UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 8-K

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CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 8, 2021

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TPI COMPOSITES, INC.
(Exact name of registrant as specified in its charter)

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Delaware	001-37839	20-1590775
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

8501 N. Scottsdale Rd, Gainey Center II, Suite 100
Scottsdale, Arizona 85253
(Address of Principal Executive Offices) (Zip Code)

(480) 305-8910
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

____

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	TPIC	NASDAQ Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On November 8, 2021, TPI Composites, Inc. (the Company) issued a press release announcing its financial results for the three months ended September 30, 2021. A copy of the Company's press release is furnished herewith as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein. The Company also posted a presentation to its website at www.tpicomposites.com under the tab "Investors" providing information regarding its results of operations and financial condition for the three months ended September 30, 2021. The information contained in the presentation is incorporated by reference herein. The presentation is being furnished herewith as Exhibit 99.2 to this current report on Form 8-K. The Company's website and the information contained therein is not part of this disclosure.

The information in Item 2.02 of this current report on Form 8-K (including Exhibits 99.1 and 99.2) is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 2.02 of this current report on Form 8-K (including Exhibits 99.1 and 99.2) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 - Press Release dated November 8, 2021

99.2 - Presentation dated November 8, 2021

104 - Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TPI Composites, Inc.

Date: November 8, 2021

By: /s/ Bryan R. Schumaker
Bryan R. Schumaker
Chief Financial Officer

EXHIBIT 99.1

TPI Composites, Inc. Announces Third Quarter 2021 Earnings Results – Added New Lines in China for Vestas and Secures Strategic Investment from Oaktree Capital Management of up to $600 Million

SCOTTSDALE, Ariz., Nov. 08, 2021 (GLOBE NEWSWIRE) -- TPI Composites, Inc. (Nasdaq: TPIC), the only independent manufacturer of composite wind blades with a global footprint, today reported financial results for the third quarter ended September 30, 2021.

Highlights

For the quarter ended September 30, 2021:

- Net sales of $479.6 million
- Net loss of $30.7 million or ($0.83) per diluted share
- EBITDA loss of $6.5 million
- Adjusted EBITDA of $0.2 million

KPIs	3Q'21	3Q'20
Sets[1]	830	1,037
Estimated megawatts[2]	3,395	3,571
Utilization[3]	76%	93%
Dedicated manufacturing lines[4]	54	55
Manufacturing lines installed[5]	54	54

1. Number of wind blade sets (which consist of three wind blades) produced worldwide during the period.
2. Estimated megawatts of energy capacity to be generated by wind blade sets produced during the period.
3. Utilization represents the percentage of wind blades produced during the period compared to the total potential wind blade capacity of manufacturing lines installed during the period.
4. Number of wind blade manufacturing lines that are dedicated to our customers under long-term supply agreements at the end of the period.
5. Number of wind blade manufacturing lines installed and either in operation, startup, or transition during the period.

“We are diligently navigating through a challenging macroeconomic backdrop that is adversely impacting the wind industry on a global scale,” said Bill Siwek, President and CEO of TPI Composites. “While we are pleased to achieve revenue growth in the quarter, near-term challenges have hindered the profitability in the business. We have witnessed volume declines from our OEM customers as many of their customers are in a wait-and-see mode with the impending federal legislation pertaining to the Build Back Better Plan (BBB), the recently passed Infrastructure Investment and Jobs Act, and the tax credit incentives to be included in the BBB plan. We believe that final passage of this bill will help bring clarity to our future demand outlook. In addition, I’m extremely proud of the efforts of our team to mitigate the supply chain pressures which have led to rising input and freight costs as well as limited the availability of certain raw materials. We expect these challenges to persist through most of 2022. We also experienced production delays at the manufacturing facility that we recently took over from Nordex in Matamoros, Mexico during the third quarter and at one of our manufacturing facilities in Juarez, Mexico, where we are in the startup phase of producing an innovative new blade model for one of our customers. We expect these production delays will be resolved by the end of this year.

“Although these near-term headwinds present a challenge to TPI, we continue to work closely with and deliver to our customer base. In the quarter, we added new lines in China for Vestas and extended a couple of lines in Turkey with Nordex. We remain excited about the long-term prospects for our industry.

“As we have communicated in the past, we expect the overall wind market to be relatively flat in 2022. We believe that these near-term challenges will eventually abate, and, that we are well positioned as a trusted partner for our customers and with our global footprint to capitalize on the long-term growth opportunity in the wind industry.

“We also announced today that we entered into a stock purchase agreement to issue and sell $400 million of Series A Preferred Stock to investment funds managed by Oaktree Capital Management (“Oaktree”). Under the terms of the stock purchase agreement, TPI will issue and sell $350 million of Series A Preferred Stock to Oaktree, subject to customary closing conditions. TPI also may elect at its option to require Oaktree to purchase an additional $50 million of Series A Preferred Stock upon the same terms and conditions as the initial issuance of the Series A Preferred Stock during the two-year period following the closing of the initial issuance. Oaktree is a seasoned investor across the energy value chain and this investment is a strong endorsement of our strategy and long-term growth prospects. We believe the closing of this strategic transaction will strengthen our balance sheet significantly and better position TPI to navigate a rapidly evolving market and operating environment in the near-term while providing the flexibility to take advantage of longer-term growth opportunities,” concluded Mr. Siwek.

Third Quarter 2021 Financial Results

Net sales for the three months ended September 30, 2021, increased by $5.5 million or 1.2% to $479.6 million as compared to $474.1 million in the same period in 2020. Net sales of wind blades increased by $0.6 million or 0.1% to $450.7 million for the three months ended September 30, 2021, as compared to $450.1 million in the same period in 2020. Net sales were positively impacted by an increase in the average selling price due to the mix of wind blade models produced, offset by a 20% decrease in the number of wind blades produced primarily due to reductions in manufacturing lines under contract in China. The three months ended September 30, 2021 were also impacted by the transition to an innovative blade in Juarez, Mexico, the impact on our production due to shortages of raw material supplied by our customers, and a temporary shutdown of our Yangzhou manufacturing facility due to a COVID-19 outbreak in Yangzhou City. U.S. dollar fluctuations against the Euro in our Turkey operations and the Chinese Renminbi in our China operations had a favorable impact of 0.3% on consolidated net sales for the three months ended September 30, 2021, as compared to the 2020 period.

