Risk Factors Comparison 2024-02-22 to 2023-02-22 Form: 10-K

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You should carefully consider the following risk factors. If any of the events contemplated by the following discussion of risks should occur, our business, results of operations, financial condition, growth prospects and cash flows could suffer significantly. Additional risks that we currently do not know about or that we currently believe to be immaterial may also impair our business. Certain statements below are forward- looking statements. See " Special Note Regarding Forward- Looking Statements " in this Annual Report on Form 10- K. Risks Related to Our Wind Business A significant portion of our business is derived from a small number of customers, ~~and three wind blade customers in particular,~~ therefore any loss of or reduction in purchase orders, failure of these customers to fulfill their obligations or our failure to secure supply agreement renewals from these customers could materially harm our business. Substantially all of our revenues are derived from three wind blade customers. Vestas, GE **Vernova** ~~Renewable Energy~~ and Nordex accounted for **35** ~~36. 2 %, 20~~ . 8 % ~~and 32~~ **, 24** . 6 **% and 30. 3** %, respectively, of our total net sales for the year ended December 31, ~~2022~~ **2023** , and ~~30~~ **36** . ~~9~~ **2** %, ~~29~~ **20** . ~~0~~ **8** % and ~~25~~ **32** . ~~4~~ **6** %, respectively, of our total net sales for the year ended December 31, ~~2021~~ **2022** , and 30. **9 %, 29. 0 % and 25.** 4 ~~%, 34. 2 % and 18. 6~~ %, respectively, of our total net sales for the year ended December 31, ~~2020~~ **2021** . Accordingly, we are substantially dependent on continued business from our current wind blade customers. If one or more of our wind blade customers were to reduce or delay wind blade orders, file for bankruptcy or become insolvent, fail to pay amounts due or satisfactorily perform their respective contractual obligations with us or otherwise terminate or fail to renew their supply agreements with us, our business, financial condition and results of operations could be materially harmed. Defects in materials and workmanship or wind blade failures could harm our reputation, expose us to product warranty or other liability claims, decrease demand for wind blades we manufacture, or materially harm existing or prospective customer relationships, and our reserves for warranty expenses might not be sufficient to cover all future costs. Defects in the wind blades we manufacture are unpredictable and an inherent risk in manufacturing technically advanced products that involve a significant amount of manual labor and processes. Defects may arise from multiple causes, including design, engineering, materials, manufacturing and ~~components~~ - **component** failures as well as deficiencies in our manufacturing processes. Under our supply agreements, we warranty the materials and workmanship of the wind blades while our customers are responsible for the fitness of use and design of the wind blades. We have experienced wind blade failures and defects at some of our facilities during the startup manufacturing phase of new products, and we may experience failures or defects in the future. Wind blades that we have manufactured have also failed in the field. Any wind blade failures or other product defects in the future could materially harm our existing and prospective customer relationships. Specifically, negative publicity about the quality of the wind blades we manufacture or defects in the wind blades supplied to our customers could result in a reduction in wind blade orders, increased warranty claims, product liability claims and other damages or termination of our supply agreements or business relationships with current or new customers. Any of the foregoing could materially harm our business, operating results and financial condition. We provide warranties for all of the wind blades and precision molding and assembly systems we produce, including parts and labor, for periods that typically range from two to five years depending on the product sold. Our estimate of warranty expense requires us to make assumptions about matters that are highly uncertain, including future rates of product failure, repair costs, shipping and handling and de- installation and re-installation costs at customers' sites. Our assumptions could be materially different from the actual performance of our products and these remediation expenses in the future. The expenses associated with wind blade repair and remediation activities can be substantial and may include changes to our manufacturing processes. If our estimates prove materially incorrect, we could incur warranty expenses that exceed our reserves and we could be required to make material unplanned cash expenditures, which could materially harm our business, operating results and financial condition. We have experienced, and could in the future experience, quality or operational issues in connection with plant construction, expansion or assumption which could result in losses and cause delays in our ability to complete our projects and may therefore materially harm our business, financial condition and results of operations. We dedicate most of the capacity of our current wind blade manufacturing facilities to existing customers and, as a result, we may need to build additional manufacturing capacity or facilities to serve the needs of new customers or expanded needs of existing customers. **We currently conduct** ~~Since the third quarter of 2016, we commenced~~ operations at five manufacturing facilities in Mexico, one in Türkiye, **and** one in ~~Yangzhou, China and one in~~ Chennai, India ~~. We ceased operations at our Yangzhou, China manufacturing facility at the end of 2022~~ . The construction of new plants and the expansion or assumption of existing plants involves significant time, cost and other risks. We generally expect our plants to generate losses in their first 12 to 18 months of operations related to production startup costs. Additionally, numerous factors can contribute, and have in the past contributed, to delays or difficulties in the startup of, or the adoption of our manufacturing lines to produce larger wind blade models, which we refer to as model transitions, in our manufacturing facilities. These factors include permitting, construction or renovation delays, defects or issues with product tooling, the engineering and fabrication of specialized equipment, the modification of our general production know- how and customer- specific manufacturing processes to address the specific wind blades to be tested and built, changing and evolving customer specifications and expectations and the hiring and training of plant personnel. Any delays or difficulties in plant startup, expansion or assumption may result in cost overruns, production delays, contractual penalties, loss of revenues, reduced margins and impairment of customer relationships, which could materially harm our business, financial condition and results of operations. In ~~2021 and~~ 2022 **and 2023** , we experienced significant production delays at the Matamoros, Mexico manufacturing facility that we took over from Nordex in July 2021 **due to the poor condition of the facility and related equipment** , which adversely impacted our profitability and financial condition. Some of our supply agreements with our customers are subject to early termination and volume reductions at the discretion of our customers, and any early termination of or reduced volumes of wind blades purchased under these agreements could materially harm our business, financial condition and results of operations. Our supply agreements expire between **December** ~~the end~~ of ~~2023~~ **2024** and **December** ~~the end~~ of 2025. Some of our supply agreements contain provisions that allow for the early termination of these agreements upon the customer providing us with advance written notice and paying an early termination fee. Our supply agreements generally establish annual purchase requirements on which we rely for our future production and financial forecasts. However, the timing and volume of purchases, within certain parameters, may be subject to change by our customers. The amount of the annual purchase requirements typically ~~decline~~ **declines** in the later years of our supply agreements. Our customers may not continue to maintain supply agreements with us in the future. For example, Vestas ~~did not renew its Dafeng, China supply agreement, and GE did not renew its Iowa supply agreement, both of which expired at the end of 2021. In addition, Vestas~~ terminated its Yangzhou, China supply agreement at the end of 2022, ~~which~~ **even though it** was set to expire at the end of 2023, and paid to us an early termination fee. If one or more of our customers terminate ~~,~~ or reduce the number of manufacturing lines and volumes of wind blades purchased, or fail to renew their supply agreements with us, it may materially harm our business, financial condition and results of operations. Although a majority of our manufacturing facilities are located outside the U. S., our business is still heavily dependent upon the demand for wind energy in the U. S. and any downturn in demand for wind energy in the U. S. could materially harm our business. We have developed a global footprint to serve the growing wind energy market worldwide and have wind blade manufacturing facilities in the U. S., Mexico, Türkiye and India ~~, and manufacturing facilities in China related to our discontinued operations~~ . Although a majority of our manufacturing facilities are located outside of the U. S., historically more than half of the wind blades that we produced were deployed in wind farms located within the U. S. Our Iowa manufacturing facility, where