

Holley[®]

*First Quarter 2023
Financial Results Call*



May 11, 2023

Certain statements in this press release may be considered “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Holley’s future financial or operating performance. For example, projections of future revenue and adjusted EBITDA and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expect,” “intend,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “or” or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Holley and its management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: 1) the ability of Holley to grow and manage growth profitably which may be affected by, among other things, competition; to maintain relationships with customers and suppliers; and to retain its management and key employees; 2) costs related to Holley being a public company; 3) disruptions to Holley’s operations, including as a result of cybersecurity incidents; 4) changes in applicable laws or regulations; 5) the outcome of any legal proceedings that may be instituted against Holley; 6) general economic and political conditions, including the current macroeconomic environment, political tensions and war (such as the ongoing conflict in Ukraine); 7) the possibility that Holley may be adversely affected by other economic, business and/or competitive factors, including recent events affecting the financial services industry (such as the closures of Silicon Valley Bank and Signature Bank); 8) Holley’s estimates of its financial performance; 9) our ability to anticipate and manage through disruptions and higher costs in manufacturing, supply chain, logistical operations, and shortages of certain company products in distribution channels; and 10) other risks and uncertainties set forth in the section entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the Annual Report on Form 10-K for the year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission (“SEC”) on March 15, 2023, and that are otherwise described or updated from time to time in Holley’s filings with the SEC. Although Holley believes the expectations reflected in the forward-looking statements are reasonable, nothing in this presentation should be regarded as a representation by any person that the forward-looking statements or projections set forth herein will be achieved or that any of the contemplated results of such forward looking statements or projections will be achieved. There may be additional risks that Holley presently does not know or that Holley currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Holley undertakes no duty to update these forward-looking statements, except as otherwise required by law.

THE ENTHUSIAST PLATFORM

*Built by
Enthusiasts
for Enthusiasts*

Vision

To inspire and enable enthusiasts in their automotive adventures by bringing innovation, discovery, and fun to motor life

Mission

To accelerate the automotive lifestyle
Be the most compelling platform for automotive enthusiasts

Apply innovation and technology to ensure a sustainable motor life



Proactively Managing the Business to Drive Long-Term Value

RESTORE PROFITABILITY

- Identified material cost savings
- Accelerated recent M&A integrations
- On-going facility consolidation and footprint optimization

Capture targeted annualized cost savings of \$30 million

IMPROVE FREE CASH FLOW

- Improved EBITDA generation drives additional cash flow
- Capital-light manufacturing model
- Not anticipating free cash flow headwinds experienced in 2022

Expect meaningful improvement in free cash flow conversion

OPTIMIZE WORKING CAPITAL

- Inventory turns back inline with historical pre-COVID levels
- Working to balance inventory based on immediate needs and continue to improve past due orders

Drive continued reduction in past dues throughout 2023

DELEVER BALANCE SHEET

- Amended credit agreement provides additional financial flexibility through mid-2024
- Near-term cash flow prioritized for debt paydown

Holley remains comfortably below amended covenant ranges

INVESTMENT HIGHLIGHTS

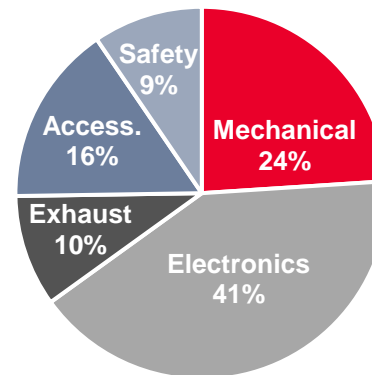
- 1 Large base of passionate and highly engaged enthusiast consumers with attractive demographics
- 2 Massive \$38B U.S. market with decades of uninterrupted growth⁽¹⁾
- 3 Powerhouse of product innovation with iconic brands
- 4 Proven acquisition platform with robust integration and growth potential
- 5 Transformational digital and DTC opportunity with omni-channel distribution
- 6 Flexible operating model with attractive growth, margins and free cash flow
- 7 Experienced team with a track record of execution

Target Profitability

~40%
Gross Margin

>20%
ADJ. EBITDA

FY22 REVENUE SNAPSHOT



KEY METRICS

| | | |
|---|-----------------------------------|--|
| \$688mm FY22 REVENUE | 36.8% FY22 GROSS MARGIN | \$115mm FY22 ADJ. EBITDA ² |
| 16.7% FY22 ADJ. EBITDA MARGIN | 27% FY22 DTC GROWTH | \$175mm FY22 M&A SALES IMPACT |
| 16 ACQUISITIONS SINCE 2019 | 13 ERP INTEGRATIONS | 160k square feet FACILITIES CONSOLIDATED |

1Q23 HIGHLIGHTS

| | | | |
|--------------------------------|-----------------------------------|--|---|
| \$172mm 1Q23 REVENUE | 39.3% 1Q23 GROSS MARGIN | \$34mm 1Q23 ADJ. EBITDA ² | 19.8% 1Q23 ADJ. EBITDA MARGIN |
|--------------------------------|-----------------------------------|--|---|

1) Based on SEMA data; Performance aftermarket based on performance engines, wheels, tires, brakes, and suspension categories.
2) Please see the GAAP to Non-GAAP reconciliation in the Appendix to this presentation

STRATEGIC PILLARS

Prioritized Categories & Platforms



Identify and serve needs of must-win consumer segments

Product Innovation



With the consumer in mind, innovate product for existing & emerging categories/platforms

Mergers & Acquisitions



Grow through thoughtful & disciplined M&A. Be a strong integrator

Consumer Focused Channel Strategy



Deliver best-in-class direct-to-consumer experience through direct & reseller channels

Engage & Inspire the Enthusiast



Be the authentic, relevant, expert voice wherever & whenever the enthusiast chooses to engage

