



Fourth Quarter and Full-Year 2024 Earnings Call

March 6, 2025



Forward Looking Statement & Disclosures

Except for specific historical information, many of the matters discussed in this press release may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. These statements may discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to NN, Inc. (the “Company”) based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements generally will be accompanied by words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “possible,” “potential,” “predict,” “project”, “achieve”, “growth”, “enable”, “improve”, or other similar words, phrases or expressions. Forward-looking statements involve a number of risks and uncertainties that are outside of management’s control and that may cause actual results to be materially different from such forward-looking statements. Such factors include, among others, general economic conditions and economic conditions in the industrial sector; the impacts of pandemics, epidemics, disease outbreaks and other public health crises on our financial condition, business operations and liquidity; competitive influences; risks that current customers will commence or increase captive production; risks of capacity underutilization; quality issues; material changes in the costs and availability of raw materials; economic, social, political and geopolitical instability, military conflict, currency fluctuation, and other risks of doing business outside of the United States; inflationary pressures and changes in the cost or availability of materials, supply chain shortages and disruptions, the availability of labor and labor disruptions along the supply chain; our dependence on certain major customers, some of whom are not parties to long-term agreements (and/or are terminable on short notice); the impact of acquisitions and divestitures, as well as expansion of end markets and product offerings; our ability to hire or retain key personnel; the level of our indebtedness; the restrictions contained in our debt agreements; our ability to obtain financing at favorable rates, if at all, and to refinance existing debt as it matures; our ability to secure, maintain or enforce patents or other appropriate protections for our intellectual property; new laws and governmental regulations; the impact of climate change on our operations; uncertainty of government policies and actions after recent U.S. elections in respect to global trade, tariffs and international trade agreements; and cyber liability or potential liability for breaches of our or our service providers’ information technology systems or business operations disruptions. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in the Company’s filings made with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date of this press release, and the Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. The Company qualifies all forward-looking statements by these cautionary statements. not possible for the Company to predict their occurrence or how they will affect the Company. The Company qualifies all forward-looking statements by these cautionary statements.

With respect to any non-GAAP financial measures included in the following presentation, the accompanying information required by SEC Regulation G can be found in the back of this document or in the “Investors” section of the Company’s web site, www.nninc.com, under the heading “News & Events” and subheading “Presentations.”



Harold Bevis

President & Chief Executive Officer

Tim French

SVP & Chief Operating Officer

Chris Bohnert

SVP & Chief Financial Officer

Business Update

First full year of company transformation produced significant results, successfully changing business trajectory

- Communicated immediate and 5-year performance goals and tracking to them
- Installed top new leadership team globally ~80% complete
- Changed direction of business development efforts to win more targeted new business and create a path to deliver sustained year over year growth
 - Won \$73M of new business in 2024, \$63M in 2023, and \$13M 2025 YTD → *\$149M of new business*
 - Leveraged installed base of \$340M of machinery and equipment and \$56 million of land and buildings
- Fixed the money-losing and negative cash flow performance of the 'Group of 7' plants
 - Improved Adjusted EBITDA from (\$11.5M) in 2023 to an expected \$5M in 2025 outlook
- Began refreshing capital structure with new ABL in December 2024. Term Loan refinancing process underway

2025 outlook and goals will continue advancement on all fronts: growth, cost, and cash

- Launching over 70 programs in 2025, creating tailwinds for delivering year over year net sales growth
- Keeping cash capex at normal levels, leveraging installed base
- Adding leadership and people to increase business development efforts in stamped products, medical products, and electrical products
- Continuing to optimize our physical operational footprint and headcount profiles

US-driven tariff battles are aimed at helping the domestic business of NN

- Too early to predict net global impacts, timing or FX impacts
- We don't expect any negative impacts to NN's China business
- NN's markets are long-cycle and slow-moving, no big changes yet



NN's 5-Year Plan for Growing Sales and Profits

2028 Goals

Grow Net Sales to \$650M

Pathway to Achievement

- \$40 million of net annual growth driven by \$65 million of annual new awards and \$25 million of EOPs / walkaways
- Higher growth targeted in stamped products, medical products, and electrical products
- Invest growth capex to enhance capabilities
- Strategic acquisitions to accelerate strategy when opportunity is right

Near-Term Progress

Secured \$149 million of new business since beginning of 2023, launching 70 startup programs in 2025

**Lower Costs 3% per Year,
Manage Cash Flows**

- Condense plant footprint and combine operating teams into a shared matrix network
- Strong continuous improvement program at every plant
- Kaizan and 6 Sigma culture at all plants

Fixed Group of 7 plants,
\$15 million cost-out plan for 2025

**Conserve Cash Flow,
Refresh Balance Sheet**

- Generate free cash flow, invest ~\$12 to \$15M in capex per year (excl. China operations)
 - China funds itself, and sends money to US
- Leverage NN's installed base of ~\$400M of machinery, equipment, land, & buildings
- All plants free cash flow self-sustaining

New ABL in place,
New Term Loan process underway,
China implementing its own program