production has been ~~temporarily~~ shut down since the end of the fourth quarter of 2021, and our Mexico manufacturing facilities manufacture wind blades that are generally deployed within the U. S. In addition, many of our wind blades are exported from our ~~China,~~ Türkiye and India manufacturing facilities to the U. S ~~. In addition, tariffs imposed on components of wind turbines from China, including wind blades, has had a negative impact on demand for our wind blades manufactured in our Chinese manufacturing facilities. This, among other things, including optimizing our global footprint and right sizing our organization, has led to ceasing production at our China facilities~~ . Consequently, demand for wind energy and our wind blade sales could be adversely affected by a variety of reasons and factors, and any downturn in demand for wind energy in the U. S. could materially harm our business. We expect that demand for wind turbine blades in ~~2023~~ **2024** will be slightly down compared to ~~2022~~ **2023** ~~due in large part to the discontinuation of our China operations and~~ due to our customers and wind farm developers continuing to defer investments into the future until inflationary pressure and global economies stabilize, and there is clearer regulatory guidance with respect to the IRA and actions proposed by the EU under the REPowerEU plan and the Green Deal Industrial Plan. We have ~~recently~~ experienced ~~significant~~ **volatility in the** price ~~increases~~ and **availability** ~~supply constraints~~ of raw materials and components that are critical to our manufacturing needs, as well as ongoing inflationary pressures impacting many of our labor and other costs, and we may continue to, or in the future, experience ~~such~~ price increases, supply constraints, and inflationary pressures, which may hinder our ability to perform under our supply agreements and adversely impact our profitability and financial condition. We rely upon third parties for raw materials, such as fiberglass, carbon fiber, resins, foam core and balsa wood, and various components for the **products** ~~wind blades~~ we manufacture. Some of these raw materials and components may only be purchased from a limited number of suppliers. ~~The after- effects of the COVID- 19 pandemic, the current~~ **Current** geopolitical ~~situation~~ **climate** , **such as the attacks on shipping vessels in the Red Sea,** and **the** economic environment **generally** , including with respect to inflation, continue to evolve and affect supply chain performance and underlying assumptions in various ways – specifically with volatility in commodity, energy, and logistics costs. **However, the overall pricing for the raw materials that we source decreased in 2023 compared to 2022 due to decreases in pricing and logistics costs.** We expect **to see a further decrease in** ~~the prices of resin, carbon fiber, fiberglass and other raw materials~~ - **material pricing** ~~to remain elevated~~ in ~~the near term compared to pre- pandemic levels. We also expect logistics costs to remain elevated from pre- pandemic levels. However, we have seen prices stabilize and logistics costs have come down from 2022~~ **2024** ~~. In 2023, we believe our supply chain costs will be flat to slightly down compared to 2022~~ . If the prices for these raw materials and logistics costs revert back to the levels we experienced in 2021 and 2022, such elevated price levels could have a material impact on our results of operations. Additionally, our ability to purchase the appropriate quantities of raw materials is constrained by our customers' transitioning wind blade designs and specifications. As a result, we maintain, closely monitor and manage inventory and acquire raw materials and components as needed and with consideration to lead time factors. Due to ~~significant~~ **fluctuating** international demand for these raw materials from many industries, and extended logistics lead times, we may be unable to acquire sufficient quantities or secure a stable supply for our manufacturing needs. ~~Our largest~~ **One of our** ~~customer~~ **customers** sources all of the critical raw materials that we use to produce ~~its~~ **such customers'** wind blades ~~and in some instances, our customers source the purchase of certain key raw materials and components~~ . Since we do not source ~~the~~ procurement of these raw materials for **this** ~~our largest~~ customer, we have fewer controls and remedies to mitigate raw material and supply chain risks and disruptions relating to ~~these~~ **such** raw materials **for such customer** . In ~~2022~~ **2023** , we procured approximately ~~20~~ **11** % of our raw materials from China so any ocean logistic delays **arising from attacks on shipping vessels in the Red Sea or otherwise** , weather events, strikes, other force majeure events or geopolitical developments impacting China could disrupt our supply chain. In addition, a disruption in any aspect of our global supply chain caused by transportation delays, customs delays, cost issues or other factors could result in a shortage of raw materials or components critical to our manufacturing needs. Any supply shortages, delays in the shipment of materials or components from third party suppliers, or changes in the terms on which they are available could disrupt or materially harm our business, operating results and financial condition. Ongoing inflationary pressures have caused and may continue to cause many of our material, labor, and other costs to increase, which can have adverse impacts on our results of operations. The ~~governments~~ **government** of Mexico ~~and Türkiye~~ increased minimum wages approximately 20 % ~~and 55 %, respectively,~~ effective January 1, 2023, and ~~there may be further wage~~ **an additional 20 % effective January 1, 2024. The government of Türkiye** ~~increases~~ **increased** ~~enacted throughout~~ **minimum wages approximately 55 %, 34 % and 49 %, respectively, effective January 1, 2023, July 1, 2023, and January 1, 2024. In May 2023 we agreed to an amendment to our collective bargaining agreement with our associates in Türkiye which resulted in significantly increased wages for** ~~the~~ **these** ~~year~~ **associates** . While our customer contracts allow us to pass a portion of these increases to our customers, we will not be able to recover 100 % of the wage inflation. If our manufacturing facilities in these countries continue to experience wage inflation at these levels and the increased costs in local currency are not offset with favorable foreign currency fluctuations, such elevated wages could have a material impact on our results of operations and financial condition. Demand for the wind blades we manufacture may fluctuate for a variety of reasons, including the growth of the wind industry, and decreases in demand could materially harm our business and may not be sufficient to support our growth strategy. Our revenues, business prospects and growth strategy heavily depend on the continued growth of the wind industry and our customers' continuing demand for wind blades. Customer demand could decrease from anticipated levels due to numerous factors outside of our control that may affect the development of the wind energy market generally, portions of the market or individual wind project developments, including: • general economic conditions; • the general availability and demand for electricity; • wind energy market volatility; • cost- effectiveness, availability and reliability of alternative sources of energy and competing methods of producing electricity, including solar and non- renewable sources such as natural gas; • foreign, federal and state governmental tariffs, subsidies and tax or regulatory policies; • delays or cancellations of government tenders or auctions for wind energy projects; • the availability of financing for wind development projects; • the development of electrical transmission infrastructure, the ability to implement a proper grid connection for wind development projects, and the ability to obtain timely permitting approvals; • permitting and siting regulations and challenges; • foreign, federal and state laws and regulations regarding avian protection plans, noise or turbine setback requirements and other environmental laws and regulations; • our customers' cost of transporting wind blades from our manufacturing facilities to wind farms; • increases in the price or lack of availability of raw materials used to produce our wind blades; • administrative and legal challenges to proposed wind development projects; and • public perception and localized community responses to wind energy projects. In ~~2022~~ **2023** , we experienced a decline in demand for our wind turbine blades due primarily to regulatory uncertainty as our customers and wind farm developers continued to defer investments into the future until inflationary pressure and global economies stabilize, and there is clearer regulatory guidance with respect to the IRA and actions proposed by the EU under the REPowerEU plan, which adversely impacted our operating results. We expect that demand for wind turbine blades in ~~2023~~ **2024** will ~~be~~ **remain** slightly down ~~compared to 2022. In 2023, we expect to be operating fewer manufacturing lines as a result of closing down our factory in Yangzhou, China~~ . In addition to factors affecting the wind energy market generally, our customers' demand may also fluctuate based on other factors beyond our control. Any decline in customer demand below anticipated levels could materially harm our revenues and operating results and could delay or impede our growth strategy. We have experienced in the past, and our future wind blade production could be affected by, operating problems at our facilities, which may materially harm our operating results and financial