Q1 2022
Earnings

NN, INC. | MAY 5, 2022

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For additional information concerning such risk factors and cautionary statements, please see the section titled "Risk Factors" in the Company's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and when filed, the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2022. Except as required by law, we undertake no obligation to update or revise any forward-looking statements we make in our press releases, whether as a result of new information, future events or otherwise.

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

Today's Agenda

1. First Quarter Financial Update
2. Market Review & Segment Highlights
3. 2022 Outlook
4. Q&A

First Quarter Financial Update

2022

First Quarter 2022 Overview

Sales Growth

- First quarter sales of $128.1 million, up 1.0% year over year
- Power Solutions up 6.0% primarily due to pricing increases
- Mobile Solutions down 2.2% primarily due to lower customer demand, partially offset by pricing

Inflation

- Power Solutions able to recover nearly all inflationary costs
- Implemented 100% material pass through for nearly all Mobile Solutions' customers
- Mobile Solutions recovery of labor increases and other inflationary costs limited by customer expectations of productivity

Operating Income / EPS

- Operating loss of ($3.4) million versus income of $1.0 million in 2021
- Non-GAAP adjusted operating income decreased from $6.4 million in Q1 2021 to $2.7 million in Q2 2022
- EPS of ($0.13) vs. ($0.46) last year; Non-GAAP adjusted EPS of $0.00 vs. $0.05 last year

EBITDA

- Reported EBITDA of $13.1 million, or 10.2% of sales, down 86 bps compared to prior year
- Adjusted EBITDA of $13.4 million, or 10.5% of sales, down 287 bps compared to prior year

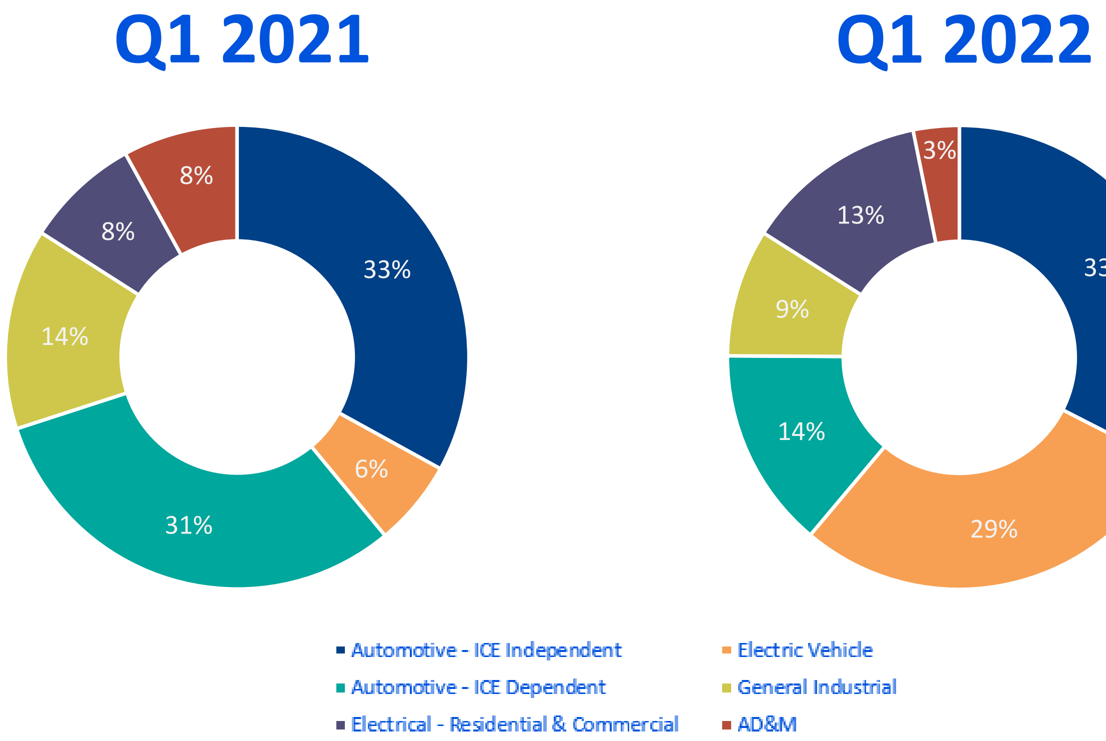
Debt / Liquidity

- Net debt to adjusted EBITDA leverage ratio of 2.9x and liquidity of $58.4 million at quarter end
- One month LIBOR approaching 1% floor on $150 million term loan, $60 million hedged via interest rate swap executed in July 2021