FOUNDATION

High Performing Team

Operational Excellence

Technology and Analytics

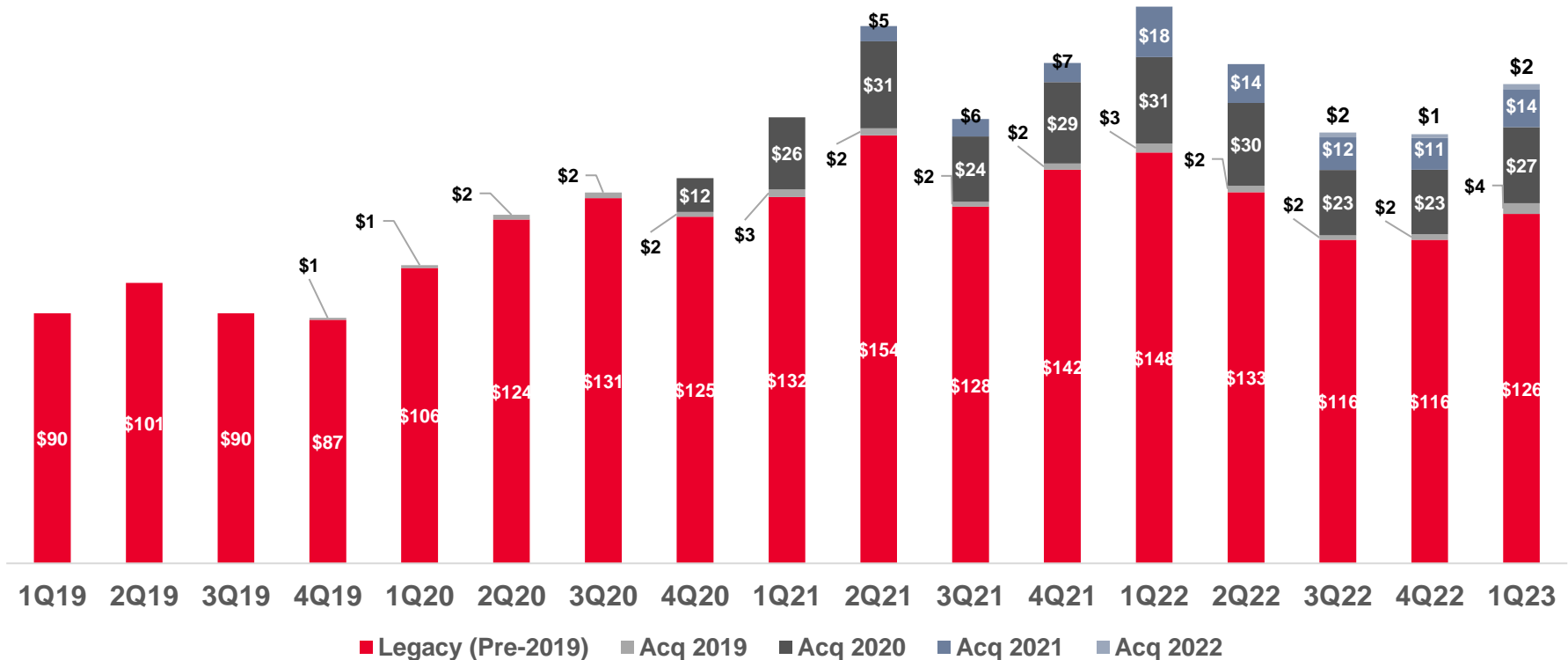
Strong Financial Performance

NET SALES TRENDS BY ACQUISITION VINTAGE YEAR



Quarterly Net Sales¹ by Acquisition Year (\$MM)

Despite YOY headwinds, 1Q23 legacy business up ~9% CAGR vs. 1Q19, total business up ~18% CAGR²



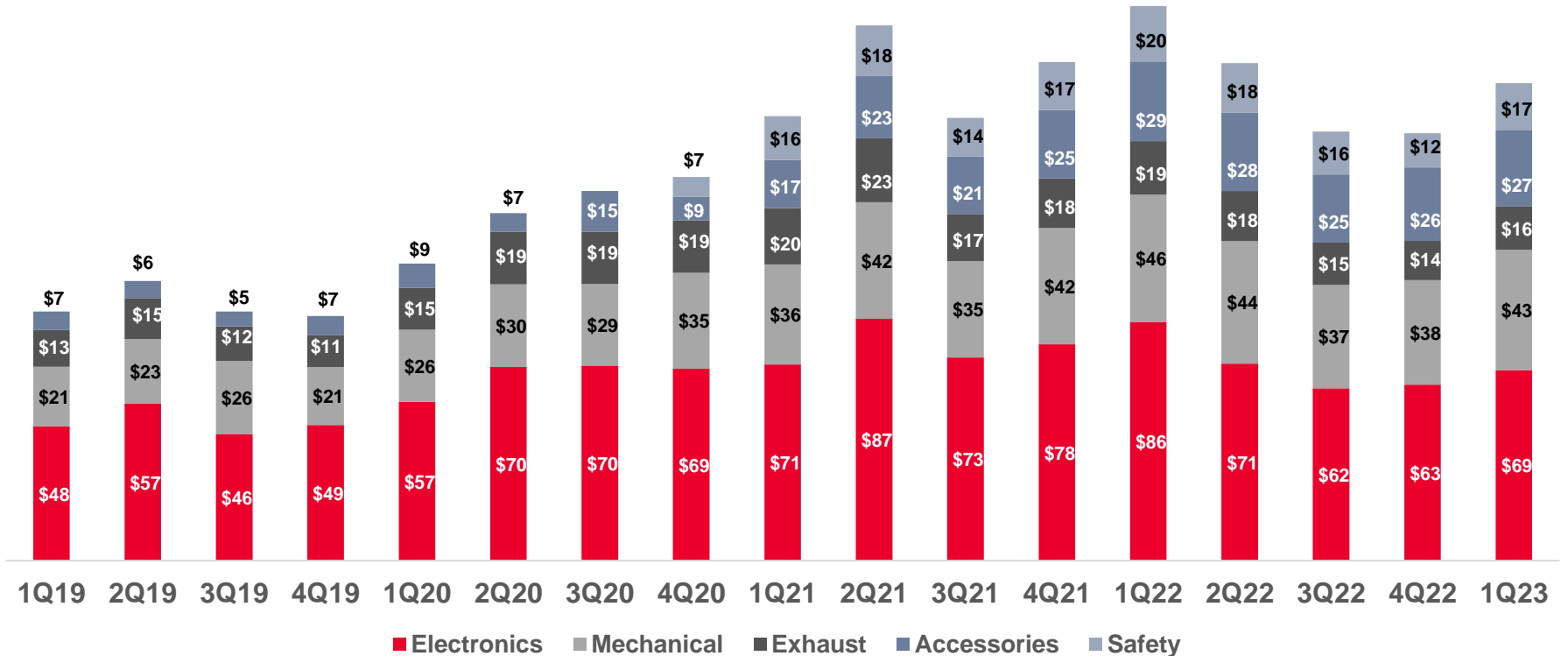
1) Totals may not foot due to rounding
 2) See page 8 for additional details on Legacy vs. Total Business CAGR