condition. Our wind blade manufacturing processes and production capacity have in the past been, and could in the future be, disrupted by a variety of issues, including: • production outages to conduct maintenance activities that cannot be performed safely during operations; • prolonged power failures or reductions; • breakdowns, failures or substandard performance of machinery and equipment; • our inability to comply with material environmental requirements or permits; • inadequate transportation infrastructure, including problems with railroad tracks, bridges, tunnels or roads; • supply shortages of key raw materials and components; • damage or production delays caused by earthquakes, fires, floods, tornadoes, hurricanes, extreme weather conditions such as windstorms, hailstorms, drought, temperature extremes, typhoons or other natural disasters or terrorism or health epidemics ~~such as the COVID- 19 pandemic~~ ; and • labor unrest or shortages in skilled labor. The cost of repeated or prolonged interruptions, reductions in production capacity, or the repair or replacement of complex and sophisticated tooling and equipment may be considerable and could result in damages ~~under~~ or the termination of our supply agreements or penalties for regulatory non- compliance, any of which could materially harm our business, operating results and financial condition. We operate a substantial portion of our business in international markets and we may be unable to effectively manage a variety of currency, legal, regulatory, economic, social and political risks associated with our global operations and those in developing markets. We currently operate manufacturing facilities in the U. S., Mexico, Türkiye, and India. Since the third quarter of 2016, we commenced operations at five new manufacturing facilities in Mexico, one in Türkiye, and one in Chennai, India. For the years ended December 31, **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , approximately **96 %,** 94 % ~~,~~ **and** 87 ~~% and 84~~ %, respectively, of our net sales were derived from our continuing international operations. Our overall success depends, in part, upon our ability to succeed in differing legal, regulatory, economic, social and political conditions. The global nature of our operations is subject to a variety of risks, including: • difficulties in staffing and managing multiple international locations; • the risk of significant wage inflation in Türkiye, Mexico and other countries in which we operate, and continuing general inflationary pressures in these markets; • increased exposure to foreign currency exchange rate risk or currency exchange controls imposed by foreign countries; • the risk of import, export and transportation regulations and tariffs on foreign trade and investment, including boycotts and embargoes; • taxation and revenue policies or other restrictions, including royalty and tax increases, retroactive tax claims and the imposition of unexpected taxes; • the imposition of, or rapid or unexpected adverse changes in, foreign laws, regulatory requirements or trade policies; • restrictions on repatriation of earnings or capital or transfers of funds into or out of foreign countries; • limited protection for IP rights in some jurisdictions; • inability to obtain adequate insurance; • difficulty administering internal controls and legal and compliance practices in countries with different cultural norms and business practices; • the possibility of being subjected to the jurisdiction of foreign courts in connection with legal disputes and the possible inability to subject foreign persons to the jurisdiction of courts in the U.

S.; • the misinterpretation of local contractual terms, renegotiation or modification of existing supply agreements and enforcement of contractual terms in disputes before local courts; • the inability to maintain or enforce legal rights and remedies at a reasonable cost or at all; and • the potential for political unrest, expropriation, nationalization, revolution, war or acts of terrorism in countries in which we operate. As we continue to operate our business globally, our success will depend, in part, on our ability to anticipate and effectively manage these and other related risks. We may be unsuccessful in developing and implementing policies and strategies that will be effective in managing these risks in each country where we do business or conduct operations. Our failure to manage these risks successfully could materially harm our business, operating results and financial condition. A drop in the price of energy sources other than wind energy, or our inability to deliver wind blades that compete with the price of other energy sources, may materially harm our business, financial condition and results of operations. We believe that the decision to purchase wind energy is, to a significant degree, driven by the relative cost of electricity generated by wind turbines compared to the applicable price of electricity from traditional (i. e., thermal) and other renewable energy sources. Decreases in the prices of electricity from traditional or renewable energy sources other than wind energy, such as solar, could harm the market for wind energy. In particular, a drop in natural gas prices could lessen the appeal of wind-generated electricity. Technological advancements or the construction of a significant number of power generation plants, including nuclear, coal, natural gas or power plants utilizing other renewable energy technologies, government support for other forms of renewable energy or construction of additional electric transmission and distribution lines could reduce the price of electricity produced by competing methods, thereby making the purchase of wind energy less attractive. The ability of energy conservation technologies, public initiatives and government incentives to reduce electricity consumption or support other forms of renewable energy could also lead to a reduction in the price of electricity, which would undermine the attractiveness of wind energy and thus wind turbines, and, ultimately wind blades. If prices for electricity generated by wind turbines are not competitive, our business, financial condition and results of operations may be materially harmed. We encounter intense competition for limited customers from other wind blade manufacturers, as well as in- house production by wind turbine OEMs, which may make it difficult to enter into supply agreements, keep existing customers and potentially get new customers. We face significant competition from other wind blade manufacturers, and this competition may intensify in the future. The wind turbine market is characterized by a relatively small number of large OEMs. The competitive environment in the wind energy industry recently has become more challenging primarily due to ongoing regulatory uncertainty and supply chain constraints and significant raw material price increases. This challenging environment may lead to further consolidation in the industry, which could lead to us having even fewer customers. In addition, a significant percentage of wind turbine OEMs, including all of our current customers, produce some of their own wind blades in- house. As a result, we compete for business from a limited number of customers that outsource the production of wind blades. We also compete with a number of wind blade manufacturers in China, who are growing in terms of their technical capability and aspire to expand outside of China. Some of our competitors have more experience in the wind energy industry, as well as greater financial, technical or human resources than we do, which may limit our ability to compete effectively with them and maintain or improve our market share. Additionally, our supply agreements dedicate capacity at our facilities to our customers, which may also limit our ability to compete if our facilities cannot accommodate additional capacity. If we are unable to compete effectively for the limited number of customers that outsource production of wind blades, our ability to enter into supply agreements with potential new and existing customers may be materially harmed. Various legislation, infrastructure, regulations including permitting and siting and incentives that are expected to support the growth of wind energy in the U. S. and around the world may not be extended or may be discontinued, phased out or changed, or may not be successfully implemented, which could materially harm wind energy programs and materially decrease demand for the wind blades we manufacture. The U. S. wind energy industry has been dependent in part upon governmental support through certain incentives including federal tax incentives and state RPS programs and may not be economically viable if a large number of these incentives are not continued. Government- sponsored tax incentive programs including the PTC, and the Investment Tax Credit (ITC) have supported the U. S. growth of wind energy. In August 2022, the PTC was extended until the later of 2032 or when greenhouse gas emissions have been reduced by 75 % compared to 2022. In addition, a new advanced manufacturing production tax credit (AMPC) was created that can be claimed for the domestic production and sale of clean energy components, such as wind turbine blades. There are also increasing regulatory efforts globally to promote renewable energy. In December 2020, the EU agreed to reduce EU greenhouse gas emissions by at least 55 % by 2030, compared to 1990 levels. In May 2022, the EU announced the REPowerEU plan which seeks to rapidly reduce the EU' s dependence on fossil fuels by 2027. Furthermore, the EU introduced the Green Deal Industrial Plan that is expected to further accelerate the expansion of renewable energy and green technologies including easing state aid rules to enable higher subsidies. A key component of the Green Deal Industrial Plan is the Net- Zero Industry Act to simplify regulations, speed up ~~permits~~ **permitting** and promote cross- border projects to accelerate climate neutrality **in Europe** . **In November 2023** ~~Although our near- term outlook remains challenging~~ , ~~we~~ **EU' s Renewable Energy Directive III, which aims to raise the** ~~are~~ **share** ~~encouraged~~ **of renewable power in the EU' s overall energy consumption to 42. 