



# TPI Investor Presentation

Q4 2024



*Decarbonize  
& Electrify*



# Legal Disclaimer

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. In many cases, you can identify forward-looking statements by terms such as “may,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar words. Forward-looking statements contained in this release include, but are not limited to, statements about: i. competition from other wind blade and wind blade turbine manufacturers; ii. the discovery of defects in our products and our ability to estimate the future cost of warranty campaigns; iii. the current status of the wind energy market and our addressable market; iv. our ability to absorb or mitigate the impact of price increases in resin, carbon reinforcements (or fiber), other raw materials and related logistics costs that we use to produce our products; v. our ability to absorb or mitigate the impact of wage inflation in the countries in which we operate; vi. our ability to procure adequate supplies of raw materials and components to fulfill our wind blade volume commitments to our customers; vii. the potential impact of the increasing prevalence of auction-based tenders in the wind energy market and increased competition from solar energy on our gross margins and overall financial performance; viii. our future financial performance, including our net sales, cost of goods sold, gross profit or gross margin, operating expenses, ability to generate positive cash flow and ability to achieve or maintain profitability; ix. changes in domestic or international government or regulatory policy, including without limitation, changes in trade policy and energy policy; x. changes in global economic trends and uncertainty, geopolitical risks, and demand or supply disruptions from global events; xi. changes in macroeconomic and market conditions, including the potential impact of any pandemic, risk of recession, rising interest rates and inflation, supply chain constraints, commodity prices and exchange rates, and the impact of such changes on our business and results of operations; xii. the sufficiency of our cash and cash equivalents to meet our liquidity needs; xiii. the increasing cost and availability of additional capital, should such capital be needed; xiv. our ability to attract and retain customers for our products, and to optimize product pricing; xv. our ability to effectively manage our growth strategy and future expenses, including our startup and transition costs; xvi. our ability to successfully expand in our existing wind

energy markets and into new international wind energy markets, including our ability to expand our field service inspection and repair services business; xvii. our ability to keep up with market changes and innovations; xviii. our ability to successfully open new manufacturing facilities and expand existing facilities on time and on budget; xix. the impact of the pace of new product and wind blade model introductions on our business and our results of operations; xx. Our projected sales and costs, including materials costs and capital expenditures, during the current fiscal year; xxi. our ability to maintain, protect and enhance our intellectual property; xxii. our ability to comply with existing, modified, or new laws and regulations applying to our business, including the imposition of new taxes, duties, or similar assessments on our products; xxiii. the attraction and retention of qualified associates and key personnel; xxiv. our ability to maintain good working relationships with our associates, and avoid labor disruptions, strikes and other disputes with labor unions that represent certain of our associates; xxv. the potential impact of one or more of our customers becoming bankrupt or insolvent or experiencing other financial problems; xxvi. our projected business model during the current fiscal year, including with respect to the number of wind blade manufacturing lines we anticipate; and xxvii. our ability to service our current debt and comply with any covenants related to such debt. These forward-looking statements are only predictions.

These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, levels of activity, performance or achievements to materially differ from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as guarantees of future events. Further information on the factors, risks and uncertainties that could affect our financial results and the forward-looking statements in this presentation are included in our filings with the Securities and Exchange Commission and will be included in subsequent periodic and current reports we make with the Securities and Exchange Commission from time to time, including in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission.

The forward-looking statements in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and

developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we undertake no obligation to update any forward-looking statement to reflect events or developments after the date on which the statement is made or to reflect the occurrence of unanticipated events except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date after the date of this presentation. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

This presentation includes unaudited non-GAAP financial measures including EBITDA, adjusted EBITDA, net cash (debt) and free cash flow. We define EBITDA, a non-GAAP financial measure, as net income or loss from continuing operations plus interest expense net, income taxes, depreciation and amortization, preferred stock dividends and accretion less gain on extinguishment on series A preferred stock. We define adjusted EBITDA as EBITDA plus any share-based compensation expense, plus or minus any foreign currency losses or income, plus or minus any losses or gains from the sale of assets and asset impairments, plus any restructuring charges. We define net cash (debt) as total unrestricted cash and cash equivalents less the total principal amount of debt outstanding. We define free cash flow as net cash flow from operating activities less capital expenditures. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See the Appendix for the reconciliations of certain non-GAAP financial measures to the comparable GAAP measures.

This presentation also contains estimates and other information concerning our industry that are based on industry publications, surveys and forecasts. This information involves a number of assumptions and limitations, and we have not independently verified the accuracy or completeness of the information



# Investment Thesis

*Decarbonize & Electrify*

Only Independent Wind Blade Manufacturer with a **Global Footprint**



Capitalize on Electric Sector **Decarbonization** and renewables demand for **Load Growth** and Energy **Independence/Security**



Advanced **Composite Technology** and **Production Expertise** Provide **Barriers to Entry**



Collaborative and Dedicated OEM Supplier Model Drives **Competitive Economics**



OEM Supply Agreements Provide **Revenue Visibility**



**Experienced Management Team** with Substantial **Global Growth Expertise**



# Global Footprint

-  Wind Blade Manufacturing
-  Tooling / R&D / Engineering
-  Global Services



**8** Wind Blade Manufacturing Facilities

**5** Tooling, R&D and Advanced Engineering Facilities

**7** Countries  
Global Exposure for Local Supply Chain Optimization

# tpi Industry Leading Customer Base

TPI's customers account for **88%** of the U.S. Onshore wind turbine market and **77%** of the Global Onshore wind turbine market *excluding China*<sup>1</sup>