NET SALES TRENDS BY PRODUCT CATEGORY

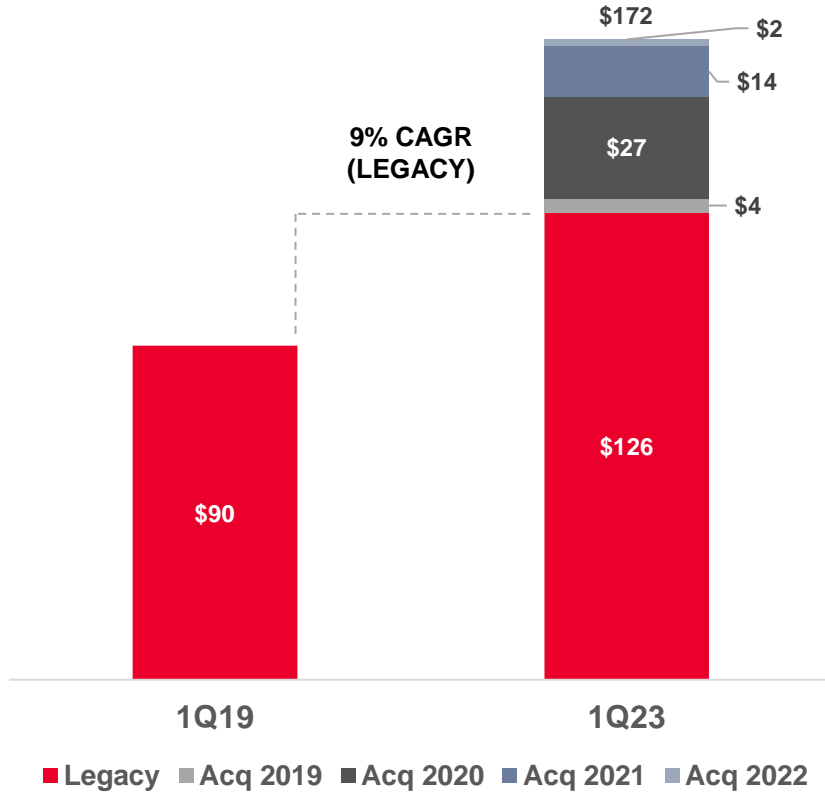


Quarterly Net Sales by Product Category (\$MM)

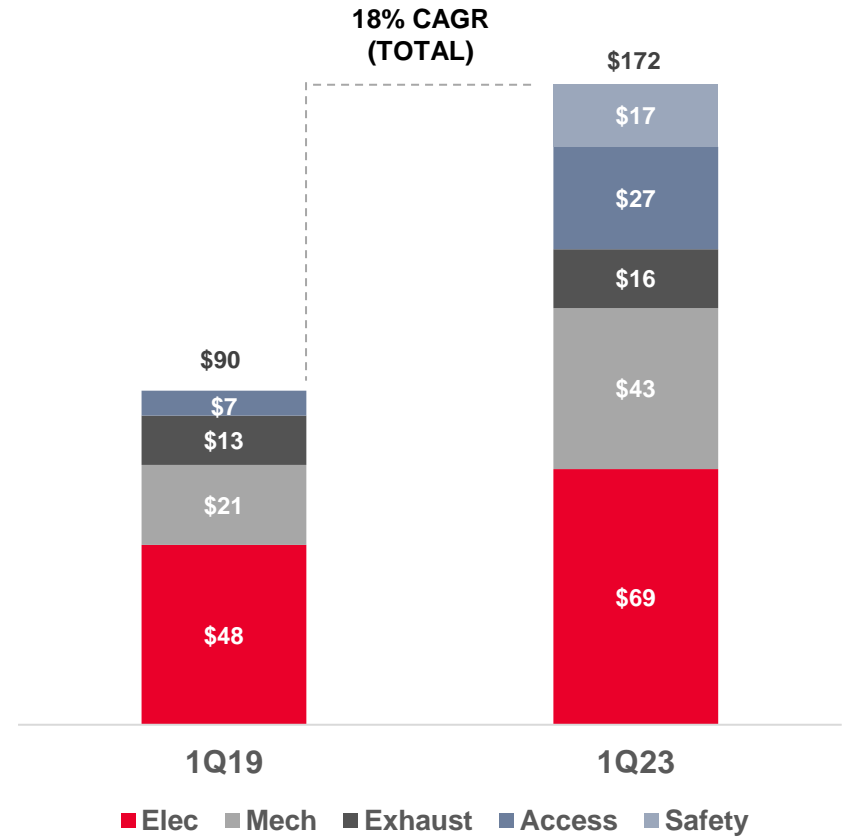
Sequential improvement in all categories compared to Q4 2022, but normalization of demand and Electronics challenges from supply chain disruptions drive YOY declines



Acquisition Vintage (\$MM)



Product Category Detail¹ (\$MM)



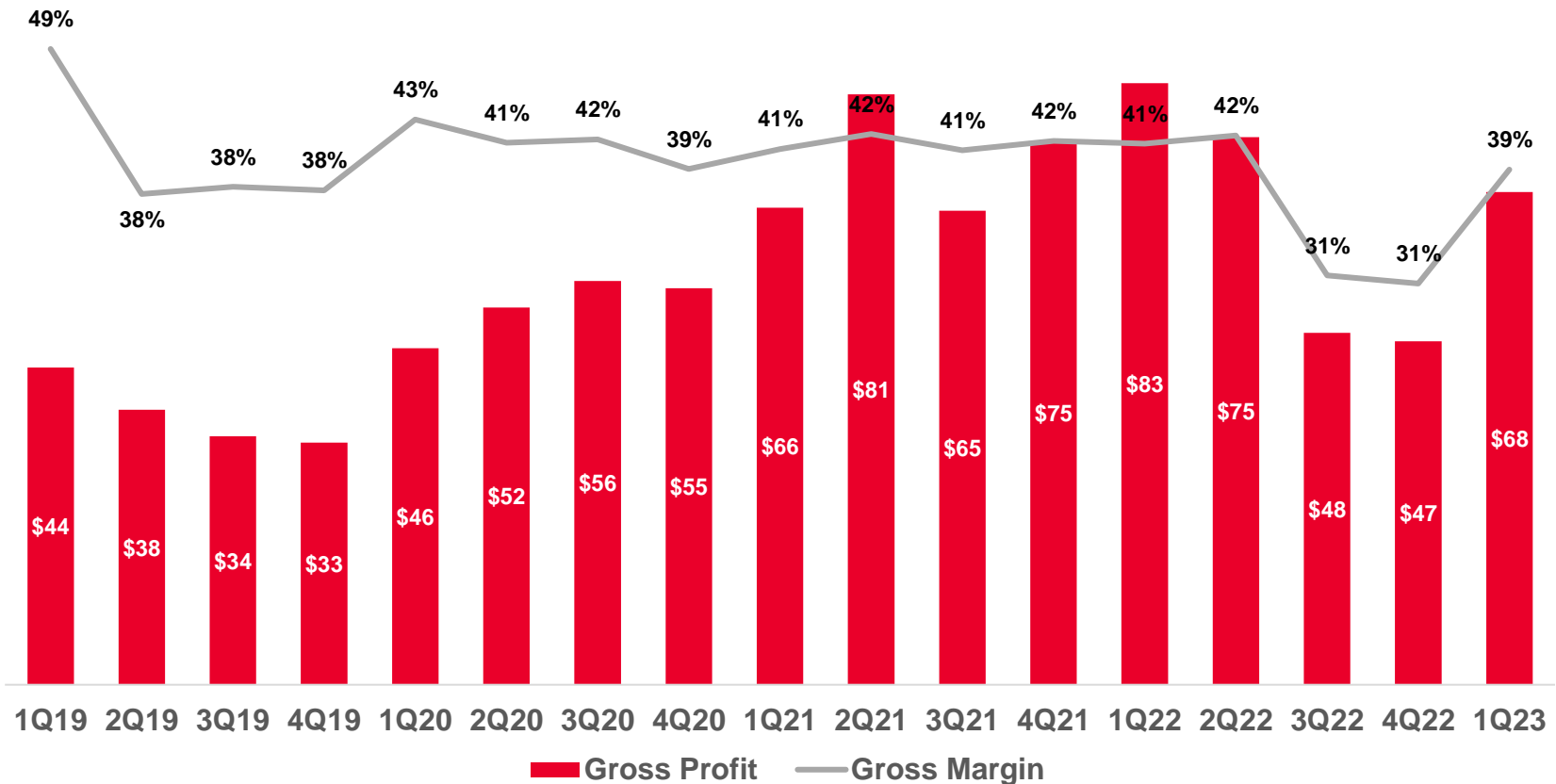
Compared to 1Q19 pre-COVID levels, Holley’s legacy businesses outgrew the historical market trend growth rate of ~6.5%²