Total cost of goods sold for the three months ended September 30, 2021, was $486.7 million and included $4.5 million of costs related to lines in startup and $10.0 million of costs related to lines in transition during the period. This compares to total cost of goods sold for the three months ended September 30, 2020, of $433.6 million and included $5.1 million of costs related to lines in startup and $3.4 million of costs related to lines in transition during the period. Total cost of goods sold as a percentage of net sales increased by approximately ten percentage points during the three months ended September 30, 2021, as compared to the same period in 2020, driven primarily by increases in direct material costs, direct labor costs and foreign currency fluctuations. The fluctuating U.S. dollar against the Euro, Turkish Lira, Chinese Renminbi and Mexican Peso had an unfavorable impact of 0.5% on consolidated cost of goods sold for the three months ended September 30, 2021, as compared to the 2020 period.

General and administrative expenses for the three months ended September 30, 2021, totaled $8.2 million, or 1.7% of net sales, compared to $9.3 million, or 2.0% of net sales, for the same period in 2020.

Income taxes reflected a provision of $8.3 million for the three months ended September 30, 2021, as compared to a benefit of $32.3 million for the same period in 2020. The increase in the provision was primarily due to the change in the mix of earnings of foreign jurisdictions and U.S. tax on foreign earnings in the comparable periods.

Net loss for the three months ended September 30, 2021, was $30.7 million as compared to net income of $42.4 million in the same period in 2020. The decrease in the net income was primarily due to the reasons set forth above. The diluted net loss per share was $0.83 for the three months ended September 30, 2021, compared to diluted net income per share of $1.13 for the three months ended September 30, 2020.

Adjusted EBITDA for the three months ended September 30, 2021, decreased to $0.2 million as compared to $49.1 million during the same period in 2020. Adjusted EBITDA margin decreased to zero as compared to 10.4% during the same period in 2020.

Capital expenditures were $3.1 million for the three months ended September 30, 2021, as compared to $11.4 million during the same period in 2020. Our capital expenditures primarily relate to machinery and equipment at our new facilities and expansion and improvements at our existing facilities.

We ended the quarter with $119.0 million of cash and cash equivalents, and net debt of $143.8 million as compared to $88.1 million as of December 31, 2020. We used $25.0 million of cash from operating activities and had negative free cash flow of $28.1 million during the three months ended September 30, 2021.

As of September 30, 2021, we were not in compliance with our Total Net Leverage Ratio financial covenant (as defined in our Credit Agreement) and as a result the lender would have the right to request immediate payment of the senior revolving loan. Our liquidity and capital resources were adversely affected by certain events that occurred during the three months ended September 30, 2021. We experienced significant production delays that occurred at the Matamoros, Mexico manufacturing facility that we took over from Nordex in July 2021, as well as significant production delays in one of our Juarez, Mexico manufacturing facilities in connection with the ongoing transition to an innovative new blade for one of our customers. Although we expect that production will be stabilized in both of these manufacturing facilities by the end of the year, we expect that these transitions will continue to have an adverse impact on our liquidity for the remainder of the year. We also expect decreased demand for our wind blades from our customers during the remainder of 2021 and 2022. We believe this decrease in demand is due to the continued global renewable energy regulatory and policy uncertainty and raw material cost increases and constraints. We believe this decreased demand will also adversely impact our profitability and liquidity for the remainder of 2021 and 2022.

In response to these conditions, we entered into (i) a $400 million Series A Preferred Stock Purchase Agreement with funds managed by Oaktree , and (ii) executed a limited 30-day credit agreement waiver through December 8, 2021. We intend to use the net proceeds from the initial $350 million Series A Preferred Stock investment to repay in full all amounts outstanding under the Credit Agreement and the remainder for general corporate purposes.

2021 Guidance

For the full year ending December 31, 2021, we update our guidance to the following:

Guidance (1)	**Full Year 2021**
Net Sales	$1.72 billion to $1.74 billion
Adjusted EBITDA (2)	$30 million to $40 million
Dedicated Manufacturing Lines	54
Utilization %	Approximately 76%
Wind Blade Set Capacity	4,260
Average Selling Price per Blade	Approximately $165,000
Non-Blade Sales	$120 million to $125 million
Capital Expenditures	$40 million to $45 million
Startup Costs	$17 million to $20 million
Restructuring Costs	Approximately $30 million

(1) These numbers could be significantly impacted by COVID-19.
(2) See Table Four for the reconciliation of this non-GAAP financial data.

Conference Call and Webcast Information

TPI Composites will host an investor conference call this afternoon, Monday, November 8, at 5:00 pm ET. Interested parties are invited to listen to the conference call which can be accessed live over the phone by dialing 1-877-407-9208, or for international callers, 1-201-493-6784. A replay will be available two hours after the call and can be accessed by dialing 1-844-512-2921, or for international callers, 1-412-317-6671. The passcode for the live call and the replay is 13723790. The replay will be available until November 15, 2021. Interested investors and other parties may also listen to a simultaneous webcast of the conference call by logging onto the Investors section of the Company's website at www.tpicomposites.com. The online replay will be available for a limited time beginning immediately following the call.

About TPI Composites, Inc.

TPI Composites, Inc. is the only independent manufacturer of composite wind blades for the wind energy market with a global manufacturing footprint. TPI delivers high-quality, cost-effective composite solutions through long-term relationships with leading OEMs in the wind and transportation markets. TPI is headquartered in Scottsdale, Arizona and operates manufacturing facilities in the U.S., China, Mexico, Turkey and India. TPI operates additional engineering development centers in Denmark and Germany.