## KEY CUSTOMERS WITH SIGNIFICANT MARKET SHARE

Global Onshore Wind excluding China<sup>1</sup>  
Four of the top five OEMs



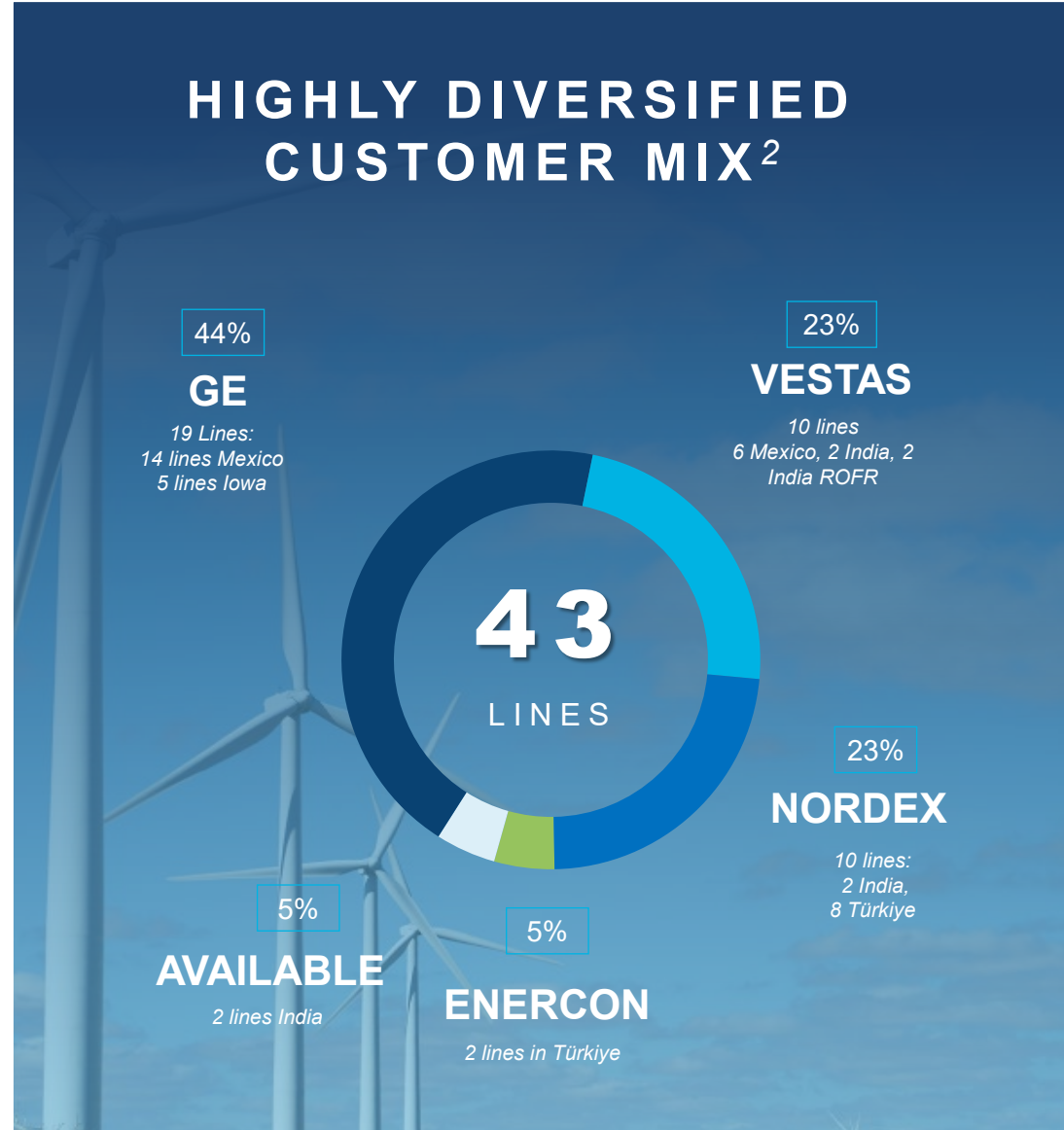
32%

23%

16%

6%

**Total TPI Customer Market Share 77%**



1. Source: BloombergNEF. Figures are approximate and are for the three years ended December 31, 2023. Figures are based on megawatts (MW) installed.

2. Current capacity and projected lines under contract and available at end of 2024.

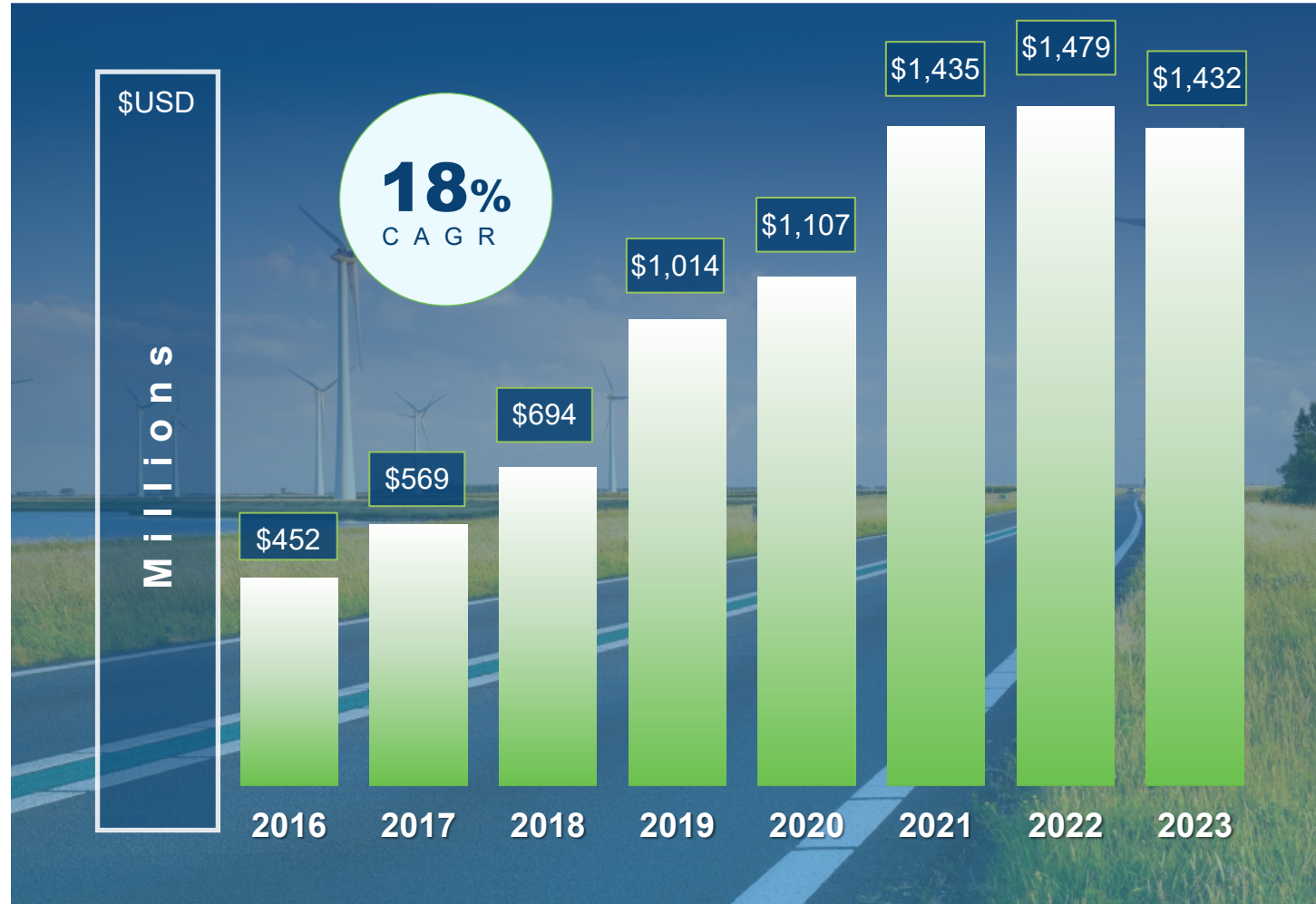


# Established Growth Track Record

## NET SALES FROM CONTINUING OPERATIONS 2016-2023

Top line has grown steadily with a 18% CAGR since becoming a public company in 2016

- 2024 Guidance: ~\$1.35 billion
  - 10 lines in start-up / transition
    - 7 complete, 3 to be completed in Q4
  - Utilization: 75 – 80%
- Long Term Wind Target: \$2 billion+
  - With existing capacity under rooftop
  - Utilization: ~90%



## Regulatory FACTORS

- International carbon emission reduction targets:
  - ✓ **United States** transition to carbon free electricity by 2035
  - ✓ **European Union**: 2030 climate target
  - ✓ **India**: reach carbon neutrality by 2070
  - ✓ **China**: reach carbon neutrality by 2060
- **U.S. Regulatory support** including the Infrastructure and Inflation Reduction Act bills
- **European Union regulatory support** including REPowerEU, European Green Energy Deal, Net Zero Industry Act and Wind Power Plan

## Economic FACTORS

- Renewable energy is often **lower cost** than marginal cost of conventional generation technologies
- Technology improvements, including batteries, hydrogen & electric vehicles, and the trend towards **electrification**
- Retirement of fossil fuel generation
- Economic **growth**
- Need for **global energy independence**
- **GenAI** power requirements
- **U.S. reshoring**

## Social FACTORS

- Greater social adoption of **environmentally conscious products** and services
- **Political** pressure
- **Consumer choice**
- **Population growth** and urbanization
- **Job creation**

## Investor FACTORS

- Continued focus on Sustainability **considerations**
- **Climate change** risks
- **Sustainability disclosures** and reporting