1) Totals may not foot due to rounding

2) SEMA data; Performance aftermarket based on performance engines, wheels, tires, brakes, and suspension categories market growth from 2001 - 2019

Gross Profit (\$MM) and Gross Margin (%)

Gross margins in 1Q23 rebounded driven by sales leverage and absence of non-cash product rationalization charges

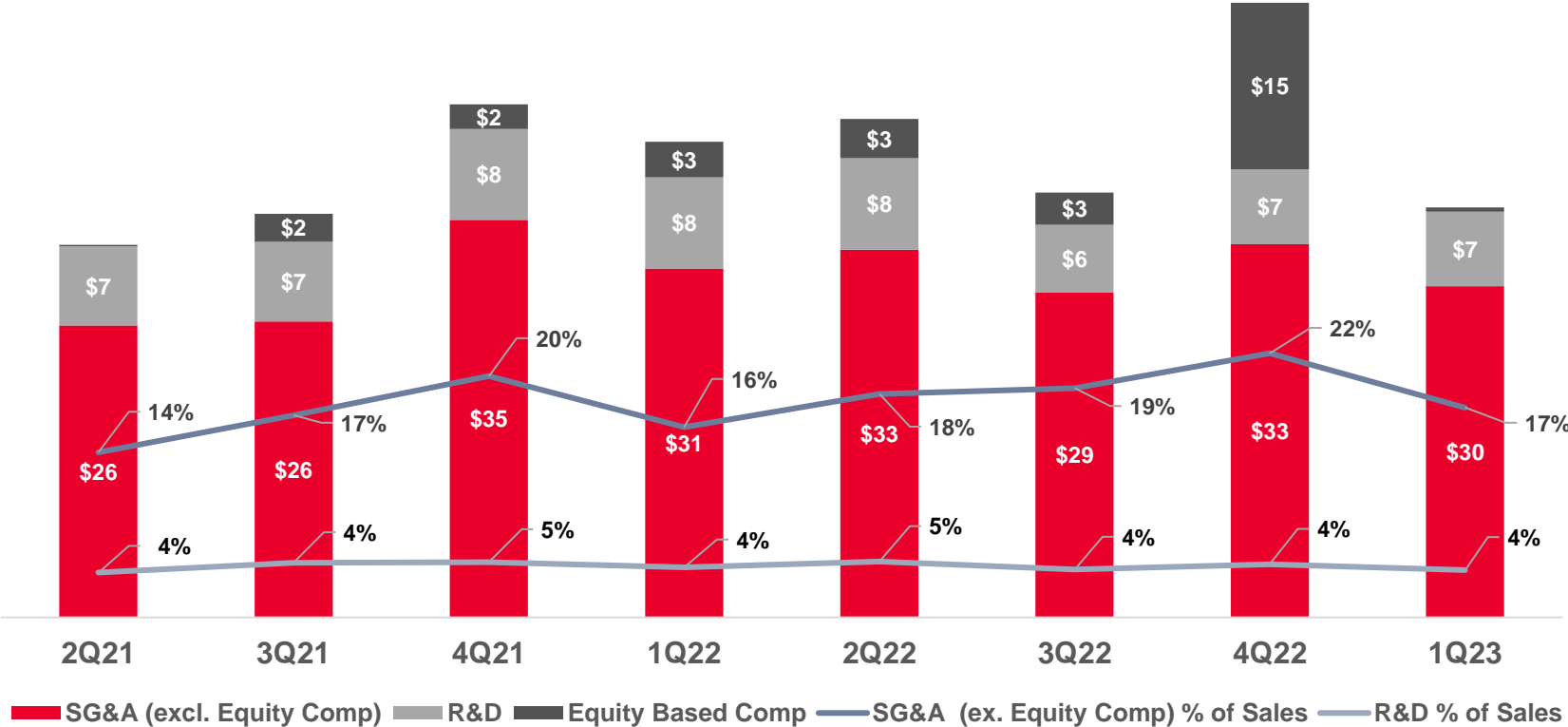


SG&A AND R&D TRENDS



Quarterly SG&A (\$MM), R&D (\$MM), Equity Based Comp (\$MM) and % of Sales

SG&A % in line with historical levels, due to reduced costs and sequential sales improvement from Q4 2022