Forward-Looking Statements

This release contains forward-looking statements which are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements, among other things, concerning: the closing of the Series A Preferred Stock financing and the proposed amendment to our senior credit facility; our updated guidance for 2021; growth of the wind energy and electric vehicle markets and our addressable markets for our products and services; the impact of the COVID-19 pandemic on our business, effects on our financial statements and our financial outlook; our business strategy, including anticipated trends and developments in and management plans for our business and the wind industry and other markets in which we operate; our projected annual revenue growth; competition; future financial results, operating results, revenues, gross margin, operating expenses, profitability, products, projected costs, warranties, our ability to improve our operating margins, and capital expenditures. These forward-looking statements are often characterized by the use of words such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "will," "could," "predict," "continue" and the negative or plural of these words and other comparable terminology. Forward-looking statements are only predictions based on our current expectations and our projections about future events. You should not place undue reliance on these forward-looking statements. We undertake no obligation to update any of these forward-looking statements for any reason. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to differ materially from those expressed or implied by these statements. These factors include, but are not limited to, the matters discussed in "Risk Factors," in our Annual Report on Form 10-K and other reports that we will file with the SEC.

Non-GAAP Definitions

This press release includes unaudited non-GAAP financial measures, including EBITDA, adjusted EBITDA, net cash (debt) and free cash flow. We define EBITDA as net income (loss) plus interest expense (including losses on the extinguishment of debt and net of interest income), income taxes and depreciation and amortization. We define adjusted EBITDA as EBITDA plus any share-based compensation expense, any foreign currency income or losses, any gains or losses on the sale of assets and asset impairments and any restructuring charges. We define net cash (debt) as the 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 Table Four for a reconciliation of certain non-GAAP financial measures to the comparable GAAP measures.

Investor Relations
480-315-8742
Investors@TPIComposites.com

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE ONE - CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share data)	**2021**	**2020**	**2021**	**2020**
Net sales	$ 479,599	$ 474,113	$ 1,343,120	$ 1,204,566
Cost of sales	472,188	425,064	1,295,660	1,141,183
Startup and transition costs	14,541	8,576	38,994	31,530
Total cost of goods sold	486,729	433,640	1,334,654	1,172,713
Gross profit (loss)	(7,130)	40,473	8,466	31,853
General and administrative expenses	8,185	9,263	23,819	25,646
Loss on sale of assets and asset impairments	7,250	2,160	9,998	5,518
Restructuring charges, net	1,422	45	3,876	343
Income (loss) from operations	(23,987)	29,005	(29,227)	346
Other income (expense):				
Interest expense, net	(2,662)	(3,093)	(8,057)	(7,409)
Foreign currency income (loss)	3,958	(17,127)	(6,273)	(18,095)
Miscellaneous income	262	1,259	1,322	2,893
Total other income (expense)	1,558	(18,961)	(13,008)	(22,611)
Income (loss) before income taxes	(22,429)	10,044	(42,235)	(22,265)
Income tax benefit (provision)	(8,248)	32,338	(30,036)	(1,946)
Net income (loss)	$ (30,677)	$ 42,382	$ (72,271)	$ (24,211)
Weighted-average common shares outstanding:				
Basic	37,052	35,546	36,846	35,354
Diluted	37,052	37,423	36,846	35,354
Net income (loss) per common share:				
Basic	$ (0.83)	$ 1.19	$ (1.96)	$ (0.68)
Diluted	$ (0.83)	$ 1.13	$ (1.96)	$ (0.68)
Non-GAAP Measures (unaudited):				
EBITDA	$ (6,478)	$ 27,168	$ 3,221	$ 21,819
Adjusted EBITDA	$ 179	$ 49,131	$ 30,635	$ 53,722

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE TWO - CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands)	September 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 119,005	$ 129,857
Restricted cash	153	339
Accounts receivable	178,104	132,768
Contract assets	244,774	216,928
Prepaid expenses	22,916	29,507
Other current assets	22,613	27,921
Inventories	11,251	10,839
Total current assets	598,816	548,159
Noncurrent assets:		
Property, plant, and equipment, net	192,326	209,001
Operating lease right of use assets	146,794	158,827
Other noncurrent assets	24,653	40,270
Total assets	$ 962,589	$ 956,257
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 346,272	$ 295,992
Accrued warranty	42,479	50,852
Current maturities of long-term debt	70,409	32,551
Current operating lease liabilities	22,939	26,099
Contract liabilities	-	614
Total current liabilities	482,099	406,108
Noncurrent liabilities:		
Long-term debt, net of current maturities	191,720	184,316
Noncurrent operating lease liabilities	149,742	155,925
Other noncurrent liabilities	7,964	8,873
Total liabilities	831,525	755,222
Total stockholders' equity	131,064	201,035
Total liabilities and stockholders' equity	$ 962,589	$ 956,257

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE THREE - CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2021	2020	2021	2020
Net cash provided by (used in) operating activities	$ (24,986)	$ 60,870	$ (28,241)	$ 33,865
Net cash provided by (used in) investing activities	(3,079)	(11,398)	(30,138)	(53,428)
Net cash provided by financing activities	24,578	5,172	48,280	102,427
Impact of foreign exchange rates on cash, cash equivalents and restricted cash	(616)	(679)	(939)	(3,204)
Cash, cash equivalents and restricted cash, beginning of period	123,261	97,444	130,196	71,749
Cash, cash equivalents and restricted cash, end of period	$ 119,158	$ 151,409	$ 119,158	$ 151,409

TPI COMPOSITES, INC. AND SUBSIDIARIES
TABLE FOUR - RECONCILIATION OF NON-GAAP MEASURES
(UNAUDITED)

EBITDA and adjusted EBITDA are reconciled as follows:

(in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Net income (loss)	$ (30,677)	$ 42,382	$ (72,271)	$ (24,211)
Adjustments:				
Depreciation and amortization	13,289	14,031	37,399	36,675
Interest expense, net	2,662	3,093	8,057	7,409
Income tax provision (benefit)	8,248	(32,338)	30,036	1,946
EBITDA	(6,478)	27,168	3,221	21,819
Share-based compensation expense	1,943	2,631	7,267	7,947
Foreign currency loss (income)	(3,958)	17,127	6,273	18,095
Loss on sale of assets and asset impairments	7,250	2,160	9,998	5,518
Restructuring charges, net	1,422	45	3,876	343
Adjusted EBITDA	$ 179	$ 49,131	$ 30,635	$ 53,722