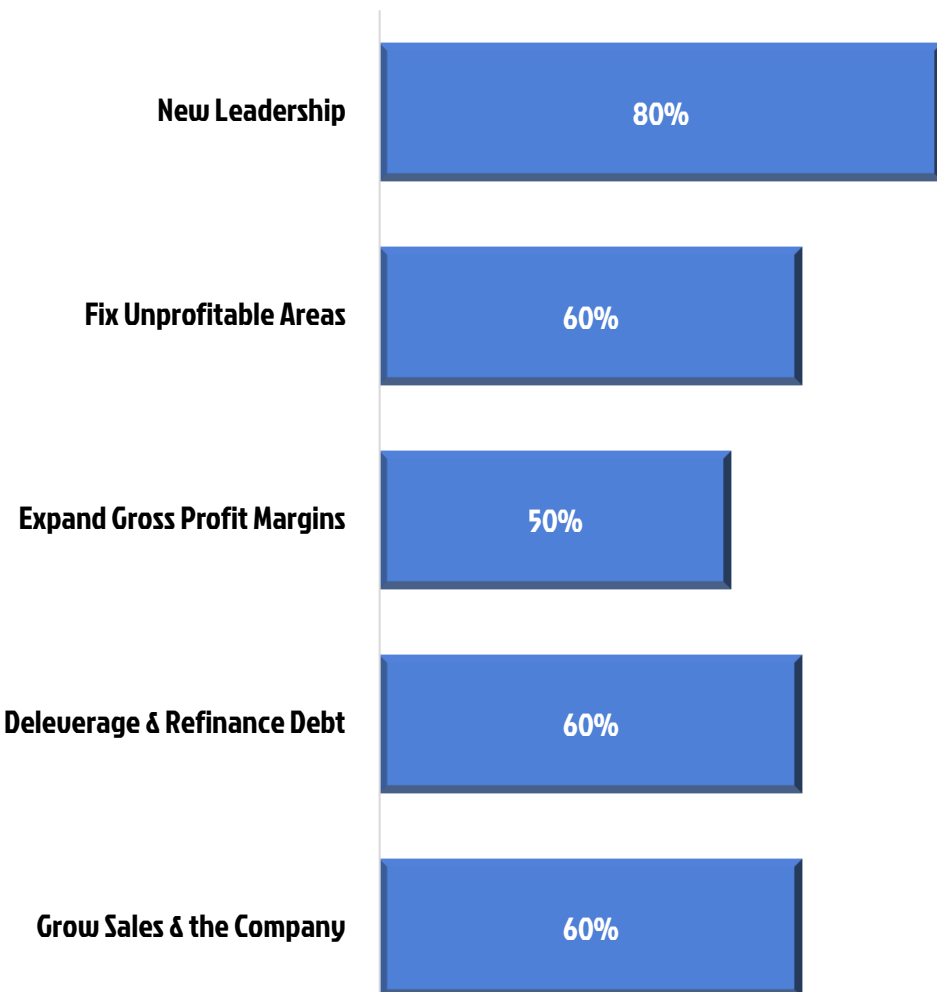
**Increase Adjusted EBITDA
Margin to 12-13%**

- Rationalize business & operations at 7 underperforming plants – two closures underway
- Share and lower SG&A profile while increasing business development teams
- Launch and onboard accretive new business

Adj. EBITDA margins are ~10%
Expected to continue
advancement in 2025

Transformation Update: 2025 Will Be Another Formative Year

From 0 to 60% Complete in Six Quarters



1. Modify leadership to mirror and lead the new forward agenda

2. Confront and sort out chronic underperforming areas – sales declines, absence of profit, negative cashflow

"Group of 7" Adjusted EBITDA		
FY'23	FY'24	FY'25 Goal
(\$11.5)M	→ (\$0.9)M	→ \$5.1M