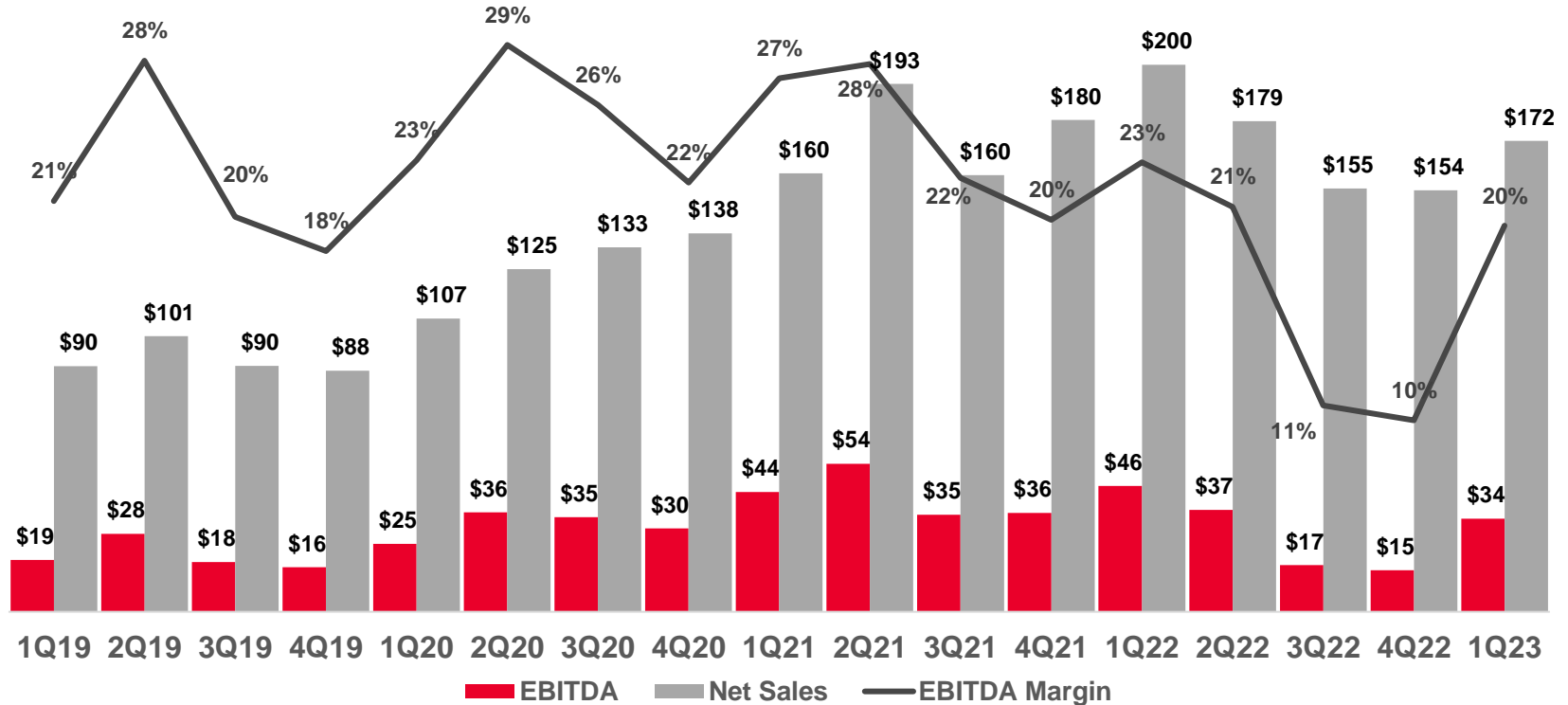


ADJUSTED EBITDA¹ TRENDS



Adjusted EBITDA (\$MM), Net Sales (\$MM) and Adjusted EBITDA Margin (%)

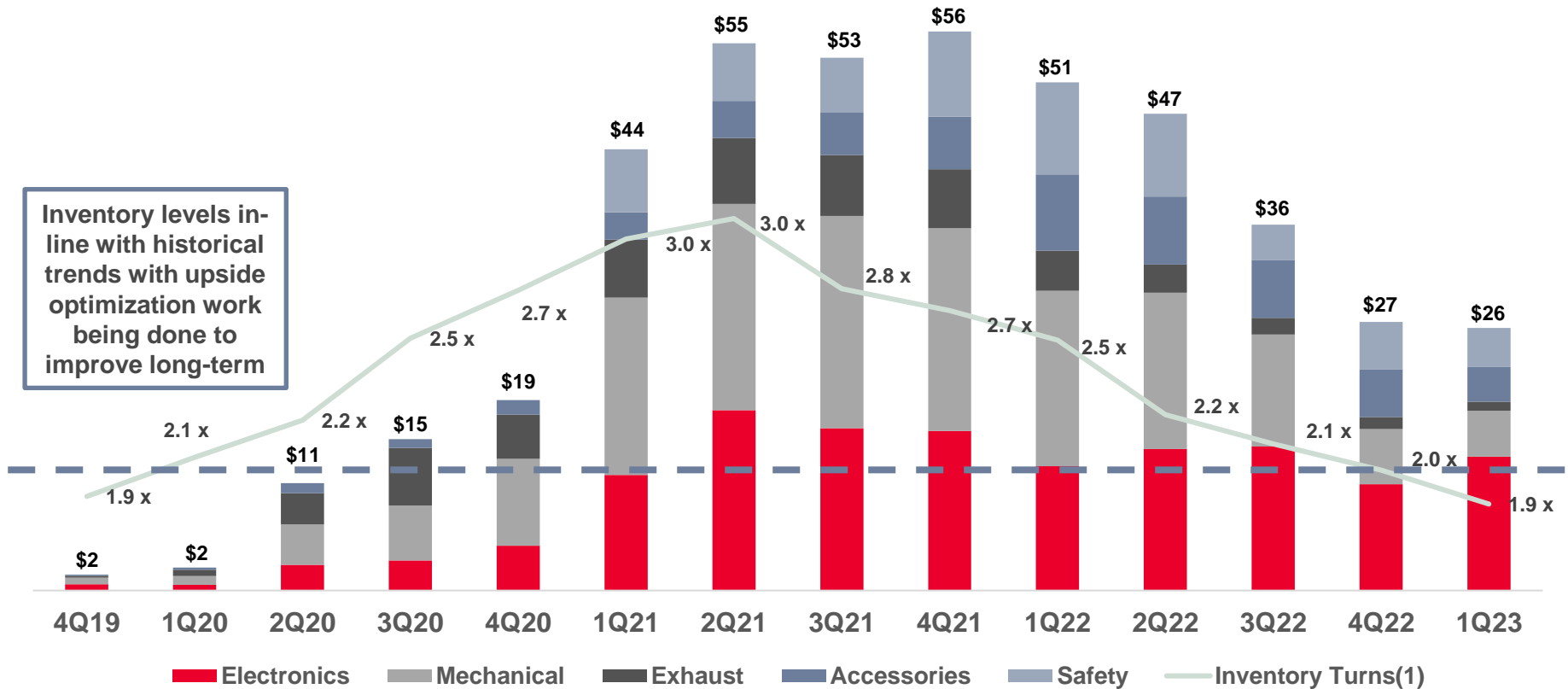
Adjusted EBITDA in 1Q23 rebounded meaningfully due to reduced costs and positive operating leverage from higher sales vs 4Q22



1) Please see the GAAP to Non-GAAP reconciliation in the Appendix to this presentation

Past Due Order Trends by Product Category (\$MM)