Cash Flow / Working Capital

- Free cash flow use of $9.5 million
- Working capital turns increase from 4.0 in Q4 2021 to 4.2 in Q1 2022
- Free cash flow use driven by increase in accounts receivable due to higher sequential sales

Sales Pipeline



Sales pipeline grew 149% year over year

As a percent of total pipeline:

- *ICE Dependent Automotive decreased by 17%*
- *Electric Vehicle increased by 23%*

ICE Dependent = components utilized on a gasoline internal combustion engine vehicle (e.g., fuel systems, powertrain)

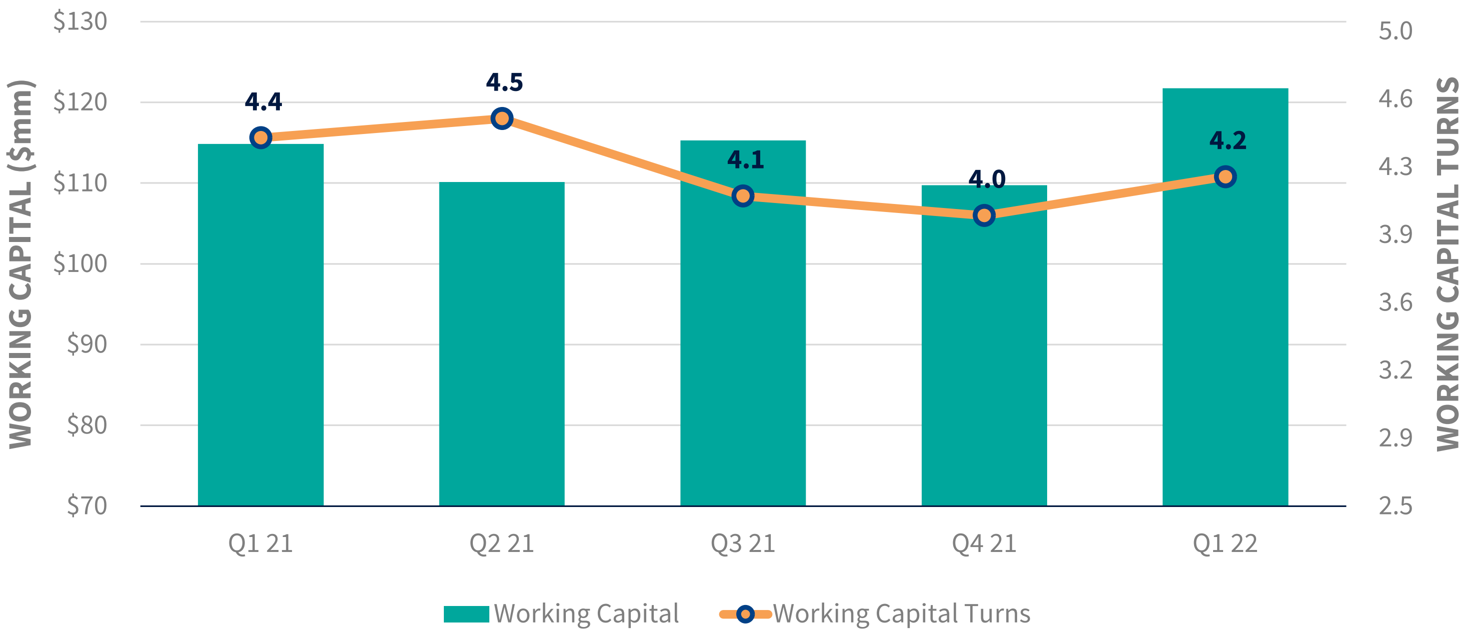
ICE Independent = automotive components that are agnostic to propulsion technology (e.g., power steering, braking, electric motors etc.)