Net debt is reconciled as follows:

(in thousands)	September 30, 2021	December 31, 2020
Cash and cash equivalents	$ 119,005	$ 129,857
Less total debt, net of debt issuance costs	(262,129)	(216,867)
Less debt issuance costs	(709)	(1,051)
Net debt	$ (143,833)	$ (88,061)

Free cash flow is reconciled as follows:

(in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Net cash provided by (used in) operating activities	$ (24,986)	$ 60,870	$ (28,241)	$ 33,865
Less capital expenditures	(3,079)	(11,398)	(30,138)	(53,428)
Free cash flow	$ (28,065)	$ 49,472	$ (58,379)	$ (19,563)

A reconciliation of the low-end and high-end ranges of projected net loss to projected EBITDA and projected adjusted EBITDA for the full year 2021 is as follows:

(in thousands)	Full Year 2021 Guidance Range (1) Low-End	Full Year 2021 Guidance Range (1) High-End
Projected net loss	$ (155,000)	$ (148,500)
Adjustments:		
Projected depreciation and amortization	51,000	51,000
Projected interest expense, net	10,000	10,000
Projected income tax provision	69,000	70,000
Projected EBITDA	(25,000)	(17,500)
Projected share-based compensation expense	9,000	9,750
Projected foreign currency loss	6,000	6,250
Projected loss on sale of assets and asset impairments	10,000	11,500
Projected restructuring charges	30,000	30,000
Projected Adjusted EBITDA	$ 30,000	$ 40,000

(1) All figures presented are projected estimates for the full year ending December 31, 2021.


tpi COMPOSITES
Q3 2021 Earnings Call
November 8, 2021
Decarbonize
& Electrify

Legal Disclaimer

This presentation contains forward-looking statements within the meaning of the federal securities law. 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," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar words. Forward-looking statements contained in this presentation include, but are not limited to, statements about: (i) the potential impact of the COVID-19 pandemic on our business and results of operations; (ii) competition from other wind blade and wind blade turbine manufacturers; (iii) our ability to procure adequate supplies of raw materials and components in a cost-effective manner to fulfill our volume commitments to our customers; (iv) the discovery of defects in our products and our ability to estimate the future cost of warranty campaigns; (v) growth of the wind energy and electric vehicle markets and our addressable markets for our products and services; (vi) 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; (vii) 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; (viii) changes in domestic or international government or regulatory policy, including without limitation, changes in trade policy and a potential extension of the Production Tax Credit in the United States; (ix) the sufficiency of our cash and cash equivalents and our ability to raise additional capital to meet our liquidity needs; (x) our ability to attract and retain customers for our products, and to optimize product pricing; (xi) our ability to effectively manage our growth strategy and future expenses, including our startup and transition costs; (xii) 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 and manufacture wind blades for offshore wind energy projects; (xiii) our ability to successfully open new manufacturing facilities, take over existing facilities of our customers and expand our existing facilities on time and on budget; (xiv) the impact of the accelerated pace of new product and wind blade model introductions on our business and our results of operations; (xv) our ability to successfully expand our transportation business and execute upon our strategy of entering new markets outside of wind energy; (xvi) worldwide economic conditions and their impact on customer demand; (xvii) our ability to maintain, protect and enhance our intellectual property; (xviii) 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; (xix) the attraction and retention of qualified employees and key personnel; (xx) our ability to maintain good working relationships with our employees, and avoid labor disruptions, strikes and other disputes with labor unions that represent certain of our employees; and (xxi) the potential impact of one or more of our customers becoming bankrupt or insolvent, or experiencing other financial problems.

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, 2020.

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 as net income (loss) plus interest expense (including losses on the extinguishment of debt and net of interest income), income taxes and depreciation and amortization. We define Adjusted EBITDA as EBITDA plus any share-based compensation expense, any foreign currency income or losses, any gains or losses on the sale of assets and asset impairments and 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.

Agenda

- Q3 2021 Highlights and Operations/Market Overview
- Q3 2021 Financial Highlights and 2021 Guidance
- Overview of Investment by Oaktree
- Q&A
- Wrap Up
- Appendix
  - Non-GAAP Financial Information


November 8, 2021
Q3 2021 Highlights and Operations/Market Overview
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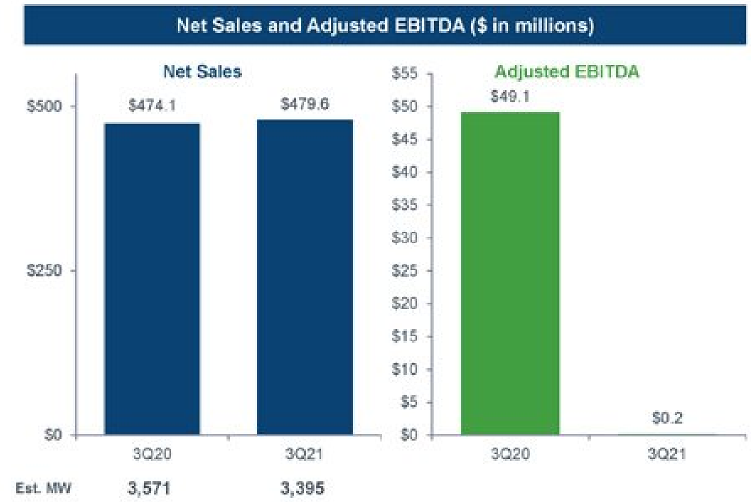
Q3 2021 Highlights

- Added three dedicated lines under contract with Vestas in Yangzhou, China in 2022
- Extended two dedicated lines with Nordex in Turkey through 2022
- Added potential revenue of ~$150 million as a result of the Vestas and Nordex deals
- Strategic commitment by Oaktree of $400 million with $200 million potential follow-on investment
- Operating results and year-over-year comparisons to 2020:
  - Net sales were up 1.2% to $479.6 million for the quarter
  - Net loss for the quarter was $30.7 million
  - Adjusted EBITDA for the quarter was $0.2 million