Past due orders began rising with supply chain disruptions in mid/late 2020, with Non-Electronics Product Categories seeing improvements starting in 2H22



1) Inventory Turns = Trailing 12 month Cost of Goods Sold / Trailing 12 month average inventory

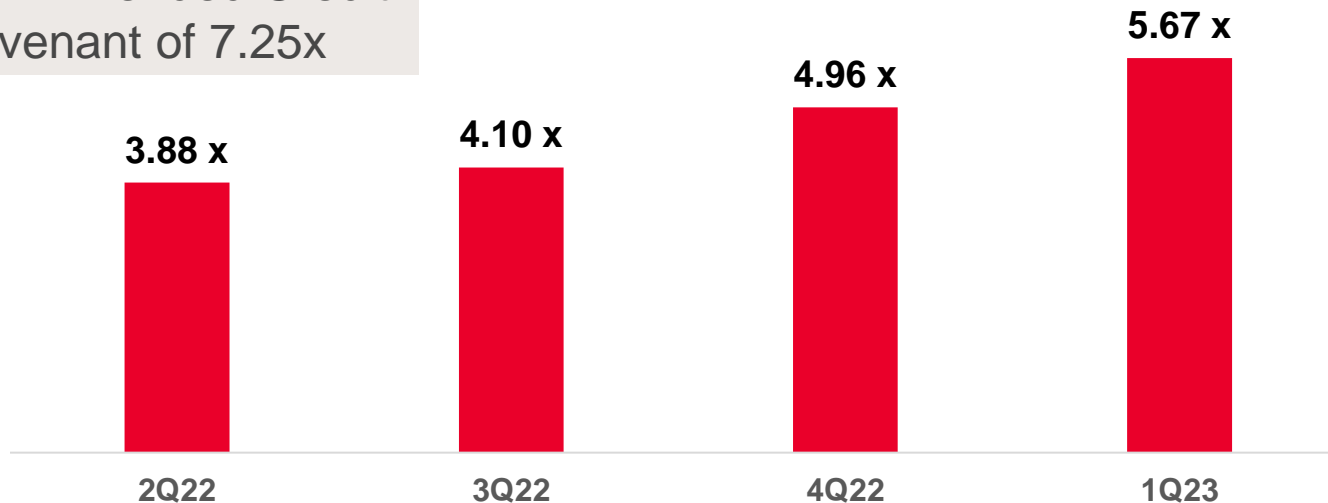
NET DEBT TO EBITDA LEVERAGE RATIO¹



Net Leverage Ratio (Net Debt/TTM Covenant EBITDA)

7.25x
Amended Q1
Covenant

Q1 Net Leverage Ratio was meaningfully below Amended Credit Agreement Covenant of 7.25x



| <i>\$ millions</i> | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|--------------------------------|---------|---------|---------|---------|
| Net Debt | \$624.9 | \$637.0 | \$636.0 | \$634.1 |
| Adj. EBITDA (TTM) ² | 154.8 | 135.6 | 114.7 | 102.6 |
| Covenant Add-backs | 6.2 | 19.6 | 13.4 | 9.2 |
| TTM Covenant EBITDA | \$161 | \$155.3 | \$128.1 | \$111.8 |

1) As calculated per our existing credit agreement
2) Please see the GAAP to Non-GAAP reconciliation in the Appendix to this presentation

Key Drivers of Initial 2023 Guidance

- Ongoing normalization of demand back to trend line growth versus pre-COVID levels
- Continuing microchip availability constraints with Holley EFI
- Savings from our cost-reduction initiatives
- Amended credit agreement and interest rate collar impacts

FY23 Outlook

| | |
|---|---------------|
| Net Sales (\$ millions) | \$625 – \$675 |
| Adjusted EBITDA (\$ millions) | \$108 – \$122 |
| Capital Expenditures (\$ millions) | \$10 – \$15 |
| Depreciation and Amortization (\$ millions) | \$23 – \$25 |
| Interest Expense (\$ millions) (excluding Mark-to-Market on Collar) | \$60 – \$65 |