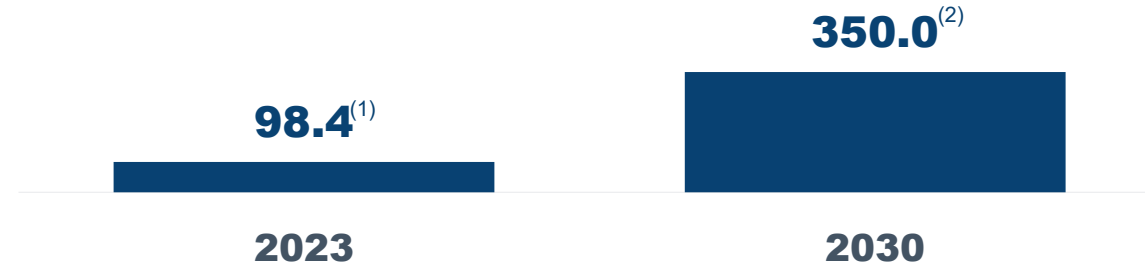
# tpi Zero-Emission Installation Needs

## 1,009 GW of Wind Turbine Installations through 2023 <sup>(1)</sup>



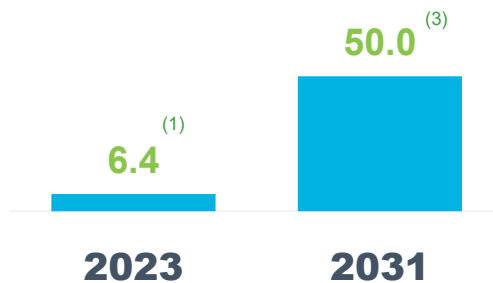
## Global Wind Install Needs

To reach zero emissions by 2050, IEA expects wind installs to reach 4X that of 2023.



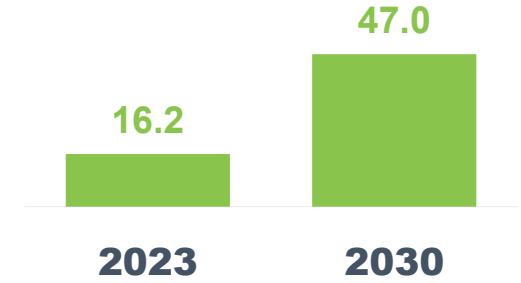
## U.S. Wind Install Needs

To achieve 2035 zero-carbon energy goal, the U.S. will need to expand 8X annual wind installs to 50GW/year by 2031.



## EU Wind Install Needs<sup>(4)</sup>

To meet REpowerEU targets, the European Union needs to reach 425GW of wind by 2030, up from 220GW today.

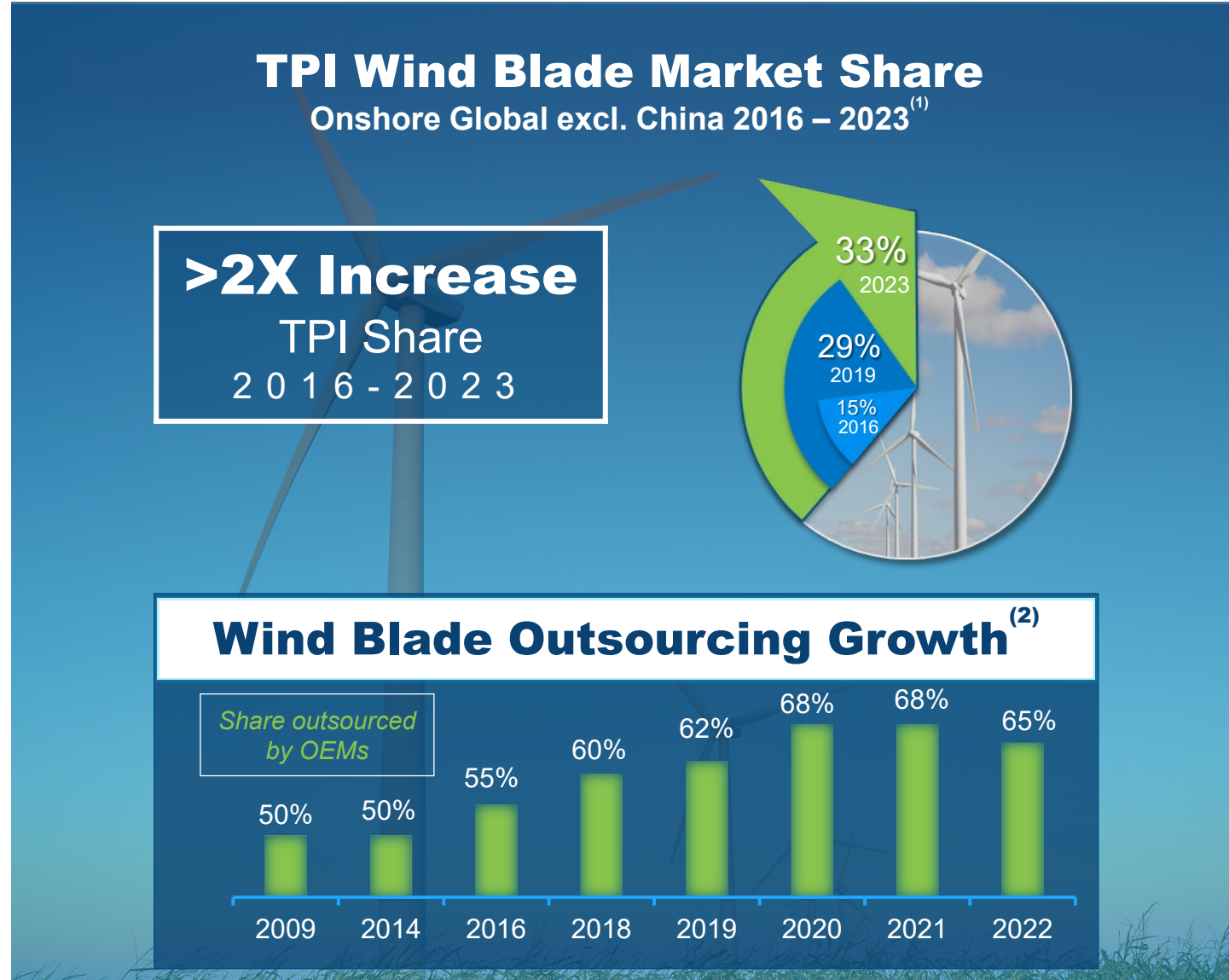




# Leading Outsourced **Wind Blade Manufacturer**

## Market Share Growth Driven by:

- ✓ Continuation of **outsourcing**
- ✓ Growth & leverage of **global footprint**
- ✓ Expansion of **services offered**
- ✓ **Opportunistic expansion**