Business Update

Global Operations	• Added $150 million in future potential revenue from a contract with Vestas and an extension on a two-line contract with Nordex • Transitioning operations at the former Nordex facility in Matamoros, Mexico has been challenging and taken more time than originally expected, including as a result of replacing the plant's previous management team • Deploying an innovative blade at TPI's Juarez facility has been more challenging than expected, including as a result of delays in receipt of customer-supplied equipment and raw materials, although volumes are expected to return to full production during 2022 • TPI's Yangzhou facility was shut down for three weeks due to a small COVID outbreak in the area, resulting in ten fewer sets during the quarter, although increased production in Q4 is expected to make up for this shortfall • Volumes at TPI's Iowa facility were reduced to minimize production risk associated with the suspension of production at the plant
Supply Chain Disruption	• Supply chain disruption and logistics challenges led to reduced production volumes, including nearly 80 sets below plan for the quarter and just over 150 sets for the full year • Higher raw material and logistics costs imposed a ~$20 million impact in the quarter and ~$30 million for the full year
Services & Transportation	• TPI's pilot production program for a production passenger electric vehicle manufacturer has been extended, while another pilot program with the same OEM will kick off in Q4 • Service business to expected to grow 3X this year and double again next year

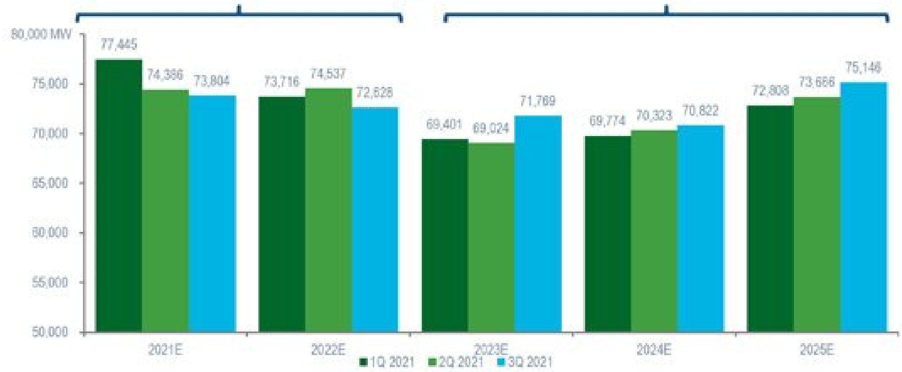
Wind Market Update

- Forecasts for global onshore wind deployments in 2021 – 2022 have deteriorated over the course of the year due to, among other things, delays caused by the potential PTC extension in the U.S., increased capital expenses for new-build wind and constrained global supply chains and logistics services
- While 2021 and 2022 forecasts have declined over the course of the year, expected deployments in 2023 – 2025 have increased due to greater demand resulting from expected favorable U.S. policies (e.g., PTC extension, Build Back Better Plan, etc.), the global energy transition and expectations for supply chain stabilization
- These forecasts do not include upside from contemplated clean energy goals which offer substantial incremental growth for wind

Global Onshore Wind Forecast Evolution (1Q – 3Q 2021)

2021 – 2022 aggregate deployment forecasts down ~4,730 MW

2023 – 2025 total deployment forecasts increase by ~5,755 MW



(MW)	1Q 2021	2Q 2021	3Q 2021	Change from 1Q to 3Q
2021 – 2022	151,161	148,922	146,431	(4,730)
2023 – 2025	211,983	213,014	217,737	5,754
Total	363,144	361,936	364,168	1,024

Source: Wood Mackenzie, 1Q – 3Q 2021 Global Wind Power Market Outlook Update.

Drivers Accelerating the Global Energy Transition

Regulatory

- Expanding clean energy policies
- Countries around the world have announced carbon emission reduction targets, including:
  - The U.S. target to transition to carbon free electricity by 2035
  - The European Union's 2030 climate target
  - India's 2030 climate objectives
  - China's goal to reach carbon neutrality by 2060
- Increased regulatory support promulgated by the Biden administration, including the Infrastructure and Build Back Better bills and the U.S. Wind Production Tax Credit extension
- Potential carbon pricing

Economic

- Declining prices of renewable energy
- Technology improvements, including batteries, hydrogen, electric vehicles, and the trend towards electrification
- Retirement of fossil fuel generation
- Economic growth
- Pandemic recovery

Investor-driven

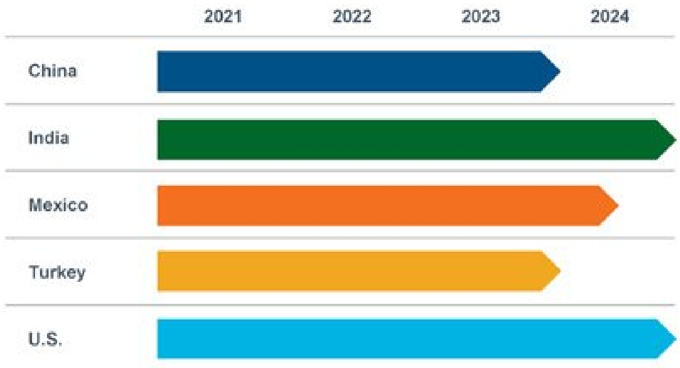
- Greater emphasis on ESG considerations
- Climate change risk
- Sustainability disclosures and reporting

Social

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

Existing Contracts Provide for ~$3.9 Billion in Potential Revenue through 2024

Long-term Supply Agreements (1)



Long-term supply agreements provide for estimated minimum aggregate volume commitments from our customers of approximately $2.5 billion and encourage our customers to purchase additional volume up to, in the aggregate, an estimated total potential revenue of approximately $3.9 billion through the end of 2024

Note: Our contracts with certain of our customers are subject to termination or reduction on short notice, generally with substantial penalties, and contain liquidated damages provisions, which may require us to make unanticipated payments to our customers or our customers to make payments to us.

(1) As of November 8, 2021. The chart depicts the term of the longest contract in each location.