Holley

Appendix

HOLLEY PRODUCTS SERVE NEEDS ACROSS THE VEHICLE **Holley**

HOLLEY FAMILY OF BRANDS*

ELECTRONIC CONTROLS

EFI & IGNITION

Accel
AEM
Atomic EFI
Hilborn
Holley EFI
Hyperspark
Mallory
MSD
Sniper

PERFORMANCE TUNING

Amp'd
DiabloSport
Edge
Pulsar
Racepak
Range
Superchips
APR
Dinan

AUTOMOTIVE ACCESSORIES

ACCESSORIES

Cataclean
Fender Gripper
Scott Drake

LIGHTING

RetroBright

INSTRUMENTATION

AEM
Classic Instruments
Holley EFI
Racepak

ENGINE & ACCESSORIES

INDUCTION

Flowmaster

ACCESSORIES

Earl's
Mr. Gasket

CARBURETION

Brawler
Demon
Holley
Quickfuel

COOLING

Frostbite

NITROUS

NOS

PERFORMANCE EXHAUST

Flowmaster
Flowtech
Hooker
Blackheart

BRAKING

Baer Brakes

SUSPENSION

ADS Suspension
Detroit Speed
Lakewood
Proforged

EV CONVERSION

AEM EV

RESTORATION

Brothers
Scott Drake

SAFETY

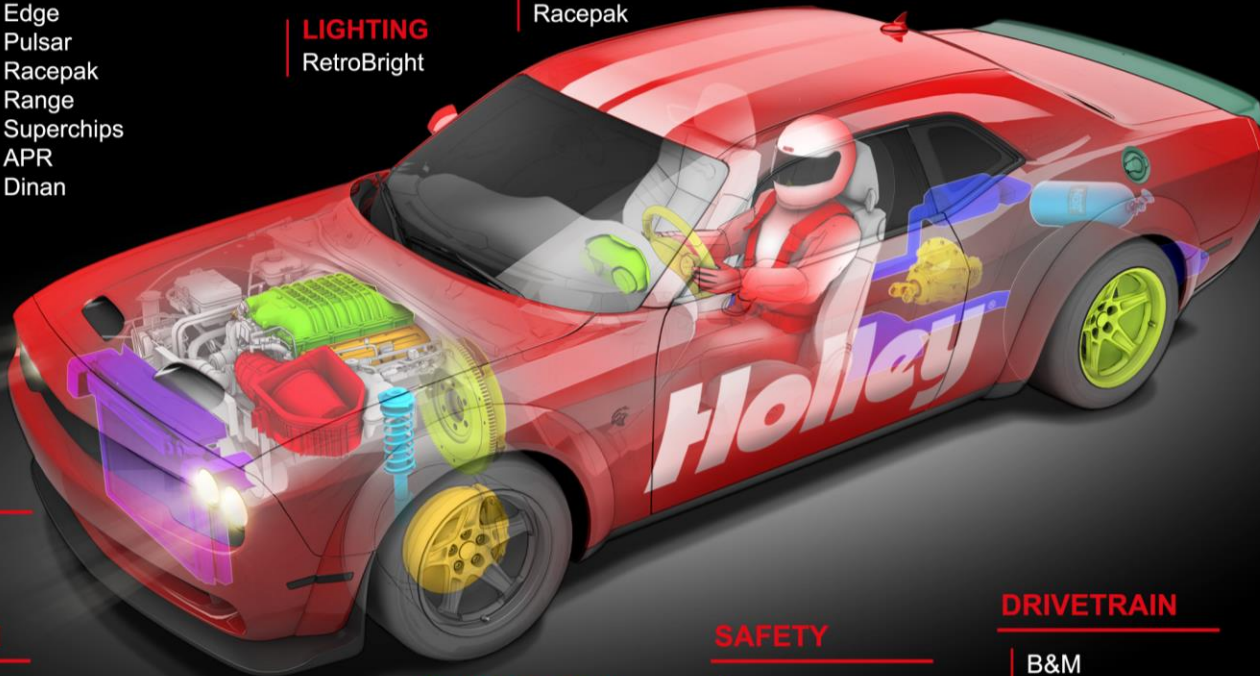
Hans
RaceQuip
Simpson
Stilo

DRIVETRAIN

B&M
GearFX
Hays
Hurst
Quicktime

WHEELS

Carroll Shelby
Wheels
Halibrand
Legendary
REV
Rocket



*Brands listed are representative of Key Holley Brands in each category

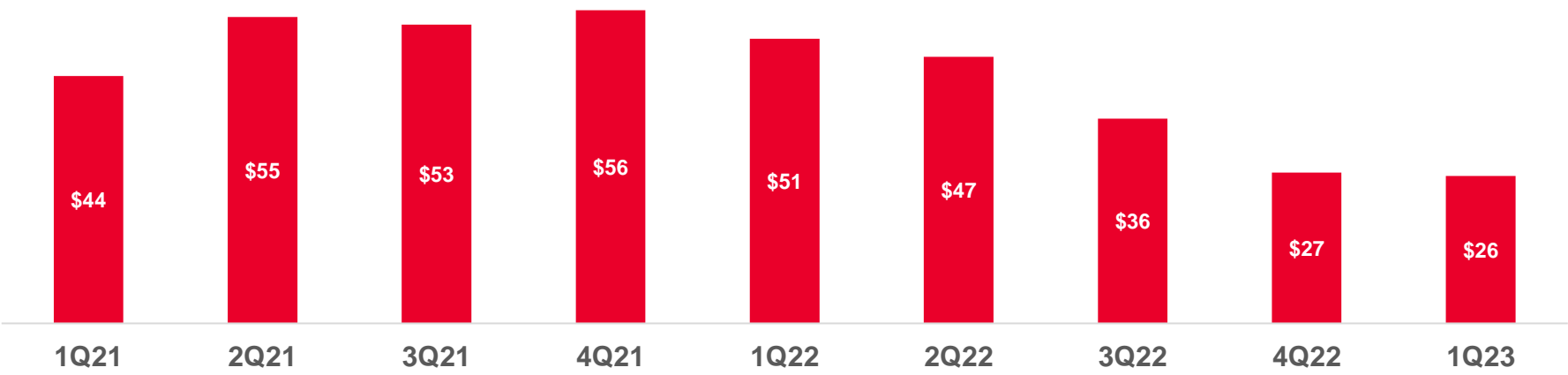
ORDERS VS SHIPMENTS, PAST DUE ORDERS



Orders vs Shipments (\$MM)



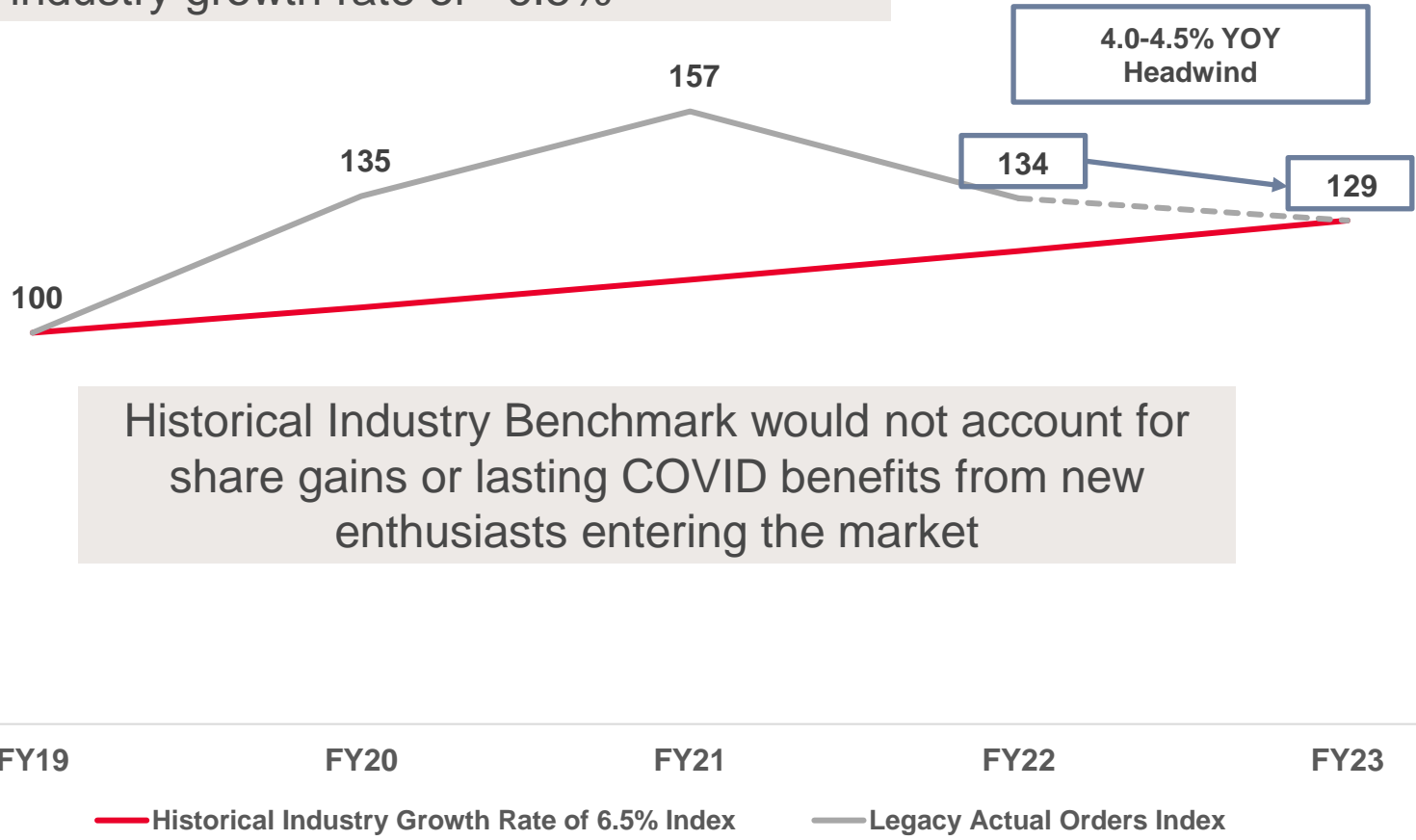
Past Due Orders (\$MM)