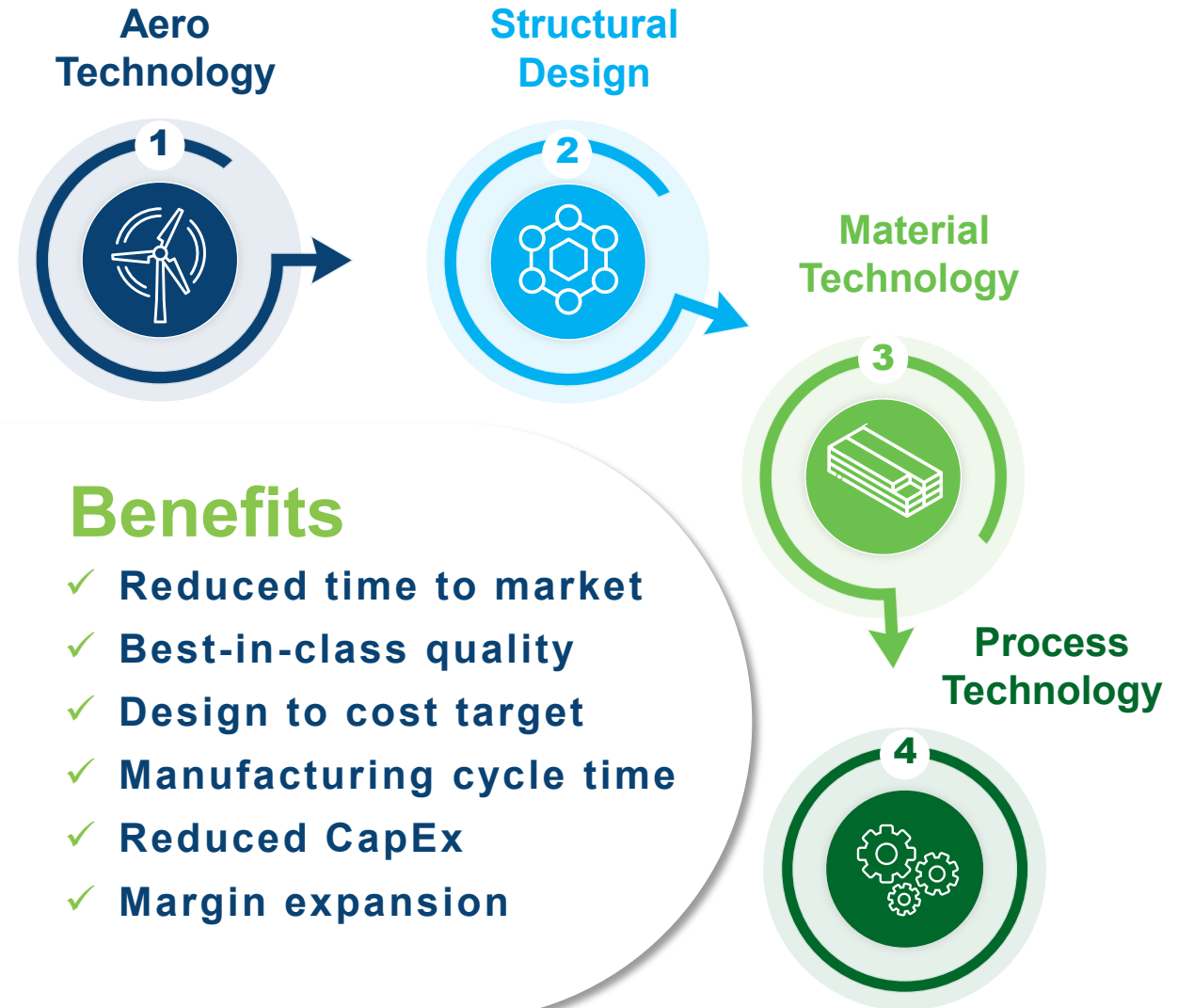


(1) TPI's market share based on TPI MW relative to global total onshore MW (excl. China) from Wood Mackenzie, "Global Wind Power Market Outlook Q1 2024. 2016 & 2019 includes discontinued operations in China.

(2) Wood Mackenzie, Global Wind Supply Chain Trends Series – includes offshore and onshore

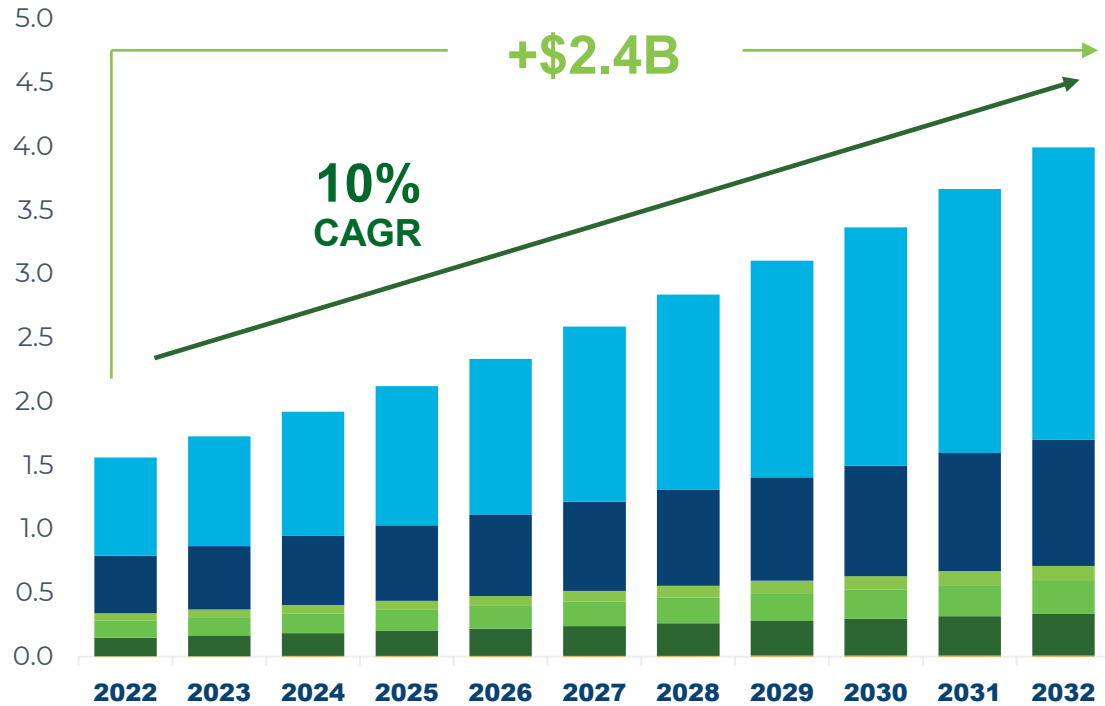
## TPI + Customers Enhanced Collaboration

- ✓ Mutually dependent technology partnership
- ✓ True partnerships with customers result in innovative product development projects
- ✓ Collaborative full design capabilities
- ✓ Customer / TPI joint prototyping of blades
- ✓ Improved design for manufacturing and quality
- ✓ Enhanced technical due diligence



# tpi Global Service Market Opportunity

## Global Blade Service Market Forecast In US \$Billion



- Leading Edge Repair
- Trailing Edge Repair
- Other
- Structural Repair
- Lightning Receptor Exchange
- Blade Surface Add On-Install / Repairs

