adjusted	25,188,094	24,963,120

Constant Currency Reconciliation

(Unaudited)

The following table reconciles revenue growth to constant currency revenue for the same measure:

	Three months ended March 31, 2019			
	Horizon Americas	Horizon Europe-Africa	Horizon Asia-Pacific	Consolidated
Revenue growth as reported	(0.7)%	(5.6)%	(4.6)%	(3.3)%
Less: currency impact	(0.3)%	(8.3)%	(7.3)%	(4.6)%
Revenue growth at constant currency	<u>(0.4)%</u>	<u>2.7 %</u>	<u>2.7 %</u>	<u>1.3 %</u>

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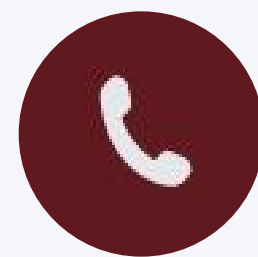
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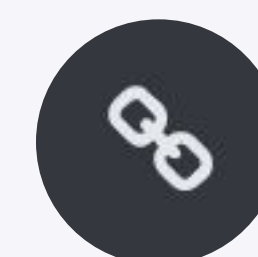
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