3. Gross profit margin expansion has begun

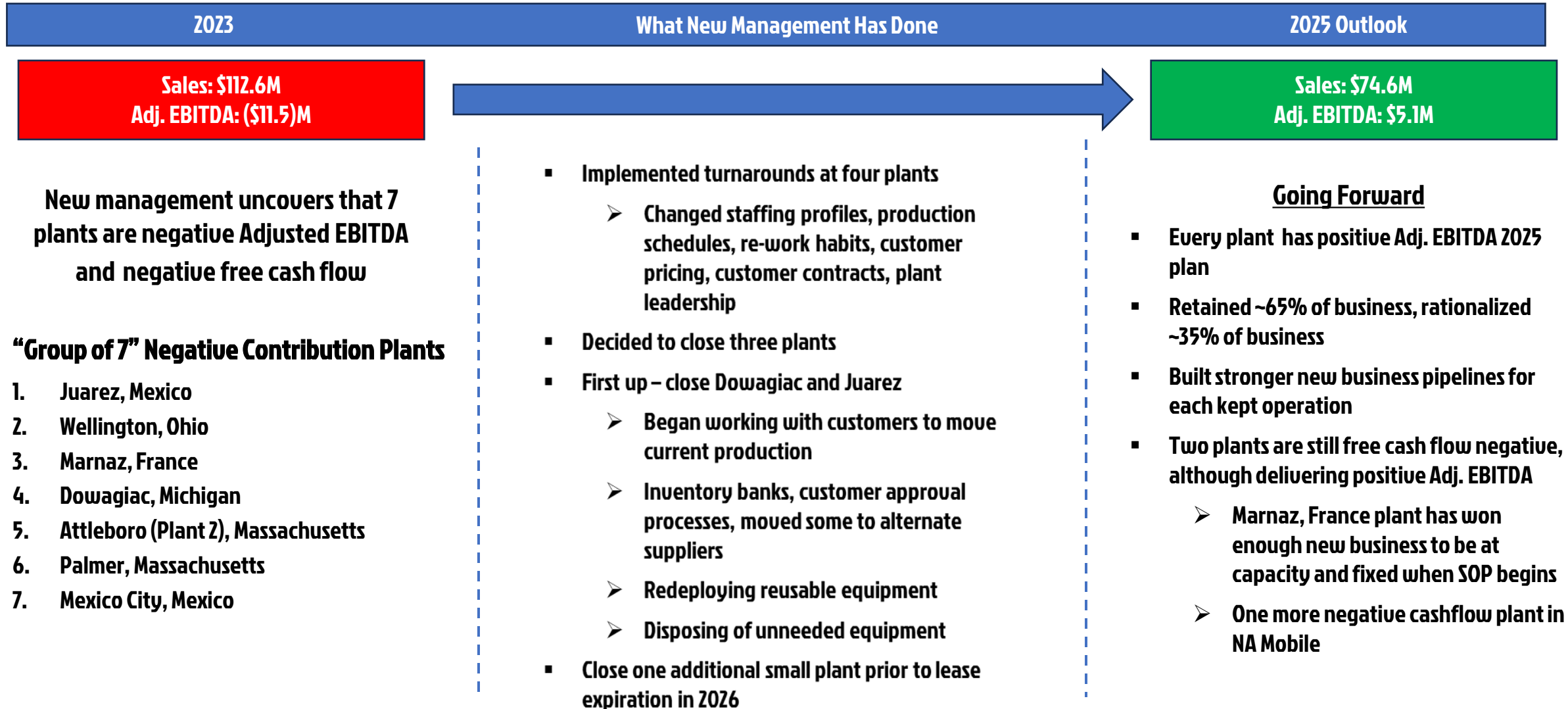
FY'23 %	FY'24 %	Long-term Goal
14.3%	→ 15.0%	→ 20%

4. Improvement of the balance sheet has begun

Refreshed ABL	✓
Refreshed Term Loan	Underway
Put China business on its own balance sheet	Underway

5. Goal is to deliver annual growth every year. Make-whole of rationalized sales swaps has begun and launching 70+ new programs during 2025, ~\$21 million launching in Q1

Turnaround of the ‘Group of 7’ Plants Over Last 6 Quarters



Q4 Financial Results

As Reported

(\$millions)	Q4'23	Q4'24	Δ
Net Sales	\$112.5	\$106.5	(\$6.0)
Adj. Operating Income (Loss)	(\$1.4)	\$2.4	\$3.8
Adj. EBITDA	\$10.0	\$12.1	\$2.1
Adj. EBITDA Margin %	8.9%	11.3%	240 bps

Q4'23 Pro Forma Adjustments

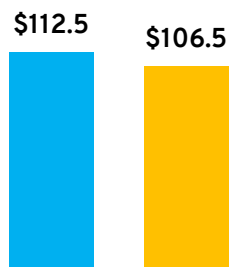
Sale of Lubbock	Rationalized Volume	FX	Total
(\$5.0)	(\$1.5)	(\$1.6)	(\$8.1)
(\$0.6)	\$0.5	-	(\$0.1)
(\$0.7)	\$0.4	-	(\$0.3)

Pro Forma

Q4'23	Q4'24	Δ
\$104.4	\$106.5	\$2.1
(\$1.5)	\$2.4	\$3.9
\$9.7	\$12.1	\$2.4
9.3%	11.3%	200 bps

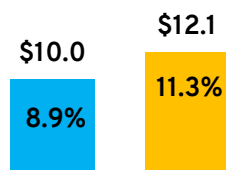
As Reported (\$ millions)

Net Sales



■ Q4'23 ■ Q4'24

Adjusted EBITDA & Margin



■ Q4'23 ■ Q4'24

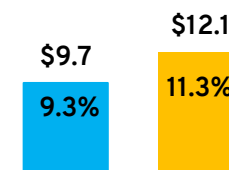
Pro Forma (\$ millions)

Net Sales



■ Q4'23 ■ Q4'24

Adjusted EBITDA & Margin



■ Q4'23 ■ Q4'24

Full-Year Financial Highlights

As Reported

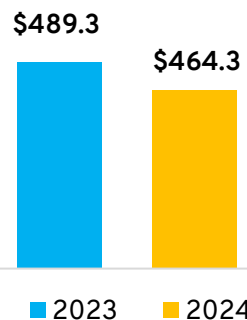
2023 Pro Forma Adjustments

Pro Forma

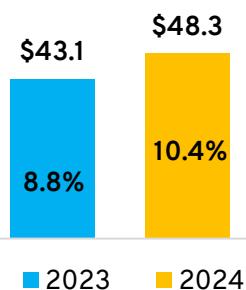
(\$millions)	As Reported			2023 Pro Forma Adjustments						Pro Forma		
	2023	2024	Δ	Lubbock	Rationalized Volume	Customer Settlement	Precious Metals	FX	Total	2023	2024	Δ
Net Sales	\$489.3	\$464.3	(\$25.0)	(\$10.9)	(\$8.6)	(\$1.1)	-	(\$3.5)	(\$24.1)	\$465.2	\$464.3	(\$0.9)
Adj. Operating Income (Loss)	\$3.1	\$5.1	\$2.0	(\$1.1)	\$4.0	(\$1.1)	(\$0.9)	-	\$0.9	\$4.0	\$5.1	\$1.1
Adj. EBITDA	\$43.1	\$48.3	\$5.2	(\$1.4)	\$3.1	(\$1.1)	(\$0.9)	-	(\$0.3)	\$42.8	\$48.3	\$5.5
Adj. EBITDA Margin %	8.8%	10.4%	160 bps							9.2%	10.4%	120 bps