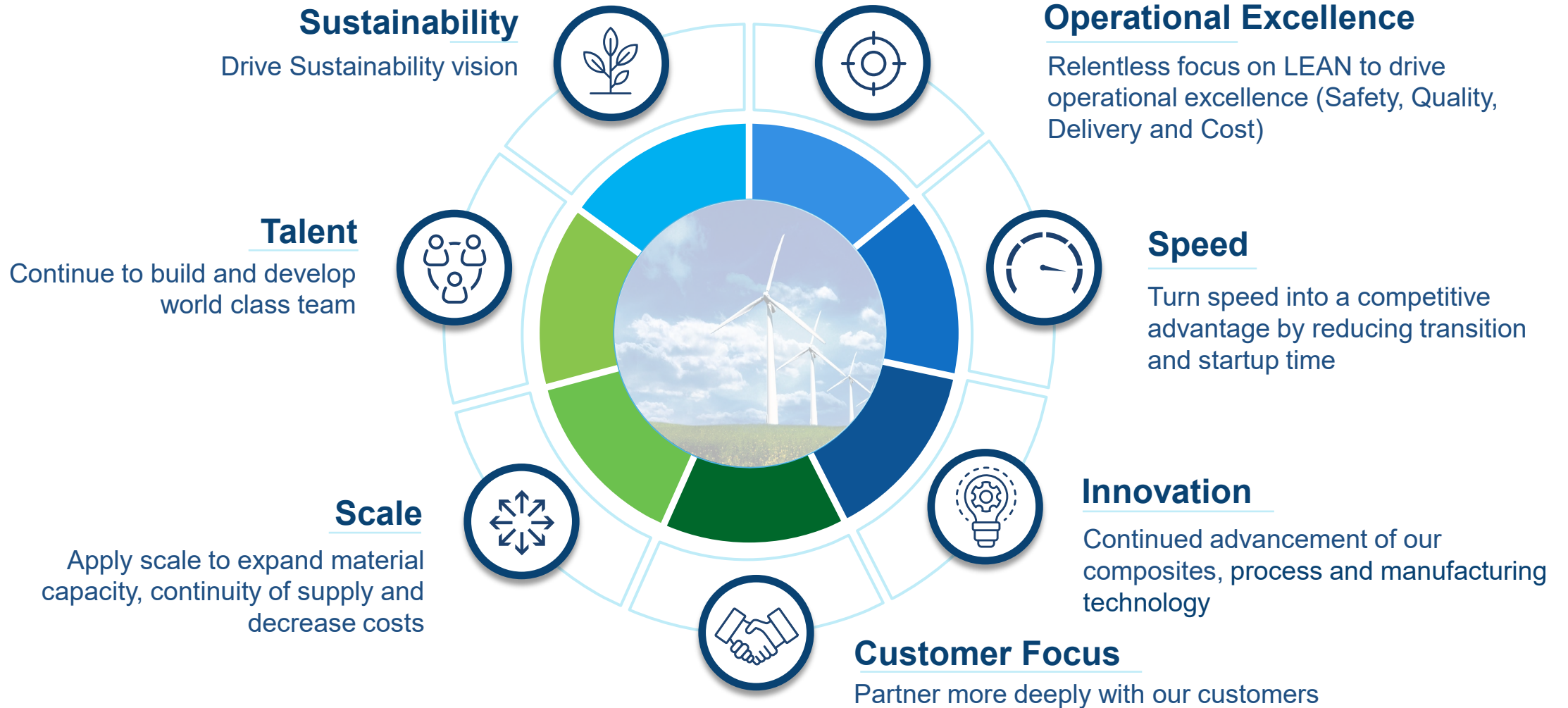
Source: Wood Mackenzie, Global Onshore Wind Power O&M 2023

## TPI Wind Blade Services

- ✓ Certified Professionals
- ✓ Engineering & Preventative Maintenance
- ✓ Inspection & Analysis
- ✓ Repair & Improvements
- ✓ Recycling



# Operating Imperatives





## Embracing and operationalizing Environmental, Social and Governance practices into everything we do

will reduce risk, increase associate satisfaction and improve operational execution, financial performance, and governance.



We believe the initiatives we have undertaken to advance IDEA (Inclusion, Diversity, Equity and Awareness) have already and will continue to positively affect both enhancing our culture of inclusion and increasing representation of under-represented groups. We believe these initiatives help everyone within our company feel a sense of belonging and creates opportunities to succeed and thrive.

## Our Long-Term Sustainability Goals

-  Promote a zero-harm culture focused on eliminating unsafe behaviors.
-  Become carbon neutral by the end of 2030 with 100% of our energy being procured from renewable sources.



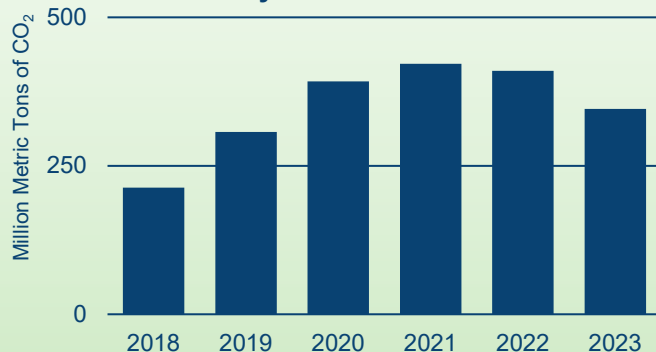


# Highlights of TPI Sustainability Performance<sup>(1)</sup>

## Environmental

- ✓ ~346 million metric tons of CO<sub>2</sub> reduction for wind blades produced in 2023
- ✓ ~18% YOY decrease in market-based Scope 1 & 2 emissions
- ✓ Total waste reduced 12% YOY
- ✓ Invested in two wind turbines and expanded solar in Türkiye

Estimated CO<sub>2</sub> Reduction from Wind Blades Produced over Entire Product Life by Year Produced

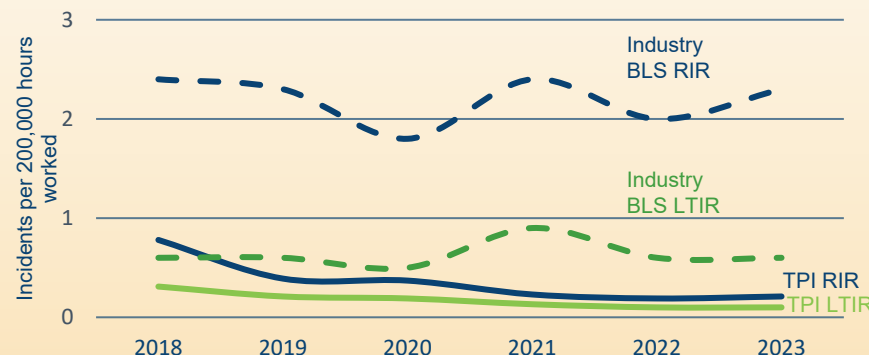


1. See 2023 Sustainability Report for more details

## Social

- ✓ Matured our global Behavior-Based Safety program to continue reinforcing positive safety behaviors at all our facilities
- ✓ Fully embraced IDEA (Inclusion, Diversity, Equity, and Awareness)
- ✓ Promote associate engagement through Global Values in Motion awards and engagement surveys

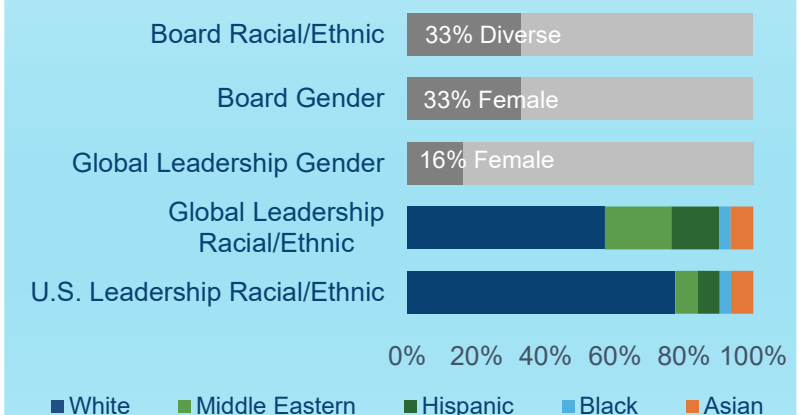
Recordable and Lost Time Incident Rates



## Governance

- ✓ Board committee oversight of Sustainability
- ✓ Increased diversity of the Board and Global Leadership Team