5 %** by **2030, with** ~~the passing of the IRA and~~ - **an additional 2. 5 % indicative top up that would allow** the **overall share to reach 45 %, entered into effect. We** ~~expected~~ -- **expect that the new government policy will accelerate** long- term **growth** ~~incentive certainty that the IRA provides~~ in ~~the U. S. market. We anticipate the provisions of the IRA related to the energy incentives such as the AMPC will have a favorable impact on our business. However,~~ the wind industry ~~is waiting~~ **. Despite these favorable long- term policy trends, we don' t expect an increase in demand until 2025, while the wind industry awaits clarity** on **the implementation** guidance **related** ~~from the Internal Revenue Service (IRS) and U. S. Treasury Department, among others,~~ to ~~define~~ **key components of the IRA** and ~~clarify~~ **clarity around more robust policies** ~~the implementation of this complex legislation and this has resulted~~ in ~~decreased demand for our~~ **Europe. In addition, permitting, transmission, transmission queues, the ability of the broader** wind **industry supply chain** ~~blades in 2022 compared~~ to ~~2021~~ **ramp volume,**

elevated interest rates and ~~we expect moderated demand for our~~ **inflation, and the cost and availability of capital are further factors limiting the timing of the** wind **market recovery** ~~blades from our customers to continue in 2023~~. Because of the long lead times necessary to develop wind energy projects, including obtaining necessary permits or access to transmission infrastructure, any uncertainty or delay in reinstituting the PTC and ITC or adopting, extending or renewing other incentives promoting wind energy beyond their current or future expiration dates could negatively impact potential wind energy installations and result in industry volatility. There can be no assurance that governmental programs or subsidies for renewable energy will remain in effect in their present form or at all, or that the required transmission infrastructure expansion occurs, and the elimination, reduction, or modification of these programs or subsidies could materially harm wind energy programs in the U. S. and international markets and materially decrease demand for the wind blades we manufacture and, in turn, materially harm our business, operating results and financial condition. Although regulatory uncertainty, as well as permitting, siting and transmission challenges in the U. S. and Europe has tempered demand for wind energy in the near term, we expect global demand for renewable energy, and wind energy in particular, will continue to grow in the long term due to a multitude of factors, including: increased cost competitiveness of wind energy compared to fossil fuel generated electricity; increased demand from corporations and utility providers for renewable energy; and recent international policy initiatives designed to promote the growth of renewable energy. Risks Related to Our Automotive Business Our efforts to expand our automotive business **or consummate a** ~~and enter into other~~ strategic ~~markets~~ **transaction to further expand and fund our automotive business** may not be successful. While our primary focus has been to manufacture composite wind blades, **we also serve the** ~~our strategy is to expand our~~ automotive ~~business and to enter into other strategic markets~~ - **market** . We have experienced startup challenges and incurred significant losses to date in connection with **our automotive business** ~~the supply of bus bodies to Proterra~~. The expansion of our automotive business and our entry into other strategic markets will require improved execution in terms of our start up activity and ongoing manufacturing performance as well as significant levels of investment. **As a result, we are in the process of exploring strategic alternatives to ensure our automotive business is sufficiently funded to execute on its growth strategies. We expect to complete this process no later than June 30, 2024.** There can be no assurance that **we will be able to grow or adequately fund** our automotive business ~~or other strategic markets will develop as anticipated or that we will have success in any such markets, and if we do not, we may be unable to recover our investment,~~ which could adversely impact our business, financial condition and results of operations. We may incur material losses and costs as a result of product liability and warranty claims, litigation and other disputes and claims. We are exposed to warranty and product liability claims if our automotive products fail to perform as expected. We may in the future be required to participate in a recall of these products or the vehicles incorporating our products. If public safety concerns are raised, we may have to participate in a recall even if our products are ultimately found not to be defective. Vehicle manufacturers have experienced increasing recall campaigns in recent years. Our customers may look to us for contribution when faced with recalls and product liability claims. If our customers demand higher warranty- related cost recoveries, or if our automotive products fail to perform as expected, our business, financial condition and results of operations could materially suffer. Risks Related to Our Business as a Whole ~~Servicing outbreak of positive COVID- 19 cases in any of our manufacturing facilities.~~ Our financial position,revenue,operating results,profitability and cash flows are difficult to predict and may vary from quarter to quarter,which could cause our share price to decline significantly.Our quarterly revenue,operating results,profitability and cash flows have varied in the past and are likely to vary significantly from quarter to quarter in the future.The factors that are likely to cause these variations include:• **warranty expense;• associate wage levels and wage inflation in Türkiye,Mexico and other countries in which we operate,and continuing general inflationary pressures in these markets;•** operating and startup costs of new manufacturing facilities;• wind blade model transitions;• differing quantities of wind blade production;• unanticipated contract ~~or project delays or terminations;• changes in the costs of raw materials or disruptions in raw our~~ - **or project delays** ~~debt and obligations to our~~ - **or** ~~Series A Preferred Stockholders will require~~ **terminations; • changes in the costs of raw materials or disruptions in raw material supply; • scrap of defective products; • payment of liquidated damages to our customers for late deliveries of our products; • availability of qualified personnel; • costs incurred in the expansion of our existing manufacturing capacity; • volume reduction requests from our customers pursuant to our customer agreements; • damage or production delays caused by earthquakes, fires, floods, tornadoes, hurricanes, extreme weather conditions such as windstorms, hailstorms, drought, temperature extremes, typhoons or other natural disasters or terrorism or health epidemics such as the COVID- 19 pandemic; • changes in our effective tax rate; • general economic conditions; and • the complexity of the financial assumptions we must use for forecasting our revenue, profitability and operating results under the revenue recognition standard and the impact that unanticipated blade transitions have on those estimates. As** a ~~significant amount of~~ **result, our revenue, operating results, profitability and** cash ~~,~~ **flows for a particular period are difficult to predict** and **may decline in comparison to corresponding prior periods regardless of the strength of our business. It is also possible that in some future periods our revenue, operating results and profitability may not meet the expectations of securities analysts or investors. If this occurs, the trading price of our common stock could fall substantially, either suddenly or over time, and our business, operating results and financial condition would be materially harmed. Our Credit Agreement with Oaktree contains, and any future loan agreements** we may ~~not have sufficient~~ **enter into may contain, operating and financial covenants that restrict our business and financing activities. As of December 31, 2023, we had outstanding $ 395. 0 million of senior, secured indebtedness under the Credit Agreement and Guaranty, dated as of December 14, 2023, between the Company and Oaktree Fund Administration, LLC (the Credit Agreement) and total outstanding indebtedness of $ 606. 1 million. Our obligations under the Credit Agreement are secured by substantially all of our assets. In addition, from time to time, we enter into various loan, working capital and accounts receivable financing facilities to finance the construction and ongoing operations of our advanced manufacturing facilities and other capital expenditures. The Credit Agreement contains various financial covenants and**