As Reported (\$ millions)

Net Sales

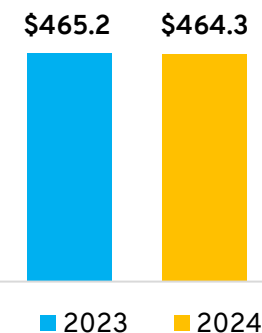


Adjusted EBITDA & Margins

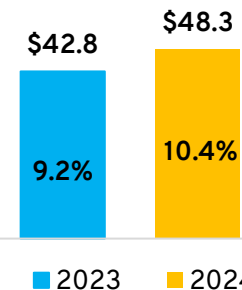


Pro Forma (\$ millions)

Net Sales

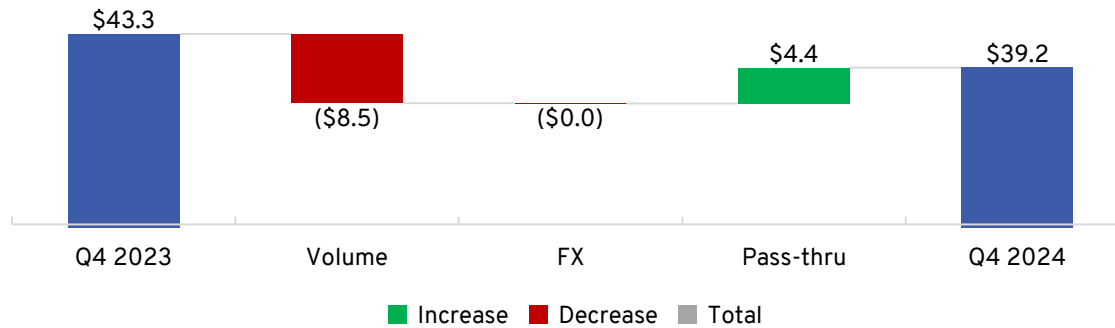


Adjusted EBITDA & Margins

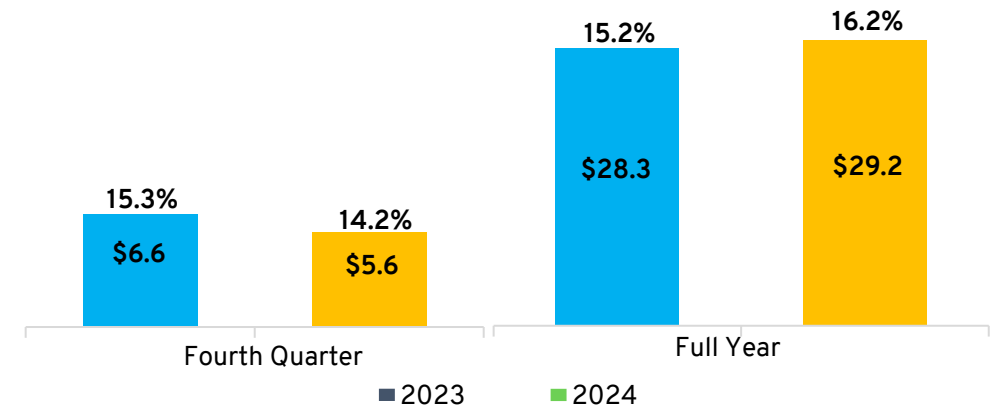


Power Solutions – Stamped Products: Q4'24 Highlights

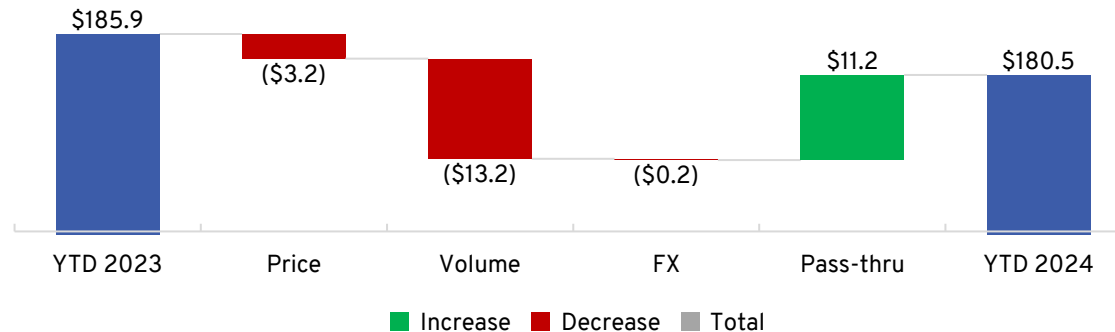
Q4'24 Sales Bridge
(\$ millions)