2023 Board and Leadership Team Diversity





# Financial Highlights

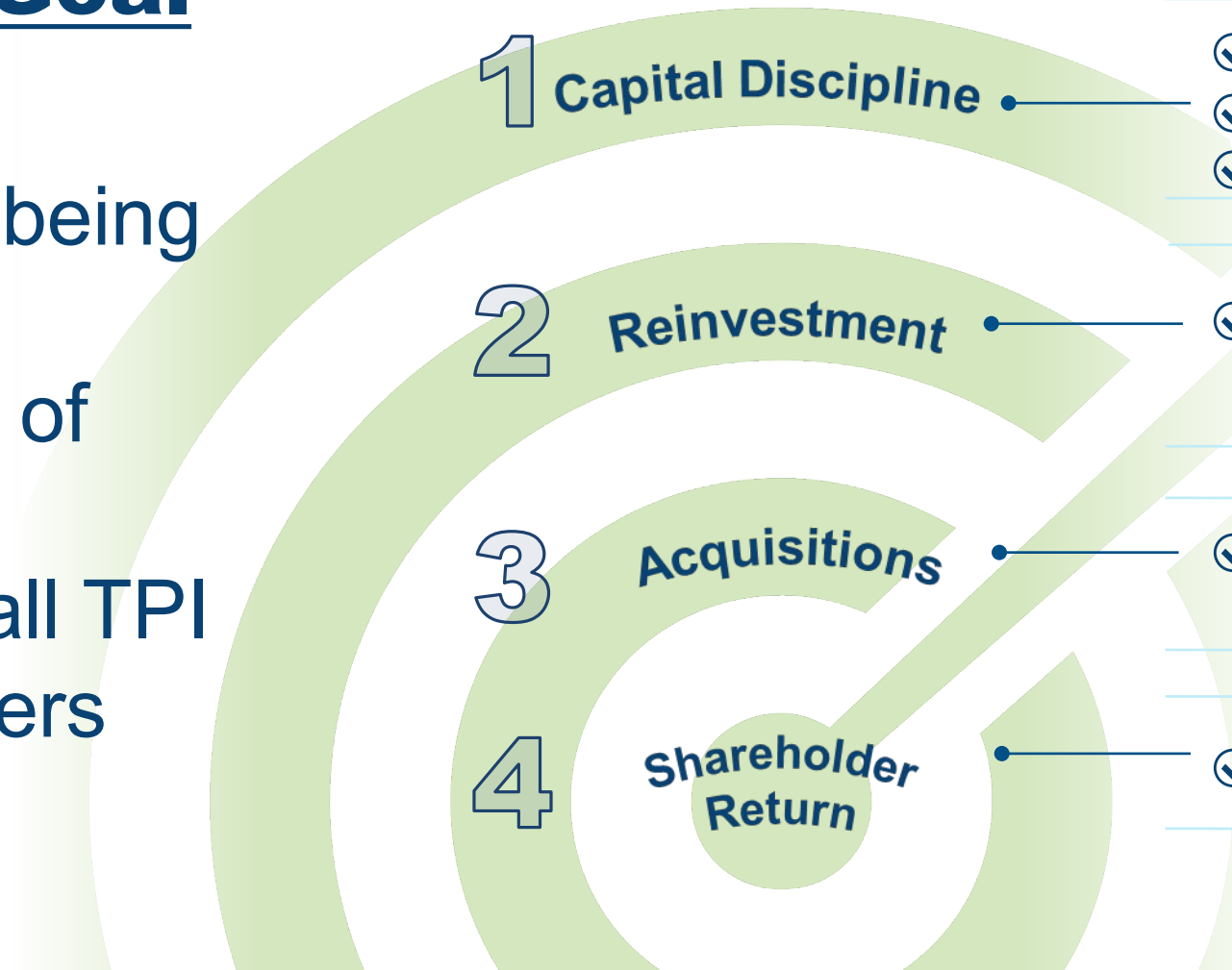
**Financial Performance**

**Guidance 2024**

*Decarbonize  
& Electrify*

# Capital Goal

Focus on being **strong stewards** of capital on behalf of all TPI stakeholders



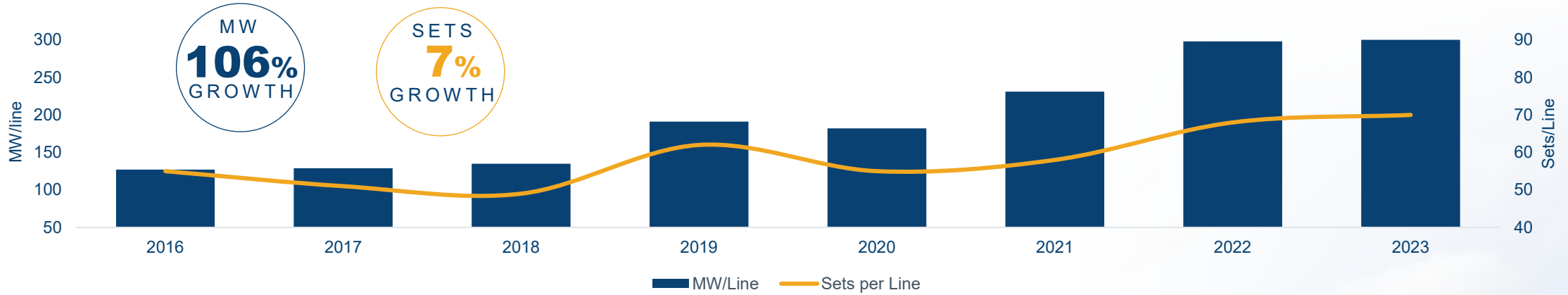
## Priorities

- ✓ Robust balance sheet
- ✓ Working capital management
- ✓ Return on invested capital
- ✓ Drive long term profitable growth & productivity
- ✓ Selective & aligned to core strategy
- ✓ Potential return of capital