other restrictions regarding, among other things, maintaining minimum cash ~~flow from~~ **balances, making capital expenditures and other restricted payments, incurring additional indebtedness, creating liens, and paying dividends. The operating and financial restrictions and covenants contained in the Credit Agreement, as well as** our **other existing and any future financing agreements that we may enter into, may restrict our ability to finance our operations, engage in** business ~~to pay~~ **activities, expand** ~~our~~ - **or fully pursue** ~~substantial indebtedness and Series A Preferred Stock obligations, and our indebtedness and obligations to our Series A Preferred Stockholders may adversely affect~~ our business ~~, results of operations~~ **strategies or respond to changing business** and ~~financial~~ **economic** ~~condition~~ **conditions** . Our ability ~~to make scheduled payments of the principal of, to pay interest on or to refinance or repay, our indebtedness, and our ability to pay dividends on and redeem our Series A Preferred Stock, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. We have incurred substantial losses over the past three years and our business may not be able to generate cash flow from operations in the future sufficient to service our debt, satisfy our obligations to our Series A Preferred Stockholders and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional debt financing or equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness and / or redeem our Series A Preferred Stock will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt or our obligations to our Series A Preferred Stockholders. In addition, the Certificate of Designations governing our Series A Preferred Stock contains, and our future debt agreements may contain, restrictive covenants that may prohibit us from adopting any of these alternatives. Our failure~~ to comply with these covenants **may be affected by events beyond our control. A breach of any of these covenants** could result in **a** ~~an event of~~ default **under the Credit Agreement or one or more of our other loan facilities,** which ~~,~~ **could cause all of the outstanding indebtedness under such agreements to become immediately due and payable by us and / or enable the applicable lender to terminate all commitments to extend further credit. If we are forced to refinance these borrowings on less favorable terms or** if ~~not cured~~ **cannot refinance these borrowings,** ~~or~~ **our** ~~waived,~~ **results of operations and financial condition** could **be adversely affected** ~~result in the acceleration of our debt and require us to redeem our Series A Preferred Stock~~ . In addition, ~~our~~ **if we were unable to repay the outstanding** indebtedness ~~and obligations~~ **upon a default, our lenders could proceed against the assets pledged as collateral** to **secure that indebtedness. Any acceleration of the amounts due under the Credit Agreement,** ~~our~~ - **or** ~~Series A Preferred Stock Stockholders~~ **the exercise by the applicable lenders or agent of their rights under the related security documents, would likely have a material adverse effect on our business. Our indebtedness may adversely affect our business, results of operations and financial condition. Our indebtedness** could adversely affect our business, results of operations and financial condition by, among other things: • requiring us to dedicate a substantial portion of our cash flow from operations to pay principal and interest on our debt ~~and pay dividends and redeem our Series A Preferred Stock~~ , which would reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions, execution of our growth strategy and other general corporate purposes; • limiting our ability to borrow additional amounts to fund debt service requirements, working capital, capital expenditures, acquisitions, execution of our growth strategy and other general corporate purposes; • making us more vulnerable to adverse changes in general economic, industry and regulatory conditions and in our business by limiting our flexibility in planning for, and making it more difficult to react quickly to, changing conditions; • placing us at a competitive disadvantage compared with those of our competitors that have less debt and ~~preferred stock, and~~ lower debt service ~~and preferred stock service~~ requirements ~~; • making us more vulnerable to increases in interest rates since some of our indebtedness is subject to variable rates of interest~~ ; and • making it more difficult for us to satisfy our financial obligations. ~~Our business~~ **In addition** , **we may not be able to generate sufficient cash flow from our** operations **to repay our outstanding indebtedness when it becomes due** and **to meet our other cash needs or to comply with the** financial **covenants set forth therein. If** ~~condition during the years ended December 31, 2021 and 2020 were adversely affected by the COVID- 19 pandemic and~~ we ~~cannot estimate~~ **are not able to pay our debts as** ~~the~~ **they** ~~duration~~ **become due, we could be in default** of the **Credit Agreement** ~~COVID- 19 pandemic and our~~ - **or** ~~business~~ **other indebtedness. We might also be required to pursue one or more alternative strategies to repay indebtedness, such as selling assets, refinancing or restructuring our indebtedness or obtaining additional debt financing or selling equity securities on terms that** may be ~~adversely affected in the future~~ **onerous or highly dilutive. We may not be able to refinance our debt or sell additional debt or equity securities or our assets on favorable terms,** if **at** ~~the COVID- 19 pandemic persists. The COVID- 19 pandemic adversely affected our business and operations during the years ended December 31, 2021 and 2020 but did not have a material impact on our business during the year ended December 31, 2022. During the first quarter of 2020, our China manufacturing facilities were adversely impacted by the COVID- 19 pandemic in the form of reduced production levels and COVID- 19 related costs associated with the health and safety of our associates and non- productive labor. During the second quarter of 2020,~~ all ~~of our manufacturing facilities with the exception of our China manufacturing facilities and our Rhode Island manufacturing facility were required to temporarily suspend production or operate at reduced production levels due primarily to certain applicable government- mandated stay at home orders in response to the COVID- 19 pandemic~~ , ~~demands from certain of our labor unions to suspend or reduce production and general safety concerns of our associates. By the end of the second quarter of 2020, most of our manufacturing facilities had returned to operating at or near normal production levels. During the third quarter of 2021, our manufacturing facility in Yangzhou, China was required to temporarily suspend production due to a COVID- 19 outbreak in Yangzhou City. Although all of our manufacturing facilities currently are operating without any COVID- 19 impacts or restrictions, we may be required to reinstate temporary production suspensions or volume reductions at our other manufacturing facilities to the extent there is a resurgence of COVID- 19 cases in the regions where we operate or there is an~~ **and if** outbreak of positive COVID- 19 cases...... • the complexity of the financial assumptions we must **sell assets** ~~use for forecasting our revenue~~

, **it** ~~profitability and operating results under the revenue recognition standard and the impact that unanticipated blade transitions have on those estimates. As a result, our revenue, operating results, profitability and cash flows for a particular period are difficult to predict and~~ may **negatively affect** ~~decline in comparison to corresponding prior periods regardless of the strength of~~ our **ability to generate** ~~business. It is also possible that in some future periods our revenue~~ **revenues** ~~, operating results and profitability may not meet the expectations of securities analysts or investors. If this occurs, the trading price of our common stock could fall substantially, either suddenly or over time, and our business, operating results and financial condition would be materially harmed~~ . The fluctuation of foreign currency exchange rates could materially harm our financial results. Since we conduct a significant portion of our operations internationally, our business is subject to foreign currency risks, including currency exchange rate fluctuations. The exchange rates are affected by, among other things, changes in political and economic conditions. For example, an increase in our Türkiye sales and operations will result in a larger portion of our net sales and expenditures being denominated in the Euro and Turkish Lira. Significant fluctuations in the exchange rate between the Turkish Lira and the U. S. dollar, the Turkish Lira and the Euro or the Euro and the U. S. dollar may adversely affect our revenue, expenses, as well as the value of our assets and liabilities. To the extent our future revenues and expenses are generated outside of the U. S. in currencies other than the U. S. dollar, including the Euro, the Turkish Lira, Mexican Peso or India Rupee, among others, we will be subject to increased risks relating to foreign currency exchange rate fluctuations which could materially harm our business, financial condition and operating results. Our manufacturing operations and future growth are dependent upon the availability of capital, which may be insufficient to support our capital expenditures. Our current wind blade manufacturing activities and future growth will require substantial capital investment. For the years ended December 31, **2023 and** 2022 ~~and 2021~~ , our capital expenditures, including those related to discontinued operations, were $ **36. 1 million and $** 18. 8 ~~million and $ 37. 1~~ million, respectively, including assets acquired under finance leases in **2023 and** 2022 ~~and 2021~~ of $ 0. **8 million and $ 0.** 2 ~~million and $ 1. 