DEMAND NORMALIZATION ILLUSTRATION

Legacy¹ vs. Hist. Industry Order Growth Indexed to 2019 Base Line

Normalization of demand implies a YOY order headwind of 4.0-4.5% when compared to historical industry growth rate of ~6.5%



1) Businesses acquired prior to 2019

RECONCILIATION TABLES



HOLLEY INC. and SUBSIDIARIES USE AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In millions)

(Unaudited)

| | 1Q19 | 2Q19 | 3Q19 | 4Q19 | 1Q20 | 2Q20 | 3Q20 | 4Q20 | 1Q21 | 2Q21 | 3Q21 | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|--|---------------|---------------|----------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|----------------|----------------|--------------|--------------|--------------|----------------|--------------|
| Net Income (Loss) | \$ (8) | \$ (9) | \$ (11) | \$ 29 | \$ 5 | \$ 13 | \$ 13 | \$ 2 | \$ (2) | \$ 23 | \$ (30) | \$ (18) | \$ 17 | \$ 41 | \$ 31 | \$ (15) | \$ 4 |
| Adjustments: | | | | | | | | | | | | | | | | | |
| Interest Expense | 11 | 14 | 13 | 12 | 12 | 11 | 9 | 13 | 10 | 11 | 10 | 8 | 7 | 9 | 10 | 14 | 18 |
| Income Taxes | — | — | — | (5) | 1 | 3 | 6 | (2) | 5 | 6 | (3) | 3 | 7 | 3 | (1) | (5) | 2 |
| Depreciation | 2 | 2 | 2 | 3 | 2 | 1 | 2 | 2 | 2 | 2 | 3 | 4 | 2 | 2 | 3 | 3 | 2 |
| Amortization | 11 | 12 | 11 | (24) | 3 | 3 | 3 | 2 | 3 | 4 | 3 | 4 | 4 | 4 | 4 | 3 | 4 |
| EBITDA | 16 | 19 | 15 | 15 | 23 | 31 | 33 | 17 | 18 | 46 | (17) | 1 | 37 | 59 | 47 | - | 30 |
| Acquisition and Restructuring Costs | 2 | 1 | 1 | 1 | 1 | 3 | 1 | 4 | 2 | 3 | — | 2 | — | 2 | 2 | 1 | 1 |
| Earn-Out from Simpson Acquisition | — | — | — | — | — | — | — | — | 17 | — | — | — | — | — | — | — | — |
| Impairment of Indefinite-Lived Intangible Assets | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 2 | — | — |
| Change in Fair Value of Warrant Liability | — | — | — | — | — | — | — | — | — | — | 17 | 15 | 2 | (23) | (30) | (6) | 2 |
| Change in Fair Value of Earn-Out Liability | — | — | — | — | — | — | — | — | — | — | 7 | 2 | 3 | (4) | (7) | (2) | 1 |
| Loss on Early Extinguishment of Debt | — | — | — | — | — | — | — | — | — | — | 1 | 12 | — | — | — | — | — |
| Product Rationalization | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 5 | — |
| Equity-Based Compensation Expense | — | — | — | — | — | — | — | — | — | — | 3 | 2 | 3 | 3 | 3 | 15 | — |
| Related Party Acquisition and Management Fee Costs | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 3 | 1 | 1 | 23 | — | — | — | — | — | — |
| Notable Items | — | 7 | — | — | — | 1 | — | 3 | 6 | 4 | 1 | 1 | 1 | — | — | 1 | — |
| Other Expense | — | — | 1 | — | — | — | — | 3 | — | — | — | 1 | — | — | — | 1 | — |
| Adjusted EBITDA | \$ 19 | \$ 28 | \$ 18 | \$ 17 | \$ 25 | \$ 36 | \$ 35 | \$ 30 | \$ 44 | \$ 54 | \$ 35 | \$ 36 | \$ 46 | \$ 37 | \$ 17 | \$ 15 | \$ 34 |

Holley's 2019 quarterly results reflect a period during which it was a privately held company. Accordingly, certain adjustments were included in the fourth quarter results to reflect the effects of the Business Combination on its audited financial statements.

HOLLEY INC. and SUBSIDIARIES
USE AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In millions)

(Unaudited)

| | TTM | | | |
|--|---------------|---------------|---------------|----------------|
| | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
| Net Income (Loss) | \$ 9.2 | \$71.0 | \$73.8 | \$ 61.2 |
| Adjustments: | | | | |
| Interest Expense | 34.2 | 34.8 | 40.2 | 51.1 |
| Income Taxes | 10.1 | 12.1 | 4.5 | (1.1) |
| Depreciation | 11.8 | 11.7 | 10.1 | 10.4 |
| Amortization | 14.5 | 14.6 | 14.7 | 14.7 |
| EBITDA | 79.8 | 144.2 | 143.3 | 136.3 |
| Acquisition and Restructuring Costs | 4.1 | 5.0 | 4.5 | 5.6 |
| Impairment of Indefinite-Lived Intangible Assets | - | 2.4 | 2.4 | 2.4 |
| Change in Fair Value of Warrant Liability | 11.6 | (35.8) | (57.0) | (57.8) |
| Change in Fair Value of Earn-Out Liability | 7.0 | (7.3) | (10.7) | (12.7) |
| Loss on Early Extinguishment of Debt | 13.7 | 12.2 | - | - |
| Product Rationalization | - | - | 4.5 | 4.5 |
| Equity-Based Compensation Expense | 11.3 | 11.7 | 24.4 | 21.6 |
| Related Party Acquisition and Management Fee Costs | 23.3 | - | - | - |
| Notable Items | 2.6 | 1.9 | 1.8 | 1.4 |
| Other Expense | 1.4 | 1.3 | 1.5 | 1.3 |
| Adjusted EBITDA | 154.8 | 135.6 | 114.7 | 102.6 |