First Quarter Financial Highlights

	Δ Y/Y	Q1 2022	Q1 2021
Sales	⬆ 1.0%	$128.1 million	$126.8 million
Organic	⬆ 0.9%		
FX Impact	⬆ 0.1%		
Operating Income (Loss)	⬇ -449.8%	($3.4) million	$1.0 million
Non-GAAP Adjusted Operating Income (Loss)	⬇ -58.2%	$2.7 million	$ 6.4 million
Non-GAAP Adjusted EBITDA	⬇ -20.8%	$13.4 million	$ 16.9 million
Non-GAAP Adjusted EBITDA Margin	⬇ -287bps	10.5%	13.3%
Diluted EPS	⬆ 71.5%	($0.13)	($0.46)
Non-GAAP Adjusted Diluted EPS	⬇ -100.0%	$0.00	$0.05

- Strong sequential growth in sales from Q4 2021 of $17.7 million, or 16%, inclusive of pricing actions
- Price pass through of material and other inflationary costs at low / zero margin impacted adjusted EBITDA margin by ~60 bps
- Lower inventory absorption impacted adjusted EBITDA margin by ~50 bps
- Results were also impacted by operational inefficiencies due to supply chain disruption, COVID-19 pandemic related employee absenteeism, and unrecovered inflationary costs

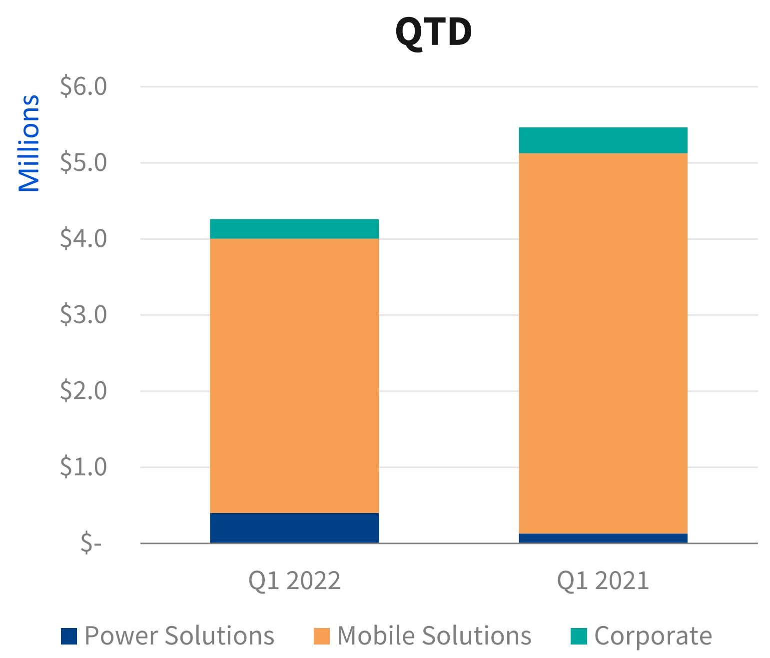
Working Capital



Working capital turns increased in line with sequential sales growth from Q4 2021