8~~ million, respectively. We plan to make continued investments in our U. S., Türkiye, Mexico, and India facilities. Our ability to grow our business is predicated upon us making significant additional capital investments to expand our existing manufacturing facilities and build and operate new manufacturing facilities in existing and new markets or access capital to acquire new businesses. We may not have the capital to undertake these capital investments. In addition, our capital expenditures may be significantly higher if our estimates of future capital investments are incorrect and may increase substantially if we are required to undertake actions to comply with new regulatory requirements or compete with new technologies. The cost of some projects may also be affected by foreign exchange rates if any raw materials or other goods must be paid for in foreign currency. We cannot assure you that we will be able to raise funds on favorable terms, if at all, or that future financings would not be dilutive to holders of our capital stock. We also cannot assure you that completed capital expenditures will yield the anticipated results. ~~If~~ **The Credit Agreement contains covenants that limit the amount of capital expenditures that we can make, and if** we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants, or other restrictions on our business that could impair our operational flexibility ~~,~~ and would require us to fund additional interest expense. If we are unable to obtain sufficient capital at a reasonable cost or at all, we may not be able to expand our business to take advantage of changes in the marketplace or may be required to delay, reduce or eliminate some or all of our current operations, which could materially harm our business, operating results and financial condition. Our business and reputation could be adversely impacted by any violations of the FCPA, the U. K. Bribery Act, and other foreign anti- corruption laws. As a U. S. corporation, we are subject to the FCPA, which generally prohibits U. S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or keeping business. Other countries in which we operate also have anti- corruption laws, some of which prohibit improper payments to government and non- government persons and entities, and others extend their application to activities outside their country of origin. We have manufacturing facilities in Mexico, Türkiye and India, countries with a fairly high risk of corruption. Those facilities are subject to routine government oversight. In addition, a number of our raw materials and components suppliers are state- owned, particularly in China. Moreover, due to our need to import raw materials across international borders, we also routinely have interactions, directly or indirectly, with customs officials. In many foreign countries, under local custom, businesses engage in practices that may be prohibited by the FCPA or other similar laws and regulations. Additionally, we continue to hire associates around the world ~~as we continue~~ to ~~expand~~ **support our international operations** . Although we have implemented certain policies, procedures and controls designed to ensure compliance with the FCPA and similar laws, there can be no guarantee that all of our associates and agents, as well as those companies to which we outsource certain of our business operations, have not taken and will not take actions that violate our policies and the FCPA or other anti- corruption laws, which could subject us to fines, penalties, disgorgement, and loss of business, harm our reputation and impact our ability to compete in certain jurisdictions. In addition, these laws are complex and far- reaching in nature, and, as a result, we may be required in the future to alter one or more of our practices to be in compliance with these laws or any changes in these laws or the interpretation thereof. Moreover, our competitors may not be subject to the FCPA or similar laws, which could provide them with a competitive advantage in some jurisdictions. Effective internal controls are necessary for us to provide reliable financial reports and effectively address fraud risks. We maintain a system of internal controls to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U. S. generally accepted accounting principles (GAAP). The process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to establish and maintain a system of internal controls that will be adequate to satisfy the reporting obligations of a public company. The effectiveness of our internal controls depends in part on the cooperation of senior managers worldwide. Any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. Any failure to maintain that system, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and harm our business, and lead to our becoming subject to litigation, sanctions or investigations by The NASDAQ Global Market (NASDAQ), the SEC or other regulatory governmental agencies and bodies. Furthermore, investors' perceptions that our internal controls are inadequate or that we are unable to produce accurate financial statements on a timely basis may harm our stock price. Much of our intellectual property consists of trade secrets and know- how that is very difficult to protect. If we experience loss of protection for our trade secrets or know- how, our business would be substantially harmed. We have a variety of IP rights, including patents, trademarks and copyrights, but much of our most important IP rights consist of trade secrets and know- how and effective IP protection may be unavailable, limited or outside the scope of the IP rights we pursue in the U. S. and in foreign countries where we operate. Although we strive to protect our IP rights, there is always a risk that our trade secrets or know- how will be compromised or that a competitor could lawfully reverse- engineer our technology or independently develop similar or more efficient technology. We have confidentiality agreements with each of our customers, suppliers, key associates and independent contractors in place to protect our IP rights, but it is possible that a customer, supplier, associate or contractor might breach the agreement, intentionally or unintentionally. It is also possible that our confidentiality agreements with customers, suppliers, associates and contractors will not be effective in preserving the confidential nature of our IP rights. The patents we own could be challenged, invalidated, narrowed or circumvented by others and may not be of sufficient scope or strength to provide us with any meaningful protection or commercial advantage. Once our patents expire, or if they are invalidated, narrowed or circumvented, our competitors may be able to utilize the inventions protected by our patents. Additionally, the existence of our IP rights does not guarantee that we will be successful in any attempt to enforce these rights against third parties in the event of infringement, misappropriation or other misuse, which may materially and adversely affect our business. Because our ability to effectively compete in our industry depends upon our ability to protect our proprietary technology, we might lose business to competitors and our business, revenue, operating results and prospects could be materially harmed if we suffer loss of trade secret and know- how protection or breach of our confidentiality agreements. We may be subject to significant liabilities and costs relating to environmental and health and safety requirements. We are subject to various environmental, health and safety laws, regulations and permit requirements in the jurisdictions in which we operate governing, among other things, health, safety, pollution and protection of the environment and natural resources, the handling and use of hazardous substances, the generation, storage, treatment and disposal of wastes, and the cleanup of any contaminated sites. We have incurred, and expect to continue to incur, capital and operating expenditures to comply with such laws, regulations and permit requirements. While we believe that we currently are in material compliance with all such laws, regulations and permit requirements, any noncompliance may subject us to a range of enforcement measures, including the imposition of monetary fines and penalties, other civil or criminal sanctions, remedial obligations, and the issuance of compliance requirements restricting our operations. There can be no assurance that we will not in the future become subject to compliance requirements, obligations to undertake cleanup or related activities, or claims or proceedings relating to environmental, health or safety matters, hazardous substances or wastes, contaminated sites, or other environmental or natural resource damages, that could impose significant liabilities and costs on us and materially harm our business, operating results and financial condition. Work disruptions resulting from our collective bargaining agreements could result in increased operating costs and materially harm our business, operating results and financial condition. Certain of our associates in Türkiye and Matamoros, Mexico, which in the aggregate represented approximately ~~35~~ **37** % of our workforce as of December 31, ~~2022~~ **2023** , are covered by collective bargaining agreements. ~~In January 2019, thousands~~ **We have separate collective bargaining agreements for each** of **our Matamoros, Mexico** ~~workers employed in dozens of~~ manufacturing facilities ~~in Matamoros, Mexico, went on strike~~ . **Our** ~~In general, these workers, who were represented by several different labor unions, demanded an increase in their wage rate and an annual bonus. In February 2019, our manufacturing production associates in Matamoros, Mexico, who were represented by a labor union, went on strike also demanding an increase in their hourly wage rate and the payment of an annual bonus. During this strike, our Matamoros manufacturing facility stopped production for several weeks until we reached a revised agreement with our labor union. We amended this Matamoros~~ collective bargaining agreement **at one of** ~~to