Adjusted EBITDA & Margin
(\$ millions)



FY'24 Sales Bridge
(\$ millions)

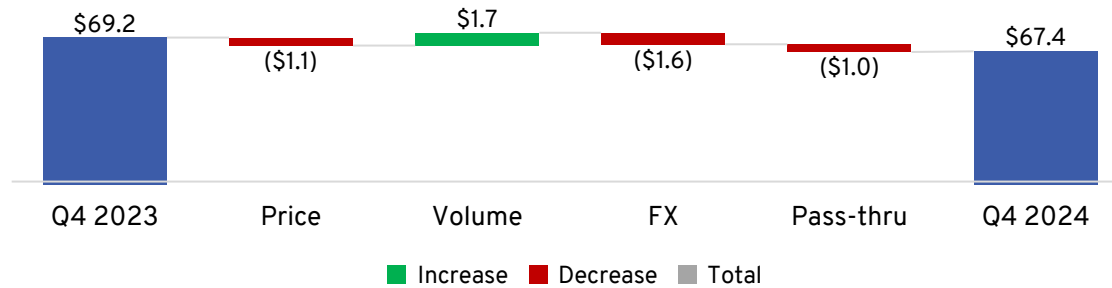


Commentary

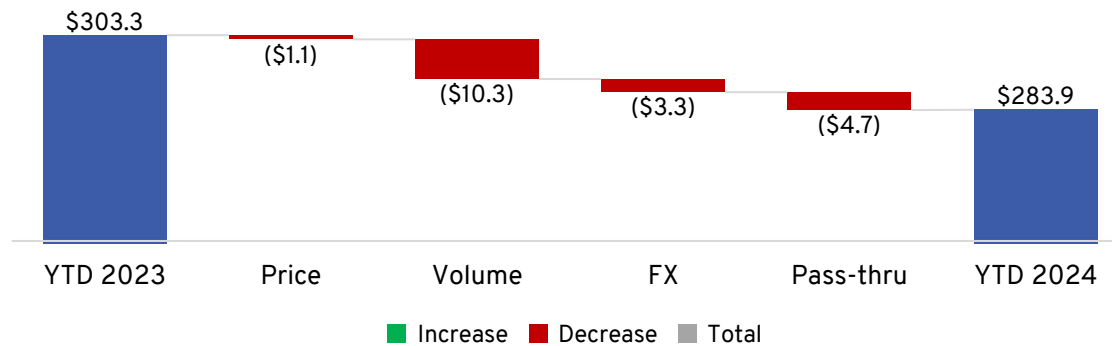
- In July 2024, the Company sold its Lubbock facility which produced non-core injection molded products
- Normalizing for the impact of this sale, Power Solutions sales grew by \$0.9M in Q4 and \$5.5M in full year

Mobile Solutions – Machined Products: Q4'24 Highlights

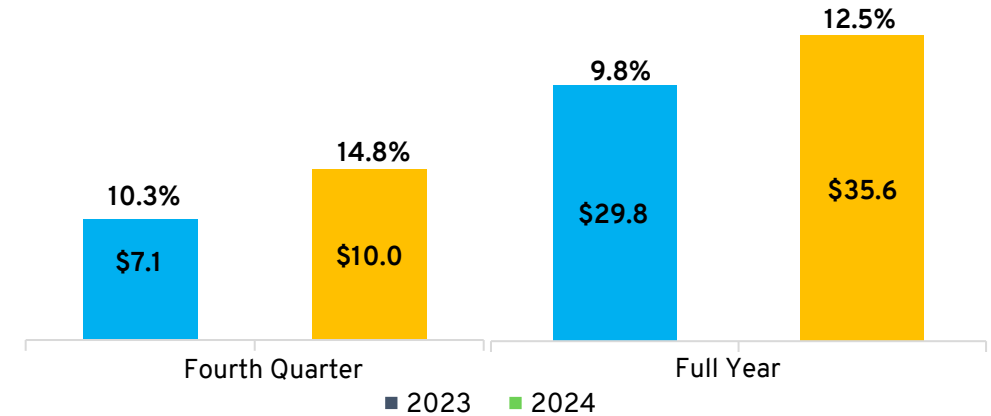
Q4'24 Sales Bridge
(\$ millions)



FY'24 Sales Bridge
(\$ millions)



Adjusted EBITDA & Margin
(\$ millions)



Commentary

- Strong growth in China operations of \$3.4M and \$9.6M for Q4 and the full year, respectively
- The strategic exit of unprofitable business resulted in a net impact to net sales of (\$1.5M) and (\$8.6M) for Q4 and the full year, respectively
- Adjusted EBITDA benefited from sales rationalization and cost reduction

Balance Sheet Improvement Update

→ Term Loan Refinancing Underway

Refinancing Goals

- Improved operational flexibility through improved terms and structure
- Lower overall cost of capital
- Create available capacity to pursue targeted M&A at the right time and/or bolder organic sales growth

Rebooted Term Loan Process

- Re-launched refinancing process in late Q4
- Significant progress since re-launching process
- Expect to announce process conclusion in near future

