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

Form 10-Q

(Mark one)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-33156



First Solar, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**20-4623678**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

4300 E Camelback Road, Suite 220
Phoenix, Arizona 85018
(Address of principal executive offices, including zip code)

(602) 414-9300
(Registrant's telephone number, including area code)

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, $0.001 par value	FSLR	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 23, 2026, 107,481,151 shares of the registrant's common stock, $0.001 par value per share, were outstanding.

FIRST SOLAR, INC.

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2026

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Throughout this Quarterly Report on Form 10-Q, we refer to First Solar, Inc. and its subsidiaries as "First Solar," "the Company," "we," "us," and "our." Units of electricity are typically stated in gigawatts ("GW").

PART I. FINANCIAL INFORMATION

Item 1. ***Condensed Consolidated Financial Statements (Unaudited)***

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 1,230,936	$ 1,594,856	$ 3,331,369	$ 3,536,594
Cost of sales	517,876	984,111	1,527,174	2,081,596
Gross profit	713,060	610,745	1,804,195	1,454,998
Operating expenses:				
Selling, general and administrative	65,326	47,324	182,604	153,078
Research and development	67,223	60,592	210,410	167,468
Production start-up	34,403	36,734	69,384	85,506
Total operating expenses	166,952	144,650	462,398	406,052
Operating income	546,108	466,095	1,341,797	1,048,946
Foreign currency gain (loss), net	90	(8,903)	(22,961)	(30,224)
Interest income	24,151	23,308	82,933	54,273
Interest expense, net	(2,390)	(14,121)	(15,568)	(32,830)
Other expense, net	(1,930)	(6,034)	(6,461)	(10,594)
Income before taxes	566,029	460,345	1,379,740	1,029,571
Income tax benefit (expense)	5,034	(4,402)	(39,489)	(22,225)
Net income	$ 571,063	$ 455,943	$ 1,340,251	$ 1,007,346
Net income per share:				
Basic	$ 5.31	$ 4.25	$ 12.48	$ 9.40
Diluted	$ 5.30	$ 4.24	$ 12.45	$ 9.37
Weighted-average number of shares used in per share calculations:				
Basic	107,472	107,264	107,430	107,211
Diluted	107,702	107,538	107,666	107,492

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 571,063	$ 455,943	$ 1,340,251	$ 1,007,346
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(8,294)	3,493	(9,421)	20,248
Unrealized (loss) gain on marketable securities and restricted marketable securities, net of tax of $451, $(65), $415, and $(487)	(10,693)	2,541	(10,233)	8,649
Unrealized gain on derivative instruments, net of tax of $0, $0, $0, and $(87)	—	—	—	279
Other comprehensive (loss) income	(18,987)	6,034	(19,654)	29,176
Comprehensive income	$ 552,076	$ 461,977	$ 1,320,597	$ 1,036,522

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)
(Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,576,003	$ 2,803,514
Marketable securities	48,072	51,849
Accounts receivable trade, net	1,591,024	1,294,040
Government grants receivable, net	286,938	499,592
Inventories	1,138,584	736,734
Other current assets	667,284	643,103
Total current assets	5,307,905	6,028,832
Property, plant and equipment, net	5,633,874	5,675,794
Deferred tax assets, net	221,229	194,672
Restricted marketable securities	202,497	217,172
Government grants receivable	1,587,950	125,607
Goodwill	29,803	31,095
Intangible assets, net	61,364	51,007
Inventories	174,897	237,462
Other assets	800,497	759,669
Total assets	$ 14,020,016	$ 13,321,310
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 338,201	$ 405,775
Income taxes payable	54,285	7,490
Accrued expenses	430,079	519,414
Current portion of debt	107,668	215,979
Deferred revenue	1,006,089	1,014,386
Other current liabilities	128,345	91,058
Total current liabilities	2,064,667	2,254,102
Accrued solar module collection and recycling liability	145,907	146,017
Long-term debt	—	282,593
Deferred revenue	591,384	805,018
Other liabilities	337,325	295,587
Total liabilities	3,139,283	3,783,317
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.001 par value per share; 500,000,000 shares authorized; 107,481,115 and 107,309,794 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	107	107
Additional paid-in capital	2,924,156	2,902,013
Accumulated earnings	8,131,590	6,791,339
Accumulated other comprehensive loss	(175,120)	(155,466)
Total stockholders' equity	10,880,733	9,537,993
Total liabilities and stockholders' equity	$ 14,020,016	$ 13,321,310

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Three Months Ended September 30, 2026					
	Common Stock		Additional Paid-In Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at June 30, 2026	107,469	$ 107	$ 2,915,837	$ 7,560,527	$ (156,133)	$ 10,320,338
Net income	—	—	—	571,063	—	571,063
Other comprehensive loss	—	—	—	—	(18,987)	(18,987)
Common stock issued for share-based compensation	16	—	—	—	—	—
Tax withholding related to vesting of restricted stock	(4)	—	(751)	—	—	(751)
Share-based compensation expense	—	—	9,070	—	—	9,070
Balance at September 30, 2026	107,481	$ 107	$ 2,924,156	$ 8,131,590	$ (175,120)	$ 10,880,733

	Three Months Ended September 30, 2025					
	Common Stock		Additional Paid-In Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at June 30, 2025	107,247	$ 107	$ 2,892,426	$ 5,814,513	$ (160,916)	$ 8,546,130
Net income	—	—	—	455,943	—	455,943
Other comprehensive income	—	—	—	—	6,034	6,034
Common stock issued for share-based compensation	61	—	—	—	—	—
Tax withholding related to vesting of restricted stock	—	—	(43)	—	—	(43)
Share-based compensation expense	—	—	7,248	—	—	7,248
Balance at September 30, 2025	107,308	$ 107	$ 2,899,631	$ 6,270,456	$ (154,882)	$ 9,015,312