adjust the salaries and bonuses payable to~~ our ~~associates for calendar year~~ **Matamoros, Mexico manufacturing facilities is in effect through March** ~~2022~~ **2025** ~~that are covered by this agreement~~ . ~~This~~ **Our** collective bargaining agreement **for our** ~~is in effect through March 2023. We are in the~~ **other facility in Matamoros** ~~process of negotiating an amendment to this agreement. In July 2021~~ , **Mexico that** we took over ~~a manufacturing facility~~ from Nordex in ~~Matamoros~~ **July 2021** , ~~Mexico~~ pursuant to a 3- year supply agreement **,** ~~. We have a collective bargaining agreement for the associates at this facility that~~ is in effect through April ~~2023~~ **2025** ~~. We are in the process of negotiating an amendment to this agreement~~ . In July 2022, we experienced a brief labor disruption in our Türkiye manufacturing facilities as we worked with the union to address the inflationary pressures on wages. Our Türkiye manufacturing facilities have experienced significant wage inflation over the course of the past year ~~and we expect that trend to continue in 2023~~ . ~~The~~ **For example, the** government of Türkiye increased minimum wages approximately 55 % **, 34 % and 49 %, respectively,** effective January 1, 2023 **; July 1, 2023;** and **January 1, 2024** ~~there may be further wage increases enacted throughout the year~~ . Our collective bargaining agreement for our Türkiye facilities ~~was~~ **is** in effect through **December** ~~the end of 2022~~ **2024** ~~. We are in the process of negotiating an amendment to this agreement for calendar year 2023~~ . Additionally, our other associates working at other manufacturing facilities may vote to be represented by a labor union in the future. There can be no assurance that we will not experience labor disruptions such as work stoppages or other slowdowns by workers at any of our facilities. Should significant industrial action, threats of strikes or related disturbances occur, or other challenges with negotiating and extending our collective bargaining agreements with our unionized associates, we could experience further disruptions of operations and increased labor costs in Türkiye, Mexico or other locations, which could materially harm our business, operating results or financial condition. Any such work stoppage or slow- down at any of our facilities could also result in additional expenses and possible loss of revenue for us. Our information technology infrastructure could experience serious failures or cyber security attacks, the failure of which could materially harm our business, operating results and financial condition. Information technology is part of our business strategy and operations. It enables us to streamline operation processes, facilitate the collection and reporting of business data, and provide for internal and external communications. There are risks that information technology system failures, network disruptions, breaches of data security and phishing and ransomware attacks could disrupt our operations. Any significant disruption or breach may materially harm our business, operating results and financial condition. Risks Related to ~~Our Series A Preferred Stock Holders of our Series A Preferred Stock may exercise influence over us, including through their ability to designate a member of our board of directors. In November 2021, we issued 350, 000 shares of Series A Preferred Stock to certain funds affiliated with Oaktree Capital Management, L. P. (the Series A Preferred Stockholders) for an aggregate purchase price of $ 350 million. The Series A Preferred Stockholders are entitled to designate one representative to be appointed to our board of directors so long as 33 % of the Series A Preferred Stock originally issued remains outstanding. Notwithstanding the fact that all directors are subject to fiduciary duties to us and subject to applicable law, the interests of the director designated by the Series A Preferred Stockholders may differ from the interests of holders of our common stock or of our other directors. Although the Series A Preferred Stockholders do not have any voting rights or rights to convert such preferred shares into shares of common stock, we must obtain the prior written consent of holders of a majority of the outstanding shares of Series A Preferred Stock for, among other things: (i) amending our organizational documents to the extent such amendment has an adverse effect on the Series A Preferred Stockholders, (ii) effecting any change of control, liquidation event or merger or consolidation of us unless the entirety of the applicable redemption price is paid with respect to all the then issued and outstanding Series A Preferred Stock (iii) increasing or decreasing the number of authorized shares of Series A Preferred Stock, (iv) making certain material acquisitions or dispositions or entering into joint ventures or similar transactions, (v) incurring indebtedness except for indebtedness incurred under our existing loan facilities and agreements so long as the total amount of such indebtedness does not exceed $ 80 million, and (vi) committing to any capital expenditures or agreements to construct or acquire new manufacturing facilities, and (vii) certain other specified actions. As a result, the Series A Preferred Stockholders have the ability to influence the outcome of certain matters affecting our governance and capitalization. The sponsors of the Series A Preferred Stockholders are in the business of making or advising on investments in companies, including businesses that may directly or indirectly compete with certain portions of our business, and they may have interests that diverge from, or even conflict with, those of our other stockholders. They may also pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. Our obligations to the Series A Preferred Stockholders could also limit our ability to obtain additional financing or increase our borrowing costs, which could have an adverse effect on our results of operations and financial condition. Our Series A Preferred Stock has rights, preferences, and privileges that are not held by, and are preferential to, the rights of holders of our common stock, which could adversely affect our liquidity and financial condition. The Series A Preferred Stockholders have certain liquidation, dividend and redemption rights requiring us, among other things, to repurchase their shares of Series A Preferred Stock under specified circumstances, and these rights are senior to the rights of holders of our common stock. We may not be able to generate sufficient cash flow from our operations to satisfy our dividend, liquidation and redemption obligations to the Series A Preferred Stockholder and could impact our liquidity and reduce the amount of cash available for working capital, capital expenditures, growth opportunities, acquisitions, and other general corporate purposes. Our obligations to the Series A Preferred Stockholders could also limit our ability to obtain additional financing or increase our borrowing costs, which could have an adverse effect on our financial condition. If we fail to meet our dividend, liquidation redemption and other material covenant obligations owing to the Series A Stockholders, the Series A Stockholders are entitled to additional rights and preferences, including an increased dividend rate, additional control rights over the management of our business and the right to require us to pursue a financing or other transaction to repay all outstanding dividend and redemption obligations owing to the Series A Preferred Stockholders. Risks Related to~~ Ownership of Our Common Stock The price of our common stock may fluctuate substantially and your investment may decline in value. The market price of our common stock is likely to be highly volatile and may fluctuate substantially due to many factors, including: • actual or anticipated fluctuations in our results of operations; • our ability to provide products due to shipments subject to delayed delivery and deferred revenue arrangements; • loss of or changes in our relationship with one or more of our customers; • failure to meet our earnings estimates; • conditions and trends in the energy and manufacturing markets in which we operate and changes in estimates of the size and growth rate of these markets; • announcements by us or our competitors of significant contracts, developments, acquisitions, strategic partnerships or divestitures; • availability of equipment, labor and other items required for the manufacture of wind blades; • changes in governmental policies; • our ability to successfully grow our automotive business; • additions or departures of members of our senior management or other key personnel; • changes in market valuation or earnings of our competitors; • sales of our common stock, including sales of our common stock by our directors and officers or by our other principal stockholders; • the trading volume of our common stock; and • general market **, industry** and economic conditions. These broad market and industry factors may materially harm the market price of our common stock, regardless of our operating performance. In the past, securities class- action litigation has often been instituted against a company following periods of volatility in the market price of that company' s securities. Securities class- action litigation, if instituted against us, could result in substantial costs or damages and a diversion of management' s attention and resources, which could materially harm our business and operating results. A significant portion of our total outstanding shares may be sold into the public market in future sales, which could cause the market price of our common stock to drop significantly, even if our business is doing well. Sales of a substantial number of shares of our common stock in the public market can occur at any time. These sales, or the market perception that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. As of December 31, ~~2022~~ **2023** , we had ~~42~~ **46** , ~~044~~ **471** , ~~611~~ **131** shares of common stock outstanding. **In addition, Oaktree owns approximately 9. 