Installing Balance Sheet to Enable Transformation

- Enable transformation activities and drive equity value increase
- Remain focused on paying down debt and deleveraging
- Will monitor possible preferred equity modifications as we go along

2025 Current Outlook

→ Current market conditions pushing guidance towards lower half of ranges

Revenue of \$450 to \$480 million

- At midpoint, slight growth year-over-year on a pro forma basis
- Normalized for sale of Lubbock mid-year 2024 and rationalized volumes during 2024

Adjusted EBITDA of \$53 to \$63 million

- At midpoint, up ~15% vs. 2024 on a pro forma basis
- Normalized for sale of Lubbock mid-year and rationalized volumes during 2024

New Business Wins of \$60 to \$70 million

- Increasing the number of new wins targeted in Stampings, Power, and Medical
- Working to create a growth outcome in global Mobile Solutions
- Continuing to be cash capex efficient by leveraging \$340 million of current installed machinery and equipment and \$56 million of land and buildings

Key Assumptions

- Key markets remain stable with continuation of 2024 trade policies
- Assumes currencies remain stable and aligned with 2024 levels through 2025
- Global metal markets remain stable with availability
- SOPs remain stable and on-track from new business wins in 2023 and 2024



Appendix

Non-GAAP Financial Measures Footnotes

The Company discloses in this presentation the non-GAAP financial measures of adjusted income (loss) from operations, adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) per diluted share, free cash flow and net debt. Each of these non-GAAP financial measures provides supplementary information about the impacts of acquisition, divestiture and integration related expenses, foreign-exchange impacts on inter-company loans, reorganizational and impairment charges. The costs we incur in completing acquisitions, including the amortization of intangibles and deferred financing costs, and divestitures are excluded from these measures because their size and inconsistent frequency are unrelated to our commercial performance during the period, and we believe are not indicative of our ongoing operating costs. We exclude the impact of currency translation from these measures because foreign exchange rates are not under management's control and are subject to volatility. Other non-operating charges are excluded, as the charges are not indicative of our ongoing operating cost. We believe the presentation of adjusted income (loss) from operations, adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) per diluted share, free cash flow and net debt provides useful information in assessing our underlying business trends and facilitates comparison of our long-term performance over given periods.

The non-GAAP financial measures provided herein may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies may calculate such financial results differently. The Company's non-GAAP financial measures are not measurements of financial performance under GAAP and should not be considered as alternatives to actual income growth derived from income amounts presented in accordance with GAAP. The Company does not consider these non-GAAP financial measures to be a substitute for, or superior to, the information provided by GAAP financial results.

(a) Non-GAAP adjusted EBITDA represents GAAP income (loss) from operations, adjusted to include income taxes, interest expense, write-off of unamortized debt issuance costs, interest rate swap payments and change in fair value, change in fair value of preferred stock derivatives and warrants, depreciation and amortization, charges related to acquisition and transition costs, non-cash stock compensation expense, foreign exchange gain (loss) on inter-company loans, restructuring and integration expense, costs related to divested businesses and litigation settlements, income from discontinued operations, and non-cash impairment charges, to the extent applicable. We believe this presentation is commonly used by investors and professional research analysts in the valuation, comparison, rating, and investment recommendations of companies in the industrial industry. We use this information for comparative purposes within the industry. Non-GAAP adjusted EBITDA is not a measure of financial performance under GAAP and should not be considered as a measure of liquidity or as an alternative to GAAP income (loss) from continuing operations.

Reconciliation of GAAP Income (Loss) from Operations to Non-GAAP Adjusted Income (Loss) from Operations and Non-GAAP Adjusted EBITDA

<i>(in thousands)</i>	Three Months Ended December 31,	
	2024	2023
NN, Inc. Consolidated		
GAAP loss from operations	\$ (16,868)	\$ (7,943)
Professional fees	568	225
Personnel costs (1)	1,577	1,175
Facility costs (2)	7,199	1,617
Amortization of intangibles	3,406	3,478
Fixed asset impairments	6,546	—
Non-GAAP adjusted income (loss) from operations (a)	\$ 2,428	\$ (1,448)
Non-GAAP adjusted operating margin (3)	2.3 %	(1.3) %
Depreciation	5,886	7,999
Other income, net	(65)	(8,760)
Non-cash foreign exchange (gain) loss on inter-company loans	1,031	(422)
Change in fair value of preferred stock derivatives and warrants	(1,618)	9,172
Mexico VAT	632	—
Share of net income from joint venture	2,974	2,719
Non-cash stock compensation	792	763
Non-GAAP adjusted EBITDA (b)	\$ 12,060	\$ 10,023
Non-GAAP adjusted EBITDA margin (4)	11.3 %	8.9 %
GAAP net sales	\$ 106,513	\$ 112,533

<i>(in thousands)</i>	Three Months Ended December 31,	
	2024	2023
Power Solutions		
GAAP income from operations	\$ 1,307	\$ 2,830
Professional fees	—	63
Personnel costs (1)	706	82
Facility costs (2)	51	141
Amortization of intangibles	2,567	2,640
Non-GAAP adjusted income from operations (a)	\$ 4,631	\$ 5,756
Non-GAAP adjusted operating margin (3)	11.8 %	13.3 %
Depreciation	840	1,056
Other income, net	(610)	(162)
Non-cash foreign exchange (gain) loss on inter-company loans	70	(3)
Mexico VAT	632	—
Non-GAAP adjusted EBITDA (b)	\$ 5,563	\$ 6,647
Non-GAAP adjusted EBITDA margin (4)	14.2 %	15.3 %
GAAP net sales	\$ 39,221	\$ 43,330