November 8, 2021
Q3 2021 Financial Highlights and 2021 Guidance
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Q3 2021 Financial Highlights
(unaudited)

Key Statement of Operations Data	Three Months Ended September 30,		Change
(in thousands, except per share data)	2021	2020	%
Net sales	$ 479,599	$ 474,113	1.2%
Cost of sales	$ 472,188	$ 425,064	11.1%
Startup and transition costs	$ 14,541	$ 8,576	69.6%
Total cost of goods sold	$ 486,729	$ 433,640	12.2%
Gross profit (loss)	$ (7,130)	$ 40,473	-117.6%
General and administrative expenses	$ 8,185	$ 9,263	-11.6%
Foreign currency income (loss)	$ 3,958	$ (17,127)	123.1%
Income tax benefit (provision)	$ (8,248)	$ 32,338	-125.5%
Net income (loss)	$ (30,677)	$ 42,382	-172.4%
Weighted-average common shares outstanding (diluted)	37,052	37,423	
Net income (loss) per common share (diluted)	$ (0.83)	$ 1.13	
Non-GAAP Metric			
Adjusted EBITDA [(1)] (in thousands)	$ 179	$ 49,131	-99.6%
Adjusted EBITDA Margin	*0.0%*	*10.4%*	*-1040 bps*
Key Performance Indicators (KPIs)			
Sets produced	830	1,037	(207)
Estimated megawatts	3,395	3,571	*(176)*
Utilization	76%	93%	*-1700 bps*
Dedicated wind blade manufacturing lines	54	55	*1 line*
Wind blade manufacturing lines installed	54	54	*0 lines*

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

Key Highlights

- Net sales of wind blades were flat
- Utilization of 76% compared to 93%
- 20% decrease in the number of wind blades produced year over year
- 19% increase in the average selling price per blade

Q3 2021 Financial Highlights – Continued

(unaudited)

Key Balance Sheet Data		September 30,		December 31,
(in thousands)		2021		2020
Cash and cash equivalents	$	119,005	$	129,857
Accounts receivable	$	178,104	$	132,768
Contract assets	$	244,774	$	216,928
Operating lease right of use assets	$	146,794	$	158,827
Total operating lease liabilities - current and noncurrent	$	172,681	$	182,024
Accounts payable and accrued expenses	$	346,272	$	295,992
Total debt - current and noncurrent, net	$	262,129	$	216,867
Net debt (1)	$	(143,833)	$	(88,061)

Key Cash Flow Data		Three Months Ended September 30,		
(in thousands)		2021		2020
Net cash provided by (used in) operating activities	$	(24,986)	$	60,870
Capital expenditures	$	3,079	$	11,398
Free cash flow (1)	$	(28,065)	$	49,472

Key Highlights

- Cash conversion cycle impacted by operational performance
- $30 million net debt increase in the quarter
- Focus on reducing capital expenditures

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

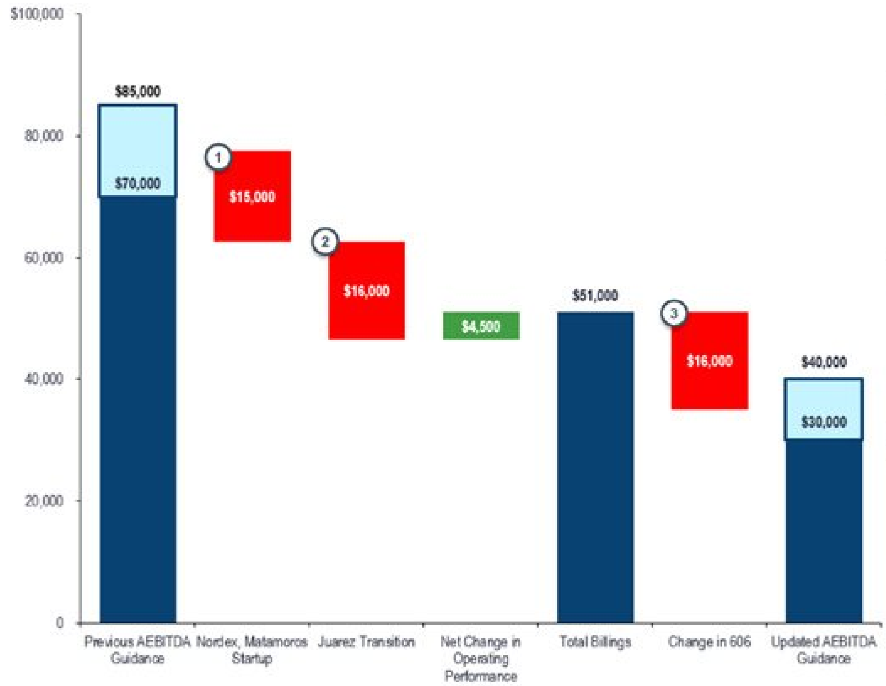
2021 Guidance (1)

	Previous	Updated
Net Sales	$1.75 billion to $1.80 billion	$1.72 billion to $1.74 billion
Adjusted EBITDA (2)	$70 million to $85 million	$30 million to $40 million
Dedicated Manufacturing Lines	54	Unchanged
Wind Blade Set Capacity	4,260	Unchanged
Utilization %	Approximately 80%	Approximately 76%
Average Selling Price per Blade	$165,000 to $170,000	Approximately $165,000
Non-Blade Sales	$115 million to $125 million	$120 million to $125 million
Capital Expenditures	Unchanged	$40 million to $45 million
Startup Costs	$11 million to $13 million	$17 million to $20 million
Restructuring Costs	$15 million to $22 million	Approximately $30 million

(1) These numbers could be significantly impacted by COVID-19.
(2) See Appendix for reconciliations of non-GAAP financial data.