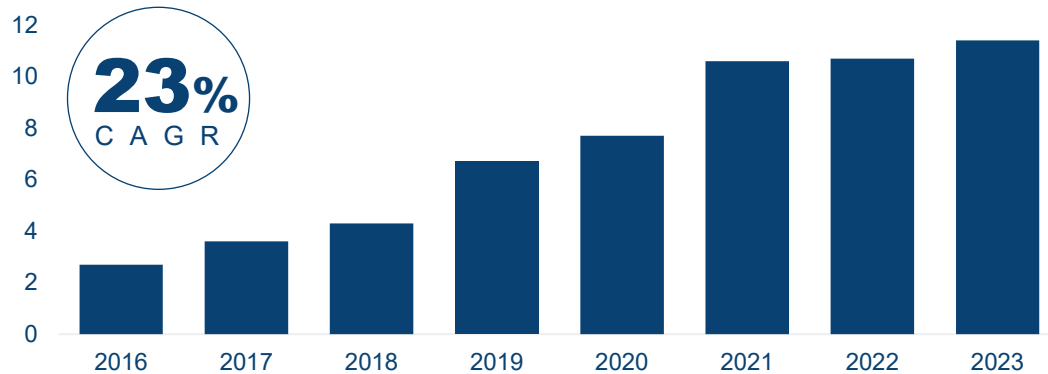


# tpi Key Performance Indicators<sup>(1)</sup>

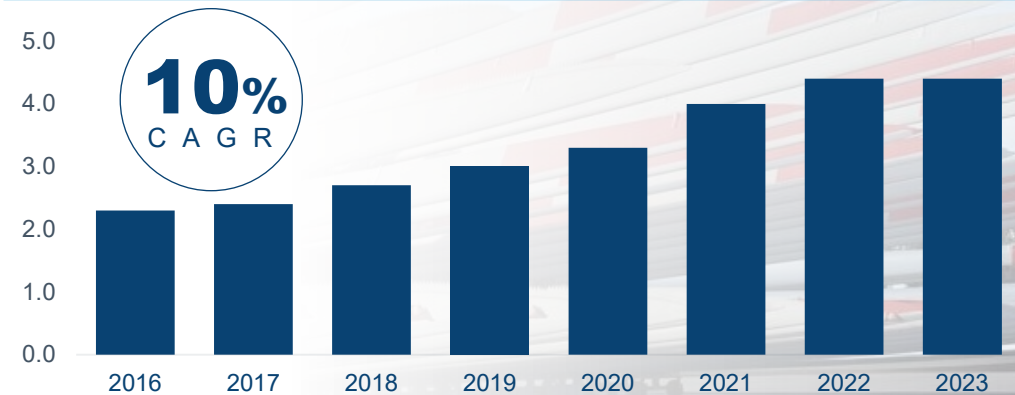
## MW and Sets per Line 2016-2023



## GW Produced 2016-2023



## MW per Set 2016-2023



(1) Calculated on continuing operations



# Q3 2024 Continuing Operations

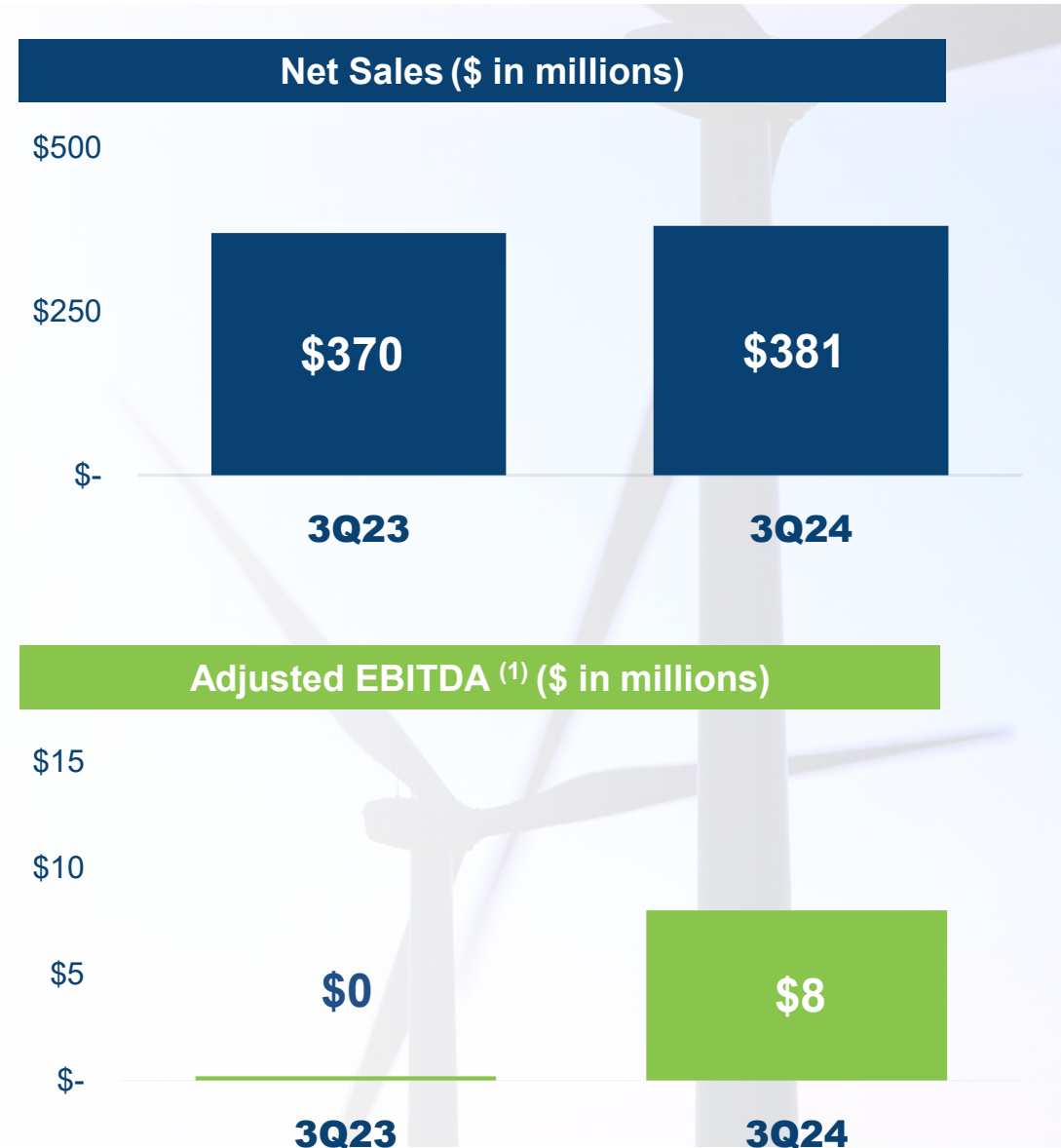
## Q3 2024 operating results and year-over-year comparisons to Q3 2023:

- ✓ Net sales up 2.8% to \$381 million
- ✓ Net loss from continuing operations attributable to common stockholders was \$38.6 million compared to a loss of \$43.0 million in Q3 2023
- ✓ Adjusted EBITDA of \$8 million compared to \$0.2 million in Q3 2023

## Highlights:

- ✓ Sales up 23% sequentially from Q2
- ✓ Positive AEBITDA and cash flows from operations
- ✓ Seven of ten lines in startup or transition achieved full rate production in the quarter
- ✓ Portfolio re-shaping nearing completion
- ✓ Agreement with GEV to re-open Newton IA plant mid-2025
- ✓ Expect Q4 to be our strongest free cash flow quarter

(1) See Appendix for reconciliations of non-GAAP financial data







# Q3 2024 Financial Highlights from Continuing Operations

Unaudited

## Key Highlights

-  Net sales were \$380.8 million in Q3 2024 compared to \$370.2 million in Q3 2023:
  - + ASPs driven by mix of blades produced
  - + Ramp of production for new workhorse blades
  - + Foreign currency fluctuations
  - Number of blades produced due to startups and transitions
  - Expected volume declines
  
-  Adjusted EBITDA was \$8.0 million in Q3 2024 compared to adjusted EBITDA of \$0.2 million in Q3 2023:
  - + Absence of Nordex Matamoros losses
  - + Favorable foreign currency fluctuations
  - + Lower pre-existing warranty charges
  - + Reduced G&A due to lower employee compensation costs
  - + Increased revenue
  - Inflation impact on production wages
  - Startup and transition costs

Key Statement of Operations Data <i>(in thousands)</i>	Three Months Ended September 30,		Change %
	2024	2023	
Net sales	\$ 380,762	\$ 370,242	2.8%
Net loss from continuing operations attributable to common stockholders	\$ (38,596)	\$ (42,979)	10.2%

### Non-GAAP Metrics (1)

*(in thousands, except percentage data)*

Adjusted EBITDA	\$ 8,014	\$ 215	NM
Margin %	2.1%	0.1%	200 bps

### Key Performance Indicators (KPIs)

Sets produced	601	666	(65)
Estimated megawatts	2,526	2,892	(366)
Utilization	89%	85%	400 bps
Dedicated wind blade manufacturing lines	34	37	3 lines
Wind blade manufacturing lines installed	34	37	3 lines
Wind blade ASP (in \$ thousands)	\$ 199	\$ 176	13.1%

(1) See Appendix for reconciliations of non-GAAP financial data

# tpi Q3 2024 Financial Highlights – Continued<sup>(1)</sup>

Unaudited

<b>Net Debt Reconciliation</b> <i>(in thousands)</i>	September 30, December 31,	
	2024	2023
Cash and cash equivalents	\$ 125,871	\$ 161,059
Cash and cash equivalents of discontinued operations	735	916
Total debt, net of debt issuance costs and debt discount	605,834	485,193
Net debt	\$ (479,228)	\$ (323,218)

<b>Key Cash Flow Data</b> <i>(in thousands)</i>	Three Months Ended September 30,	
	2024	2023
Net cash provided by (used in) operating activities	\$ 1,065	\$ (11,654)
Capital expenditures	(6,674)	(9,152)
Free cash flow	\$ (5,609)	\$ (20,806)