9 % of our outstanding common stock.** All **of the** shares **held by Oaktree** can now be sold, subject to any applicable volume limitations under federal securities laws. We may issue debt or equity securities in other registered or unregistered convertible debt or equity offerings. In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then- outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you and may cause the market price of our common stock to drop significantly. The exercise of options and warrants and other issuances of shares of common stock or securities convertible into common stock under our equity compensation plans will dilute your interest. Under our existing equity compensation plans, as of December 31, ~~2022~~ **2023** , we had outstanding options to purchase 1, ~~180~~ **212** , ~~971~~ **503** shares of our common stock, 1, ~~293~~ **516** , ~~707~~ **377** restricted stock units and ~~299~~ **308** , ~~466~~ **741** performance stock units to our associates and non- employee directors. From time to time, we expect to grant additional options and other stock awards. ~~In November 2021, we issued warrants to purchase 4, 666, 667 shares of common stock at an exercise price of $ 0. 01 per share to the Series A Preferred Stockholders. In August 2022, the Series A Preferred Stockholders exercised the outstanding, fully vested warrants at a price of $ 0. 01 per share to purchase an aggregate of 4, 666, 667 shares of common stock on a cashless basis, resulting in the net issuance to the Series A Preferred Stockholders of an aggregate of 4, 664, 155 shares of common stock. As of December 31, 2022, the Series A Preferred Stockholders held an aggregate of 700, 739 shares of common stock.~~ The exercise of options ~~and warrants~~ at prices below the market price of our common stock could adversely affect the price of shares of our common stock. Additionally, any issuance of our common stock that is not made solely to then- existing stockholders proportionate to their interests, such as in the case of a stock dividend or stock split, will result in dilution to each stockholder by reducing their percentage ownership of the total outstanding shares. If we issue options or warrants to purchase our common stock in the future and those options or warrants are exercised or we issue stock, stockholders may experience further dilution. **We have indebtedness in the form of convertible senior notes, which could adversely affect our financial health and our ability to respond to changes in our business. In March 2023, we issued and sold an aggregate of $ 132. 5 million principal amount of convertible senior unsecured notes due in 2028 (the Notes) in a private placement offering. Our ability to repay our indebtedness, including the Notes, is significantly dependent on our generation of cash flow. Our indebtedness could have significant negative consequences for our security holders and our business, results of operations and financial condition by, among other things: • increasing our vulnerability to adverse economic and industry conditions; • limiting our ability to obtain additional financing; • requiring the dedication of a substantial portion of our cash flow from operations to service our indebtedness, which will reduce the amount of cash available for other purposes; • limiting our flexibility to plan for, or react to, changes in our business; • diluting the interests of our existing stockholders as a result of issuing shares of our common stock upon conversion of the notes; and • placing us at a possible competitive disadvantage with competitors that are less leveraged than us or have better access to capital. Our business may not generate sufficient funds, and we may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our indebtedness, including the notes, and our cash needs may increase in the future. Conversions or exchanges of our convertible senior notes may dilute the ownership interest of our stockholders or may otherwise affect the market price of our Common Stock. The conversion of some or all the Notes will dilute the ownership interests of our stockholders to the extent we deliver shares of common stock upon conversion of any of the Notes. The notes may from time to time be convertible at the option of their holders prior to their scheduled terms under certain circumstances. On conversion of the Notes, we have the option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock. If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock, any sales in the public market of our common stock issuable on such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the Notes may encourage short selling by market participants because the conversion of the Notes could be used to satisfy short positions, or anticipated conversion of the Notes into shares of our common stock, any of which could depress the market price of our common stock. The Capped Call Transactions may affect the value of the Notes and our common stock. In connection with the Notes' issuance, we entered into capped call transactions with certain financial institutions (option counterparties). The capped call transactions are generally expected to reduce the potential dilution of our common stock upon any conversion of the Notes and / or offset any cash payments we are required to make in excess of the principal amount of converted Notes, with such reduction and / or offset subject to a cap. From time to time, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding derivative transactions with respect to our common stock and / or purchasing or selling our common stock or other securities of ours in secondary market transactions before the maturity of the Notes. This activity could cause a decrease in the market price of our common stock. We are subject to counterparty risk with respect to the capped call transactions. The counterparties to the capped call transactions entered into in connection with the offering of the Notes are financial institutions, and we are subject to the risk that one or more of the counterparties may default or otherwise fail to perform, or may exercise certain rights to terminate, their obligations under the capped call transactions. Our exposure to the credit risk of the counterparties will not be secured by any collateral. Global economic conditions have in the past resulted in the actual or perceived failure or financial difficulties of many financial institutions. If a counterparty to one or more capped call transactions becomes subject to bankruptcy or other insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at the time under such transactions. Our exposure will depend on many factors but, generally, our exposure will increase if the market price or the volatility of our common stock increases. In addition, upon a default or other failure to perform, or a termination of obligations, by a counterparty, the counterparty may fail to deliver the shares of our common stock or cash required to be delivered to us under the capped call transactions and we may suffer adverse tax consequences or experience more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial**

stability or viability of the counterparties. Provisions of Delaware law or our charter documents could delay or prevent an acquisition of our Company, even if the acquisition would be beneficial to our stockholders ~~,~~and could make it more difficult for you to change management. Provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated by- laws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions may also prevent or delay attempts by stockholders to replace or remove our current management or members of our board of directors. These provisions include: a classified board of directors; limitations on the removal of directors; advance notice requirements for stockholder proposals and nominations; the inability of stockholders to act by written consent or to call special meetings; the ability of our board of directors to make, alter or repeal our amended and restated by-laws; and the authority of our board of directors to issue preferred stock with such terms as our board of directors may determine. The affirmative vote of the holders of at least 75 % of our shares of capital stock entitled to vote, and not less than 75 % of the outstanding shares of each class entitled to vote thereon as a class, is necessary to amend or repeal the above provisions that are contained in our amended and restated certificate of incorporation. In addition, absent approval of our board of directors, our amended and restated by- laws may only be amended or repealed by the affirmative vote of the holders of at least 75 % of our shares of capital stock entitled to vote. In addition, we are subject to the provisions of Section 203 of the Delaware General Corporation Law, which limits business combination transactions with stockholders of 15 % or more of our outstanding voting stock that our board of directors has not approved. These provisions and other similar provisions make it more difficult for stockholders or potential acquirers to acquire us without negotiation. These provisions may apply even if some stockholders may consider the transaction beneficial to them. As a result, these provisions could limit the price that investors are willing to pay in the future for shares of our common stock. These provisions might also discourage a potential acquisition proposal or tender offer, even if the acquisition proposal or tender offer is at a premium over the then current market price for our common stock.