2021 Adjusted EBITDA Guidance Evolution Since Q2 2021 Earnings Results

($ in millions)



1. Production shortfalls, higher startup costs and higher raw material costs related to takeover of Matamoros, Mexico facility for Nordex

2. Delayed and slower ramp of production of new innovative blade. Plant has now resumed production

3. Changes in revenue recognition as a result of percent of completion accounting treatment for long-term contracts under U.S. GAAP


November 8, 2021
Overview of Investment by Oaktree
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Overview of Investment by Oaktree

Oaktree Transaction Summary

- On November 8, TPI entered into an agreement to sell $350 million of Series A preferred stock to funds managed by Oaktree Capital Management
- TPI may elect at its option to sell an additional $50 million of Series A preferred stock to Oaktree at TPI's discretion within two years following the initial issuance
- TPI will issue to Oaktree a warrant to purchase approximately 4.7 million shares of TPI common stock at an exercise price of $0.01 per share
- Oaktree is an experienced investor with a successful track record of investing across the energy value chain
- Series A preferred stock will be entitled to a 11% annual dividend, which may be payable in kind during the first two years
- Proceeds received by TPI will be used to:
  - Repay all amounts outstanding under the revolving credit facility; and
  - General corporate purposes
- Subject to mutual agreement, Oaktree may provide an additional amount up to $200 million for follow-on capital

Overview of Investment by Oaktree (cont'd)

Significantly Improves Balance Sheet Position	• Reduces net debt / EBITDA from 2.98x to (1.68x) as of September 30, 2021
Enhanced Liquidity and Flexibility to Manage Business Through Near-term Industry Headwinds	• Increases liquidity from $134.5 million to $250.8 million, including optional $50 million tranche to provide flexibility to manage business through near term headwinds
"Dry Powder" to Opportunistically Pursue Inorganic Growth	• Available liquidity and access to an additional $200 million of capital from Oaktree provides flexibility to pursue strategic opportunities that may become available during ongoing dislocation in the industry
Provides Investment Thesis Validation from a Respected Investor	• Investment by Oaktree, a seasoned and highly successful investor in the energy value chain, is a strong endorsement of TPI's strategy and growth prospects
Opportunity to Leverage Expertise of a Leader in Renewables	• Opportunity to leverage Oaktree's relationships, resources and expertise

Overview of Oaktree Investment

Key Terms of the Oaktree Investment	

Key Terms of the Oaktree Investment

- **Security**: Series A Preferred Stock
- **Amount**: $400 million - Initial tranche of $350 million that is expected to close in late November 2021
    - TPI also may elect at its option to require Oaktree to purchase an additional $50 million of Series A Preferred Stock upon the same terms and conditions as the initial issuance of the Series A Preferred Stock during the two-year period following the closing of the initial issuance
- **Follow-on Amount**: Up to $200 million available, subject to mutual agreement
- **Dividend**: 11% per annum
    - Payable in-kind (PIK) or in cash for the first two years at TPI's election, thereafter full cash dividend
    - The dividend rate increases by 200 bps beginning on the 5th anniversary (or sooner, under certain events of non-compliance), subject to a cap
- **Warrants**: 4.7 million warrants with a five-year term, issued at a per-share exercise price of $0.01 per share
- **Board Representation**: Oaktree has the right to nominate one director to the Board in connection with the transaction

Sources & Uses and Pro Forma Capitalization

($ in millions)

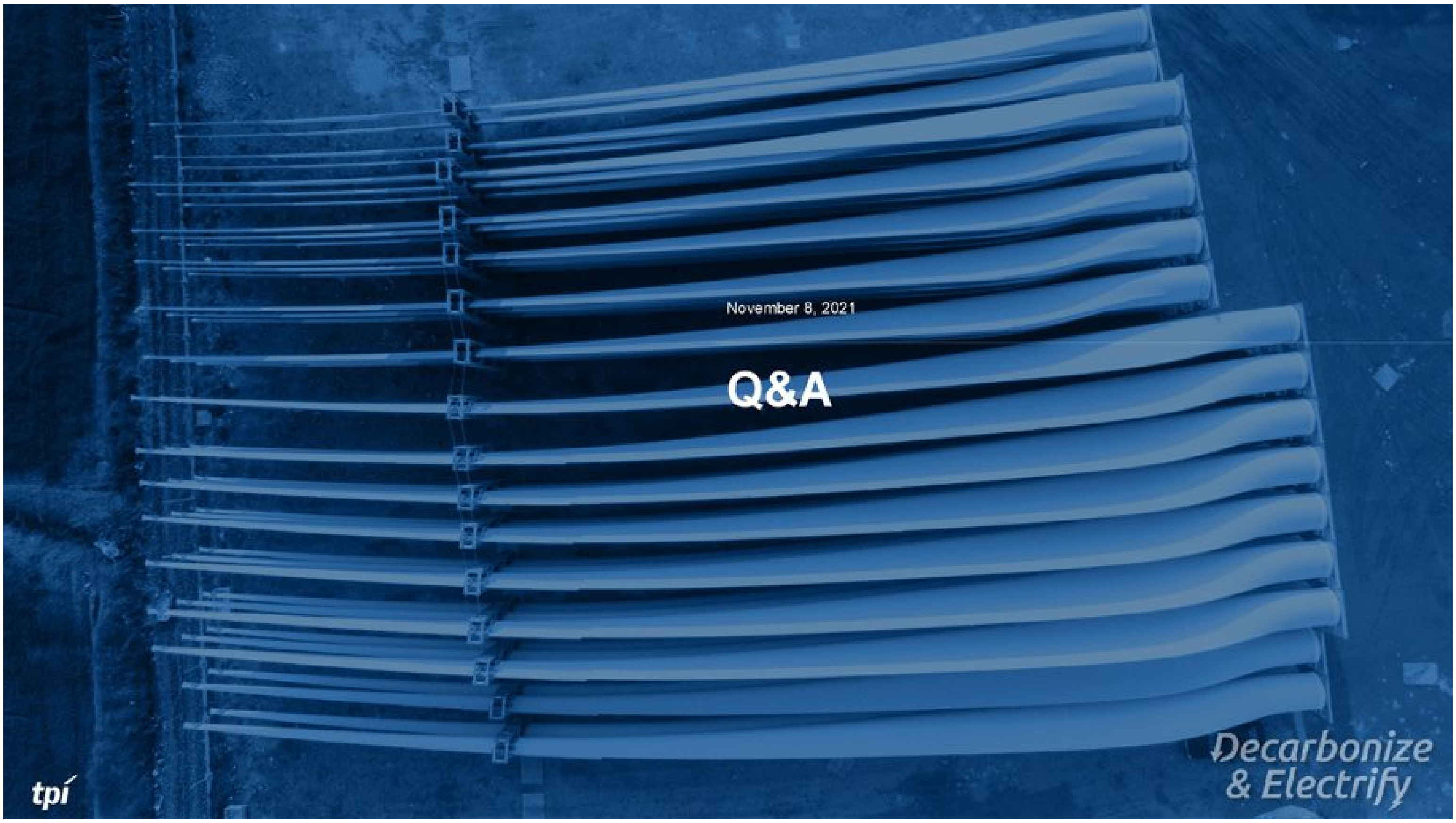
Transaction Sources[1]	
Perpetual Preferred Equity (Day 1)	$350.0
Total Sources	**$350.0**