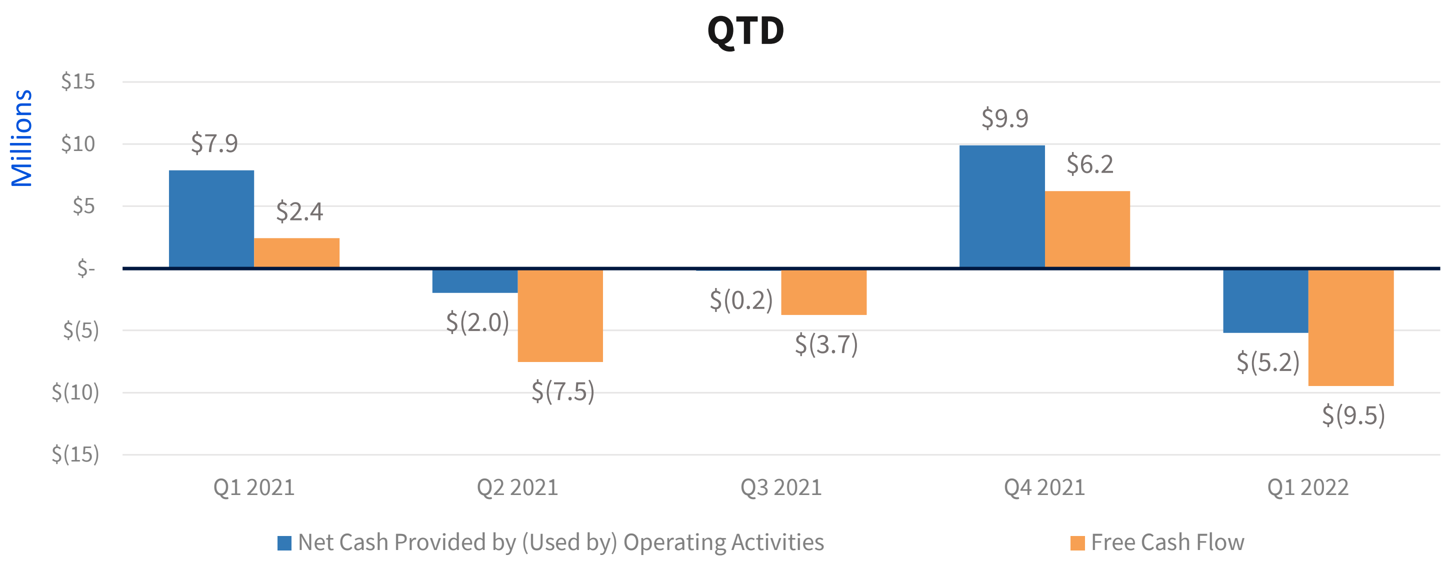
Working Capital Turns = Current Quarter Sales Annualized / Working Capital

Capital Expenditures



Managed capex spend during Q1 given working capital impact on free cash flow due to sequential sales increase. Full year capital expenditures estimated at ~$20-$22 million.

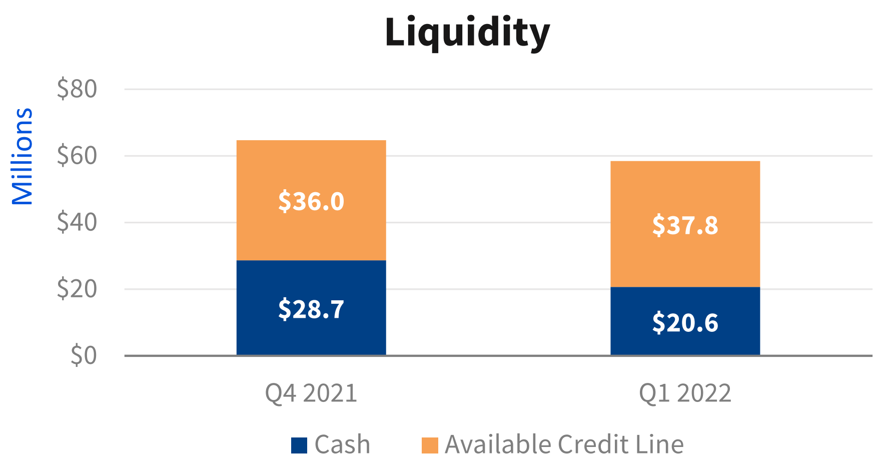
Free Cash Flow



Free cash flow drivers for Q1 2022:

- *$12 million cash use for increase in working capital, primarily due to $18.0 million increase in accounts receivable as a result of $17.7 million sequential sales growth from Q4 2021*
- *$1.8 million cash use for final Life Sciences tax payment, severance and litigation cost*
- *$3.6 million cash received for China joint venture dividend, net of tax*

Net Debt & Leverage



Note: The Available Credit Line is reduced by non-cash lines of credit.