## Key Highlights

- ✓ \$126 million of unrestricted cash on September 30, 2024
- ✓ Q3 2024 Free cash flow (\$ millions):
 

\$8.0	Adjusted EBITDA
(\$6.2)	Interest payments
(\$2.6)	Tax payments
(\$6.6)	Capital expenditures
<u>\$1.8</u>	Other working capital changes
(\$5.6)	Free cash flow

(1) See Appendix for reconciliations of non-GAAP financial data

## Sales from Continuing Operations

~ \$1.35 billion, previously guided in the range of \$1.3 - \$1.4 billion

## Utilization Percentage

75% to 80% on 34 lines

## Adjusted EBITDA Margin % from Continuing Operations

A loss of ~ (2%), previously guided ~ 1%

## Capital Expenditures

~ \$30 million, previously guided in the range of \$25 - \$30 million

# Long-Term **Financial Targets for Wind**

**Annual Wind Revenue :** \$2 billion+

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**Adj. EBITDA Margin % :** High-single digit

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**Free Cash Flow as % of Sales :** Mid-single digit

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**CAPEX as % of Sales :** Low-single digit

## **ASSUMPTIONS**

- ✓ Energy independence/security and environmental imperatives favorably drive governmental policy incentivizing renewable energy
- ✓ No additional facilities needed
- ✓ Capacity of approximately 3,200 sets per year, or 15 GW
- ✓ Utilization ~ 90%
- ✓ Capex to start idled lines in the range of \$25 million to \$35 million

(1) Includes approximately 250-300 basis points of contract related costs in excess of revenue related to the Company's facility in Matamoros, Mexico that was taken over from Nordex in July 2021.



# Appendix

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We provide forward-looking statements in the form of guidance in our quarterly earnings releases and during our quarterly earnings conference calls. This guidance is provided on a non-GAAP basis and cannot be reconciled to the closest GAAP measures without unreasonable effort because of the unpredictability of the amounts and timing of events affecting the items we exclude from non-GAAP measures. For example, stock-based compensation is unpredictable for our performance-based awards, which can fluctuate significantly based on current expectations of future achievement of performance-based targets. Amortization of intangible assets and restructuring costs are all impacted by the timing and size of potential future actions, which are difficult to predict. In addition, from time to time, we exclude certain items that occur infrequently, which are also inherently difficult to predict and estimate. It is also difficult to predict the tax effect of the items we exclude and to estimate certain discrete tax items, like the resolution of tax audits or changes to tax laws. As such, the costs that are being excluded from non-GAAP guidance are difficult to predict and a reconciliation or a range of results could lead to disclosure that would be imprecise or potentially misleading. Material changes to any one of the exclusions could have a significant effect on our guidance and future GAAP results.

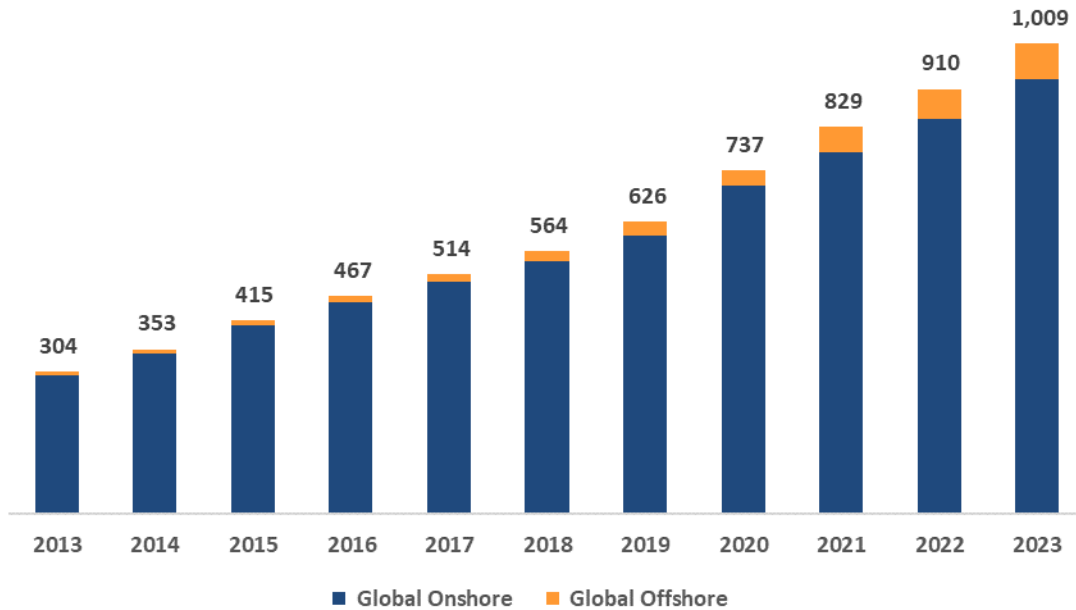
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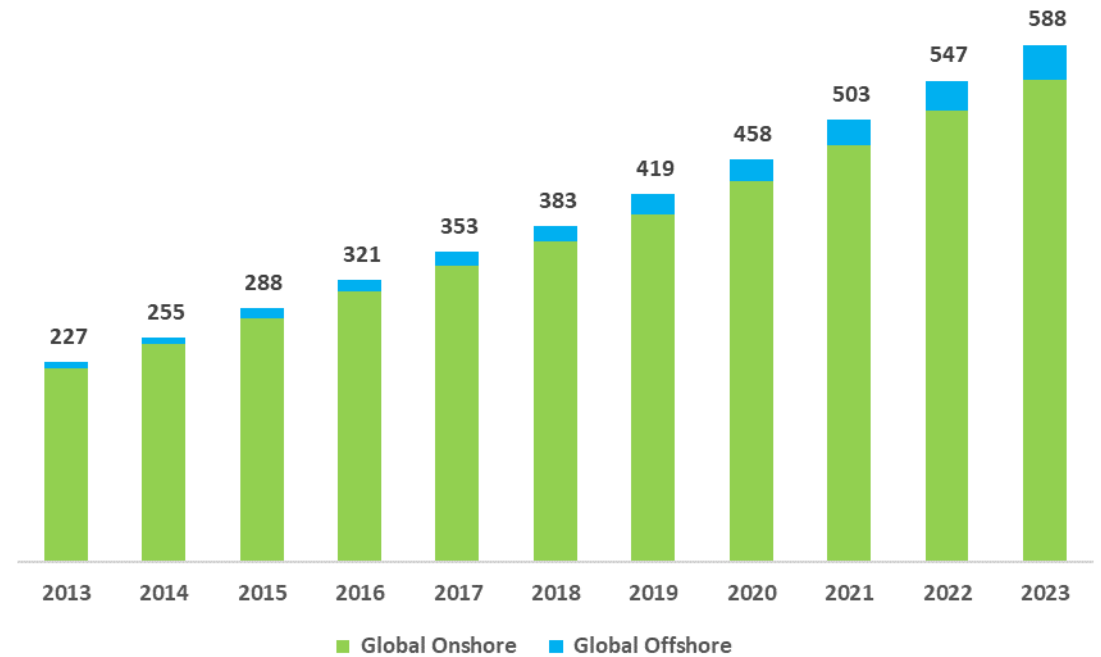
# Wind Power Generation Has Grown Rapidly and Expanded Globally in Recent Years

In the last decade, cumulative global power generating capacity (GW) of wind turbine installations has gone up by 3 times, with compound annual growth in cumulative global installed wind capacity of 13% since 2013 <sup>(1)</sup>

## Global Cumulative GW Installs Including China



## Global Cumulative GW Installs Excluding China



(1) Source: Wood Mackenzie, "Global Wind Power Market Outlook Update Q4 2023"