<i>(in thousands)</i>	Three Months Ended December 31,	
	2024	2023
Mobile Solutions		
GAAP loss from operations	\$ (12,864)	\$ (5,686)
Personnel costs (1)	790	1,091
Facility costs (2)	7,148	1,476
Amortization of intangibles	839	838
Fixed asset impairments	6,546	—
Non-GAAP adjusted income (loss) from operations (a)	\$ 2,459	\$ (2,281)
Share of net income from joint venture	2,974	2,719
Non-GAAP adjusted income from operations with JV (a)	\$ 5,433	\$ 438
Non-GAAP adjusted operating margin (3)	8.1 %	0.6 %
Depreciation	4,678	6,549
Other expense (income), net	(229)	293
Non-cash foreign exchange (gain) loss on inter-company loans	117	(139)
Share of net income from joint venture	2,974	2,719
Non-GAAP adjusted EBITDA (b)	\$ 9,999	\$ 7,141
Non-GAAP adjusted EBITDA margin (4)	14.8 %	10.3 %
GAAP net sales	\$ 67,351	\$ 69,203

<i>(in thousands)</i>	Three Months Ended December 31,	
	2023	2022
Elimination		
GAAP net sales	\$ (59)	\$ —

- (1) Personnel costs include recruitment, retention, relocation, and severance costs
- (2) Facility costs include costs of opening / closing facilities and relocation / exit of manufacturing operations
- (3) Non-GAAP adjusted operating margin = Non-GAAP adjusted income (loss) from operations / GAAP net sales
- (4) Non-GAAP adjusted EBITDA margin = Non-GAAP adjusted EBITDA / GAAP net sales

Reconciliation of GAAP Income (Loss) from Operations to Non-GAAP Adjusted Income (Loss) from Operations and Non-GAAP Adjusted EBITDA

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
NN, Inc. Consolidated		
GAAP loss from operations	(27,548)	(21,804)
Professional fees	648	640
Personnel costs (1)	3,437	2,857
Facility costs (2)	8,280	7,271
Amortization of intangibles	13,723	14,167
Fixed asset impairments	6,546	—
Non-GAAP adjusted income from operations (a)	\$ 5,086	\$ 3,131
Non-GAAP adjusted operating margin (3)	1.1 %	0.6 %
Depreciation	30,721	31,953
Other expense (income), net	4,558	(10,730)
Non-cash foreign exchange (gain) loss on inter-company loans	1,712	(676)
Mexico VAT	632	—
Change in fair value of preferred stock derivatives and warrants	72	10,814
Gain on sale of business	(7,154)	—
Share of net income from joint venture	9,571	5,806
Non-cash stock compensation	3,140	2,823
Non-GAAP adjusted EBITDA (b)	\$ 48,338	\$ 43,121
Non-GAAP adjusted EBITDA margin (4)	10.4 %	8.8 %
GAAP net sales	464,290	489,270

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
Power Solutions		
GAAP income from operations	13,111	11,096
Professional fees	—	63
Personnel costs (1)	887	204
Facility costs (2)	357	1,742
Amortization of intangibles	10,369	10,814
Non-GAAP adjusted income from operations (a)	\$ 24,724	\$ 23,919
Non-GAAP adjusted operating margin (3)	13.7 %	12.9 %
Depreciation	3,994	4,504
Other expense (income), net	(470)	104
Non-cash foreign exchange (gain) loss on inter-company loans	283	(202)
Mexico VAT	632	—
Non-GAAP adjusted EBITDA (b)	\$ 29,163	\$ 28,325
Non-GAAP adjusted EBITDA margin (4)	16.2 %	15.2 %
GAAP net sales	180,545	185,948

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
Mobile Solutions		
GAAP loss from operations	\$ (18,078)	\$ (11,749)
Personnel costs (1)	1,739	1,593
Facility costs (2)	7,930	5,529
Amortization of intangibles	3,354	3,353
Fixed asset impairments	6,546	—
Non-GAAP adjusted income (loss) from operations (a)	\$ 1,491	\$ (1,274)
Share of net income from joint venture	\$ 9,571	\$ 5,806
Non-GAAP adjusted income from operations with JV (a)	\$ 11,062	\$ 4,532
Non-GAAP adjusted operating margin (3)	3.9 %	1.5 %
Depreciation	\$ 25,169	\$ 25,803
Other income, net	(850)	(361)
Non-cash foreign exchange (gain) loss on inter-company loans	227	(151)
Share of net income from joint venture	9,571	5,806
Non-GAAP adjusted EBITDA (b)	\$ 35,608	\$ 29,823
Non-GAAP adjusted EBITDA margin (4)	12.5 %	9.8 %
GAAP net sales	\$ 283,944	\$ 303,335

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
Elimination		
GAAP net sales	\$ (199)	\$ (13)