Debt Metrics						
$000's		**1Q22**			**1Q21**	
Short Term Debt	$	6,199		$	8,886	
Long Term Debt		155,418			157,466	
Funded Debt		161,617			166,352	
Cash		20,627			43,033	
Net Debt	$	140,990		$	123,319	
Shareholders Equity		223,028		$	234,755	
Net Debt (Per Above)	$	140,990		$	123,319	
TTM Adjusted EBITDA as Reported		48,599		$	53,263	
Net Debt to Adjusted EBITDA		**2.90**	**x**		**2.32**	**x**

Liquidity remains strong at $58.4 million and maintained leverage ratio below our target of 3.0x

Market Review & Segment Highlights

Current Market Update

Mobile Solutions

- Supply chain challenges, notably semiconductors, COVID-19 pandemic impacts in China, and the Russia-Ukraine conflict are impacting global light vehicle production. 2022 base production outlook is 81.6 million or +6% over 2021* with a lower boundary of 77.1 million or effectively flat over 2021.
- Light vehicle volume disruption associated with semiconductor supply is expected to recede each quarter for 2022. Semiconductor shortages impacted light vehicle production by 2 million units and is expected to taper down to a 500-thousand-unit impact in Q4 2022.
- Major OEMs are shifting compensation structure for employees to drive more emphasis on Electric Vehicle ("EV") development and commercialization. NN is well positioned for the transition as OEMs continue to invest in EV development.

Power Solutions

- Rapid transformation of energy and electrical equipment markets drives continued focus on decarbonization, decentralization, and digitization. Governments around the world are actively changing policies and increasing incentives for the use of sustainable energy systems and the advancement of transformational technologies.
- Edison Electric Institute expects that utilities will invest ~$140 billion each year in 2022 and 2023 in the United States to meet government-mandated renewable-energy goals, substantially more than any year since 2000. The investments will bolster the reliability of the grid as outages become longer and more frequent, primarily due to intermittent renewables that cannot always meet demand, as well as aging infrastructure.

2025 Transformational Growth Initiatives Aligned With Markets

*Note: 2022 production outlook obtained from LMC.

Mobile Solutions – Q1 2022

Sales down 2.2%, or $1.7 million, from prior year

- (-) 2021 included exceptional demand for diesel products ahead of increased emission compliance deadlines, while 2022 volumes returned to normal levels.
- (-) Continued impact of semiconductor chip shortage driving lost OEM production.
- (+) Increased pricing from customers to offset inflationary cost increases and lost contribution from below-contract volume demand.

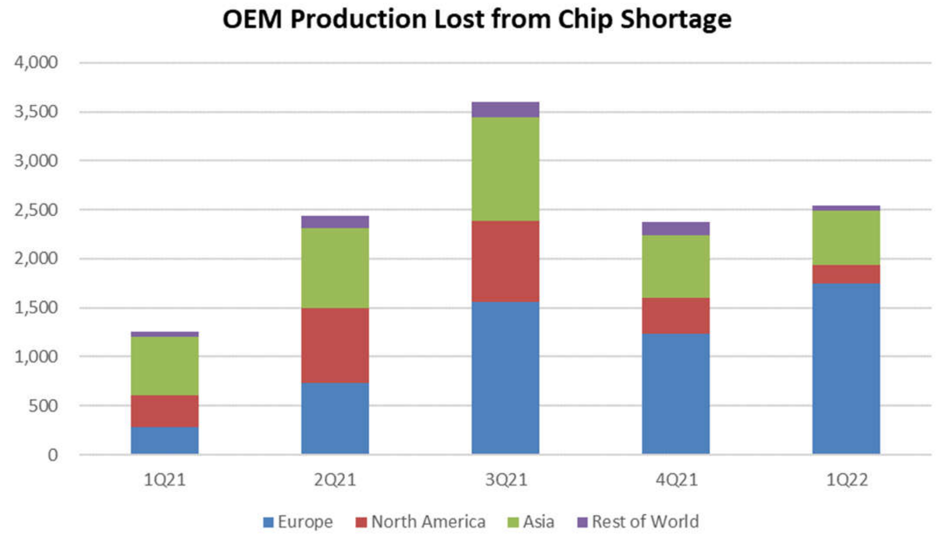
Profitability

- (-) Pricing negotiations successful in recovering inflationary costs, but generally do not include normal margin.
- (-) Variable cost inefficiencies associated with supply chain interruptions, uneven customer ordering patterns, and labor constraints caused by pandemic interruptions.
- (-) Lost contribution from lower sales.
- (-) 2021 included fixed cost absorption associated with inventory build that did not recur in 2022.
- (+) Increased income from China JV due to higher sales.