Transaction Uses	
Working Capital Needs[2]	$72.0
Revolving Credit Facility Paydown	181.2
Cash on Balance Sheet	81.8
Fees and Expenses	15.0
Total Uses	**$350.0**

Pro Forma Capitalization

	Status Quo 9/30/2021	Pro Forma 9/30/2021
Short-term Debt	$70.4	$70.4
Revolving Credit Facility	181.2	0.0
Other Long-term Debt	10.5	10.5
Total Debt[3]	$262.1	$80.9
Global Cash Availability	$119.0[4]	$200.8
Unrestricted Cash for Leverage Calculation[5]	50.0	200.8
Select Financials and Credit Statistics		
Total Debt	$262.1	$80.9
Unrestricted Cash for Leverage Calculation[5]	50.0	200.8
Net Debt	212.1	(119.9)
LTM Adjusted EBITDA[6]	71.3	71.3
Net Debt / EBITDA	2.98x	(1.68x)
Available Liquidity	$134.5[7]	$250.8[8]

(1) Transaction sources do not reflect follow-on $200 million commitment (i.e., total commitment of $600 million, less $350 million of Day 1 draw and additional $50 million of capital immediately available).
(2) Includes minimum cash for working capital of $47 million plus an additional working capital cushion of $25 million.
(3) Assumes ~$6 million of LCs outstanding not included in total debt calculation for covenant purposes.
(4) Includes domestic cash of ~$70 million, cash in various deposit accounts outside of the U.S. and short term deposits in interest bearing accounts in China.
(5) Reflects allowable unrestricted domestic cash balance, capped at $50 million, available to offset total indebtedness for computation of leverage under status quo scenario with revolving credit facility in place. On a pro forma basis, global cash is utilized for leverage calculations in the absence of a revolving credit facility.
(6) Assumes ASC 606-affected EBITDA and a $15 million cap on EBITDA adjustments for restructuring charges.
(7) Includes $119 million of cash on the balance sheet and ~$16 million of revolving credit facility availability (i.e., $205 million revolver capacity pursuant to current Credit Agreement, less $181 million drawn amount and $6 million of LCs outstanding).
(8) Includes $201 million of cash on the balance sheet (not inclusive of the amount necessary for working capital needs) and additional $50 million of capital immediately available from Oaktree.


November 8, 2021
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November 8, 2021
Wrap Up
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Wrap Up

- Our priority is the health and safety of our associates and their families.
- Work closely with our customers to determine the optimal footprint and capacity, both near term and long term, to support our profitable growth.
- Grow service business into meaningful contributor to earnings.
- Invest in transportation business in 2022 to reach profitability in 2023.
- Manage business through near-term challenges facing the industry and today's financing announcement with Oaktree highlight our efforts to best position TPI to capitalize on long-term energy transition trends and opportunities.


November 8, 2021
Appendix – Non-GAAP Financial Information
This presentation includes unaudited non-GAAP financial measures including EBITDA, adjusted EBITDA, net cash (debt) and free cash flow. We define EBITDA as net income (loss) plus interest expense (including losses on the extinguishment of debt and net of interest income), income taxes and depreciation and amortization. We define Adjusted EBITDA as EBITDA plus any share-based compensation expense, any foreign currency income or losses, any gains or losses on the sale of assets and asset impairments and 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 below for a reconciliation of certain non-GAAP financial measures to the comparable GAAP measures.
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Non-GAAP Reconciliations

(unaudited)

EBITDA and adjusted EBITDA are reconciled as follows:

(in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Net income (loss)	$ (30,677)	$ 42,382
Adjustments:		
Depreciation and amortization	13,289	14,031
Interest expense, net	2,662	3,093
Income tax provision (benefit)	8,248	(32,338)
EBITDA	(6,478)	27,168
Share-based compensation expense	1,943	2,631
Foreign currency loss (income)	(3,958)	17,127
Loss on sale of assets and asset impairments	7,250	2,160
Restructuring charges, net	1,422	45
Adjusted EBITDA	$ 179	$ 49,131

Net debt is reconciled as follows:

(in thousands)	September 30, 2021	December 31, 2020
Cash and cash equivalents	$ 119,005	$ 129,857
Less total debt, net of debt issuance costs	(262,129)	(216,867)
Less debt issuance costs	(709)	(1,051)
Net debt	$ (143,833)	$ (88,061)

Free cash flow is reconciled as follows:

(in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Net cash provided by (used in) operating activities	$ (24,986)	$ 60,870
Less capital expenditures	(3,079)	(11,398)
Free cash flow	$ (28,065)	$ 49,472

Non-GAAP Reconciliations (continued)

(unaudited)

A reconciliation of the low-end and high-end ranges of projected net loss to projected EBITDA and projected adjusted EBITDA for the full year 2021 is as follows:

	Full Year 2021 Guidance Range (1)	
(in thousands)	Low-End	High-End
Projected net loss	$ (155,000)	$ (148,500)
Adjustments:		
Projected depreciation and amortization	51,000	51,000
Projected interest expense, net	10,000	10,000
Projected income tax provision	69,000	70,000
Projected EBITDA	(25,000)	(17,500)
Projected share-based compensation expense	9,000	9,750
Projected foreign currency loss	6,000	6,250
Projected loss on sale of assets and asset impairments	10,000	11,500
Projected restructuring charges	30,000	30,000
Projected Adjusted EBITDA	$ 30,000	$ 40,000

(1) All figures presented are projected estimates for the full year ending December 31, 2021.

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