- (1) Personnel costs include recruitment, retention, relocation, and severance costs
- (2) Facility costs include costs associated with opening or closing facilities and equipment relocation
- (3) Non-GAAP adjusted operating margin = Non-GAAP adjusted income (loss) from operations / GAAP net sales
- (4) Non-GAAP adjusted EBITDA margin = Non-GAAP adjusted EBITDA / GAAP net sales

Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted Net Income (Loss) and GAAP Net Income (Loss) per Diluted Common Share to Non-GAAP Adjusted Net Income (Loss) per Diluted Common Share

<i>(in thousands)</i>	Three Months Ended December 31,	
	2024	2023
GAAP net loss	\$ (20,976)	\$ (20,541)
Pre-tax professional fees	568	225
Pre-tax personnel costs	1,577	1,175
Pre-tax facility costs	7,199	1,617
Pre-tax foreign exchange (gain) loss on inter-company loans	1,031	(422)
Pre-tax write-off of unamortized debt issuance costs	349	—
Pre-tax change in fair value of preferred stock derivatives and warrants	(1,618)	9,172
Pre-tax amortization of intangibles and deferred financing costs	3,976	4,009
Pre-tax impairments of fixed asset costs	6,546	—
Mexico VAT	632	—
Tax effect of adjustments reflected above (c)	(207)	(107)
Non-GAAP adjusted net income (loss) (d)	<u>\$ (923)</u>	<u>\$ (4,872)</u>

<i>(per diluted common share)</i>	Three Months Ended December 31,	
	2024	2023
GAAP net loss per diluted common share	\$ (0.51)	\$ (0.50)
Pre-tax professional fees	0.01	—
Pre-tax personnel costs	0.03	0.02
Pre-tax facility costs	0.15	0.03
Pre-tax foreign exchange (gain) loss on inter-company loans	0.02	(0.01)
Pre-tax write-off of unamortized debt issuance costs	0.01	—
Pre-tax change in fair value of preferred stock derivatives and warrants	(0.03)	0.19
Pre-tax amortization of intangibles and deferred financing costs	0.08	0.08
Pre-tax impairments of fixed asset costs	0.13	—
Mexico VAT	0.01	—
Preferred stock cumulative dividends and deemed dividends	0.09	0.09
Non-GAAP adjusted net income (loss) per diluted common share (d)	<u>\$(0.02)</u>	<u>\$(0.10)</u>
Shares used to calculate net earnings (loss) per share	49,039	47,709

Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted Net Income (Loss) and GAAP Net Income (Loss) per Diluted Common Share to Non-GAAP Adjusted Net Income (Loss) per Diluted Common Share

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
GAAP net income (loss)	\$ (38,273)	\$ (50,150)
Pre-tax foreign exchange (gain) loss on inter-company loans	1,712	(676)
Pre-tax professional fees	648	640
Pre-tax personnel costs	3,437	2,857
Pre-tax facility costs	8,280	7,271
Pre-tax write-off of unamortized debt issuance costs	349	—
Pre-tax change in fair value of preferred stock derivatives and warrants	72	10,814
Pre-tax change in gain on sale of business	(7,154)	—
Pre-tax amortization of intangibles and deferred financing costs	16,012	16,108
Pre-tax impairments of fixed asset costs	6,546	—
Mexico VAT	632	—
Tax effect of adjustments reflected above (c)	(412)	(592)
Non-GAAP adjusted net income (loss) (d)	<u>\$ (8,151)</u>	<u>\$ (13,728)</u>

<i>(per diluted common share)</i>	Year Ended December 31,	
	2024	2023
GAAP net income (loss) per diluted common share	\$ (1.11)	\$ (1.35)
Pre-tax foreign exchange (gain) loss on inter-company loans	0.04	(0.01)
Pre-tax professional fees	0.01	0.01
Pre-tax personnel costs	0.07	0.06
Pre-tax facility costs	0.17	0.16
Pre-tax write-off of unamortized debt issuance costs	0.01	—
Pre-tax change in fair value of preferred stock derivatives and warrants	—	0.23
Pre-tax change in gain on sale of business	(0.15)	—
Pre-tax amortization of intangibles and deferred financing costs	0.28	0.30
Pre-tax impairments of fixed asset costs	0.13	—
Mexico VAT	0.01	—
Tax effect of adjustments reflected above (c)	(0.01)	(0.01)
Preferred stock cumulative dividends and deemed dividends	0.32	0.28
Non-GAAP adjusted net income (loss) per diluted common share (d)	<u>\$(0.17)</u>	<u>\$(0.29)</u>
Weighted average common shares outstanding	48,653	46,738

Reconciliation of Operating Cash Flow to Free Cash Flow

<i>(in thousands)</i>	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 6,681	\$ 5,454	\$ 11,070	\$ 29,344
Acquisition of property, plant, and equipment	(2,962)	(4,204)	(18,314)	(20,496)
Proceeds from sale of property, plant, and equipment	40	22	306	2,898
Proceeds from sale-leaseback of equipment	—	—	8,324	—
Transaction costs incurred from sale of business	—	—	1,566	—
Free cash flow	<u>\$ 3,759</u>	<u>\$ 1,272</u>	<u>\$ 2,952</u>	<u>\$ 11,746</u>

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Thank You