Current Focus & Looking Forward

- Demand continues to recover, however the reemergence of COVID in China, the Ukraine conflict and the semiconductor chip shortage challenges present risks.
- Pricing negotiations continue with expectations of additional inflation cost recovery.
- Actively managing supply chain and manpower challenges and protecting cash flow through capital expenditure and working capital management.

Mobile Solutions *(In millions)*	Q1 2022	% of Sales	Q1 2021	% of Sales	% Change	Margin Change
Sales	$ 76.1		$ 77.8		-2.2%	
Operating Profit - GAAP	$ 2.0	2.6%	$ 6.1	7.8%	-67.7%	-524 bps
Operating Profit - Adjusted	$ 3.0	4.0%	$ 7.1	9.1%	-57.1%	-512 bps
Reported EBITDA	$ 11.2	14.7%	$ 14.4	18.6%	-22.3%	-381 bps
Adjusted EBITDA	$ 11.2	14.8%	$ 14.9	19.2%	-24.6%	-439 bps



Units in thousands
Source: LMC Automotive Global Light Vehicle Disruption Tracker April 13, 2022

Power Solutions – Q1 2022

Sales up 6.0%, or $2.9 million, from prior year

- (+) Strength for electrical components for residential / commercial electric and general industrial end markets, including increased pricing to offset inflationary cost increases.

Profitability

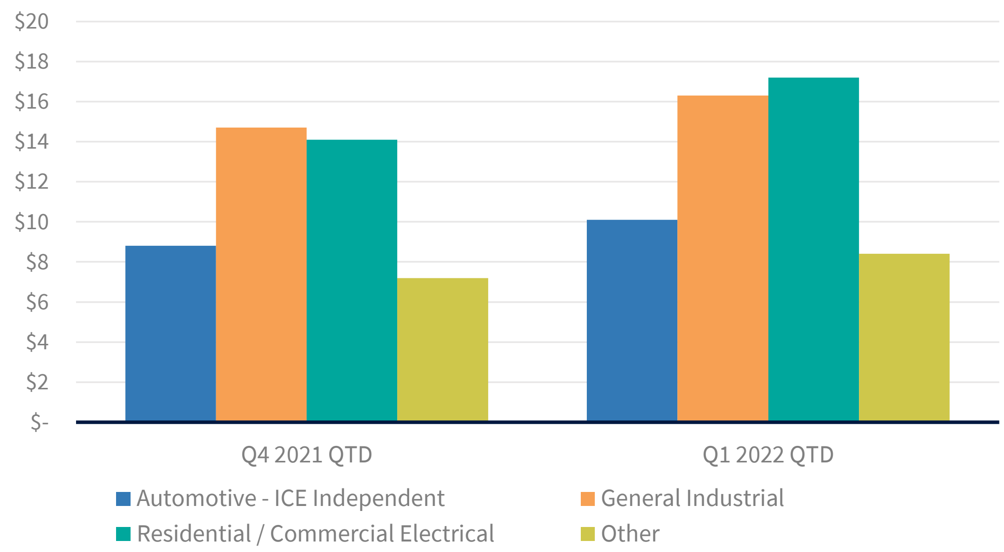
- (-) Variable cost inefficiencies associated with unfavorable mix shifts, supply chain interruptions, uneven customer ordering patterns, and labor constraints caused by pandemic interruptions, particularly in January.
- (-) Pricing negotiations successful in recovering inflationary costs, but generally do not include normal margin.
- (-) GAAP results impacted by $1.8 million due to an agreement to settle breach of contract claims brought by a former customer.

Current Focus & Looking Forward

- Taunton, MA facility consolidation on schedule, will continue to have negative impact on adjusted EBITDA until closure at end of year.
- Actively managing supply chain and manpower challenges and protecting cash flow through capital expenditure and working capital management.

Power Solutions (In millions)	Q1 2022	% of Sales	Q1 2021	% of Sales	% Change	Margin Change
Sales	$ 52.0		$ 49.1		6.0%	
Operating Profit - GAAP	$ 0.4	0.7%	$ 2.4	5.0%	-85.1%	-426 bps
Operating Profit - Adjusted	$ 5.2	9.9%	$ 5.5	11.2%	-6.0%	-126 bps
Reported EBITDA	$ 4.3	8.3%	$ 6.5	13.2%	-33.3%	-490 bps
Adjusted EBITDA	$ 6.3	12.2%	$ 6.8	13.9%	-6.8%	-167 bps

Revenue by Customer Market ($mm)



Reaffirming 2022 Outlook:

Net Sales
$515-$540 million / Up 8–13%
2021 Actual - $477.6 million

Non-GAAP Adjusted EBITDA
$57-$63 million / Up 9–21%
2021 Actual - $52.1 million

Free Cash Flow
$14-$20 million/ Up $17-$23 million
2021 Actual – ($2.6) million

Includes cash outflow of ~$7 million for Life Sciences sale tax, FICA deferral repayment, litigation, severance, and facility closure costs

Does not include CARES Act tax refund of ~$10 million due to uncertain timing

Questions & Answers

Appendix

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

000's	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
GAAP net income (loss)	$ (3,302)	$ (4,913)
Pre-tax acquisition and transition expense	2,254	1,789
Pre-tax foreign exchange (gain) loss on inter-company loans	(595)	619
Pre-tax write-off of unamortized debt issuance costs	—	2,390
Pre-tax change in fair value of preferred stock derivatives and warrants	(2,543)	(449)
Pre-tax amortization of intangibles and deferred financing costs	3,919	3,992
Pre-tax derivative loss, net of cash settlements	—	3,750
Pre-tax impairments of fixed asset costs	233	—
Tax effect of adjustments reflected above (c)	(686)	(2,564)
Non-GAAP discrete tax adjustments	551	(2,382)
Non-GAAP adjusted net income (loss) (d)	$ (169)	$ 2,232

Per diluted common share	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
GAAP net income (loss) per diluted common share	$ (0.13)	$ (0.46)
Pre-tax acquisition and transition expense	0.05	0.04
Pre-tax foreign exchange (gain) loss on inter-company loans	(0.01)	0.01
Pre-tax write-off of unamortized debt issuance costs	—	0.06
Pre-tax change in fair value of preferred stock derivatives and warrants	(0.06)	(0.01)
Pre-tax amortization of intangibles and deferred financing costs	0.09	0.09
Pre-tax interest rate swap payments and change in fair value	—	0.09
Pre-tax impairments of fixed asset costs	0.01	—
Tax effect of adjustments reflected above (c)	(0.02)	(0.06)
Non-GAAP discrete tax adjustments	0.01	(0.06)
Preferred stock cumulative dividends and deemed dividends	0.06	0.34
Non-GAAP adjusted net income (loss) per diluted common share (d)	$0.00	$0.05
Weighted average common shares outstanding	44,594	42,672

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

$000s NN, Inc. Consolidated	Three Months Ended March 31, 2022	2021
GAAP income (loss) from operations	$ (3,420)	$ 978
Acquisition and transition expense*	2,254	1,789
Amortization of intangibles	3,587	3,586
Fixed asset impairments	233	—
Non-GAAP adjusted income (loss) from operations (a)	$ 2,654	$ 6,354
Non-GAAP adjusted operating margin (1)	2.1 %	5.0 %
Depreciation	7,842	7,981
Other income/expense	2,996	122
Non-cash foreign exchange (gain) loss on inter-company loans	(695)	619
Change in fair value of preferred stock derivatives and warrants	(2,643)	(449)
Share of net income from joint venture	2,092	1,395
Non-cash stock compensation	949	887
Non-GAAP adjusted EBITDA (b)	$ 13,395	$ 16,909
Non-GAAP adjusted EBITDA margin (2)	10.5 %	13.3 %
GAAP net sales	$ 128,067	$ 126,804

$000s Power Solutions	Three Months Ended March 31, 2022	2021
GAAP income (loss) from operations	$ 364	$ 2,432
Acquisition and transition expense	2,039	298
Amortization of intangibles	2,749	2,748
Non-GAAP adjusted income (loss) from operations (a)	$ 5,152	$ 5,478
Non-GAAP adjusted operating margin (1)	9.9 %	11.2 %
Depreciation	1,294	1,213
Other income/expense	(79)	94
Non-cash foreign exchange (gain) loss on inter-company loans	(18)	26
Non-GAAP adjusted EBITDA (b)	$ 6,349	$ 6,811
Non-GAAP adjusted EBITDA margin (2)	12.2 %	13.9 %
GAAP net sales	$ 52,011	$ 49,075

$000s Mobile Solutions	Three Months Ended March 31, 2022	2021
GAAP income (loss) from operations	$ 1,969	$ 6,090
Acquisition and transition expense	—	162
Amortization of intangibles	838	838
Fixed asset impairments	233	—
Non-GAAP adjusted income (loss) from operations (a)	$ 3,040	$ 7,090
Share of net income from joint venture	2,092	1,395
Non-GAAP adjusted income (loss) from operations with JV	$ 5,132	$ 8,485
Non-GAAP adjusted operating margin (1)	6.7 %	10.9 %
Depreciation	6,165	6,388
Other income/expense	153	(282)
Non-cash foreign exchange (gain) loss on inter-company loans	(222)	306
Share of net income from joint venture	2,092	1,395
Non-GAAP adjusted EBITDA (b)	$ 11,228	$ 14,897
Non-GAAP adjusted EBITDA margin (2)	14.8 %	19.2 %
GAAP net sales	$ 76,070	$ 77,776

$000s Elimination	Three Months Ended March 31, 2022	2021
GAAP net sales	$ (14)	$ (47)

(1) Non-GAAP adjusted operating margin = Non-GAAP adjusted income (loss) from operations / GAAP net sales
(2) Non-GAAP adjusted EBITDA margin = Non-GAAP adjusted EBITDA / GAAP net sales

*2022 includes professional fees of $0.2 million of professional fees, $0.2 million of integration & transformation fees, and $1.9 million of asset write-downs and litigation settlement fees.

*2021 includes $0.6 million of professional fees and $1.2 million of integration & transformation fees.

Reconciliation of Operating Cash Flow to Free Cash Flow

000's	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net cash provided by (used in) operating activities	(5,223)	7,884
Acquisition of property, plant and equipment	(4,262)	(5,468)
Free cash flow	$ (9,485)	$ 2,416

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. Over the past five years, we have completed several acquisitions, one of which was transformative for the Company, and sold two of our businesses. The costs we incurred in completing such acquisitions, including the amortization of intangibles and deferred financing costs, and these divestitures have been excluded from these measures because their size and inconsistent frequency are unrelated to our commercial performance during the period, and which 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 income (loss) from operations represents GAAP income (loss) from operations, adjusted to exclude the effects of restructuring and integration expense; non-operational charges related to acquisition and transition expense, intangible amortization costs for fair value step-up in values related to acquisitions, non-cash impairment charges, and when applicable, our share of income from joint venture operations. 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 income (loss) from operations 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 operations.

(b) 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.

(c) This line item reflects the aggregate tax effect of all non-GAAP adjustments reflected in the respective table. NN, Inc. estimates the tax effect of the adjustment items identified in the reconciliation schedule above by applying the applicable statutory rates by tax jurisdiction unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment.

(d) Non-GAAP adjusted net income (loss) represents GAAP net income (loss) adjusted to exclude the tax-affected effects of charges related to acquisition and transition costs, foreign exchange gain (loss) on inter-company loans, restructuring and integration charges, amortization of intangibles costs for fair value step-up in values related to acquisitions and amortization of deferred financing costs, non-cash impairment charges, 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, costs related to divested businesses and litigation settlements, income (loss) from discontinued operations, and preferred stock cumulative dividends and deemed dividends. 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 income (loss) from segment operations 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.