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2026					
	Common Stock		Additional Paid-In Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2025	107,310	$ 107	$ 2,902,013	$ 6,791,339	$ (155,466)	$ 9,537,993
Net income	—	—	—	1,340,251	—	1,340,251
Other comprehensive loss	—	—	—	—	(19,654)	(19,654)
Common stock issued for share-based compensation	176	—	—	—	—	—
Tax withholding related to vesting of restricted stock	(5)	—	(945)	—	—	(945)
Share-based compensation expense	—	—	23,088	—	—	23,088
Balance at September 30, 2026	107,481	$ 107	$ 2,924,156	$ 8,131,590	$ (175,120)	$ 10,880,733

	Nine Months Ended September 30, 2025					
	Common Stock		Additional Paid-In Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2024	107,060	$ 107	$ 2,898,418	$ 5,263,110	$ (184,058)	$ 7,977,577
Net income	—	—	—	1,007,346	—	1,007,346
Other comprehensive income	—	—	—	—	29,176	29,176
Common stock issued for share-based compensation	348	—	—	—	—	—
Tax withholding related to vesting of restricted stock	(100)	—	(15,479)	—	—	(15,479)
Share-based compensation expense	—	—	16,692	—	—	16,692
Balance at September 30, 2025	107,308	$ 107	$ 2,899,631	$ 6,270,456	$ (154,882)	$ 9,015,312

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 1,340,251	$ 1,007,346
Adjustments to reconcile net income to cash (used in) provided by operating activities:		
Depreciation and amortization	443,266	380,529
Share-based compensation	22,904	16,713
Deferred income taxes	(37,466)	26,477
Other, net	43,196	36,274
Changes in operating assets and liabilities:		
Accounts receivable, trade	(290,973)	(196,967)
Inventories	(348,993)	(679)
Government grants receivable	(1,285,786)	(442,010)
Other assets	15,328	(150,159)
Income tax receivable and payable	56,711	(44,684)
Accounts payable and accrued expenses	(147,210)	(164,194)
Deferred revenue	(220,745)	262,877
Other liabilities	6,803	83,689
Net cash (used in) provided by operating activities	(402,714)	815,212
Cash flows from investing activities:		
Purchases of property, plant and equipment	(434,662)	(698,148)
Purchases of marketable securities and restricted marketable securities	(1,824,044)	(1,307,656)
Proceeds from sales and maturities of marketable securities	1,824,833	1,424,918
Other investing activities	5,806	2,952
Net cash used in investing activities	(428,067)	(577,934)
Cash flows from financing activities:		
Proceeds from borrowings under debt arrangements, net of issuance costs	339,960	309,047
Repayment of debt	(732,121)	(357,515)
Proceeds from other borrowings	—	487,323
Repayment of other borrowings	—	(298,407)
Payments of tax withholdings for restricted shares	(945)	(15,479)
Other financing activities	(874)	(527)
Net cash (used in) provided by financing activities	(393,980)	124,442
Effect of exchange rate changes on cash, cash equivalents, restricted cash, and restricted cash equivalents	3,670	2,021
Net (decrease) increase in cash, cash equivalents, restricted cash, and restricted cash equivalents	(1,221,091)	363,741
Cash, cash equivalents, restricted cash, and restricted cash equivalents, beginning of the period	2,814,031	1,638,223
Cash, cash equivalents, restricted cash, and restricted cash equivalents, end of the period	$ 1,592,940	$ 2,001,964
Supplemental disclosure of noncash investing and financing activities:		
Property, plant and equipment acquisitions funded by liabilities	$ 128,461	$ 222,115
Proceeds to be received from asset-based government grants	$ 111,681	$ 149,775

See accompanying notes to these condensed consolidated financial statements.

FIRST SOLAR, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of First Solar, Inc. and its subsidiaries in this Quarterly Report on Form 10-Q have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission (the "SEC"). Accordingly, these interim financial statements do not include all of the information and footnotes required by U.S. GAAP for annual financial statements. In the opinion of First Solar management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair statement have been included. Certain prior period balances were reclassified to conform to the current period presentation.

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Despite our intention to establish accurate estimates and reasonable assumptions, actual results could differ materially from such estimates and assumptions. Operating results for the three and nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026 or for any other period. The condensed consolidated balance sheet at December 31, 2025 has been derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by U.S. GAAP for complete financial statements. These interim financial statements and notes should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2025 included in our Annual Report on Form 10-K, which has been filed with the SEC.

During the nine months ended September 30, 2026, we adopted a policy to account for the potential recovery of tariffs using a loss recovery model under ASC 450. Accordingly, we recognize a tariff refund when recovery of the amount is probable.

Unless expressly stated or the context otherwise requires, the term "condensed consolidated financial statements" refers to the accompanying unaudited condensed consolidated financial statements contained in this Quarterly Report on Form 10-Q.

2. Cash, Cash Equivalents, and Marketable Securities

Cash, cash equivalents, and marketable securities consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Cash and cash equivalents:		
Cash	$ 1,573,705	$ 2,606,319
Money market funds	2,298	197,195
Total cash and cash equivalents	1,576,003	2,803,514
Marketable securities:		
Time deposits	48,072	42,562
U.S. debt	—	9,287
Total marketable securities	48,072	51,849
Total cash, cash equivalents, and marketable securities	$ 1,624,075	$ 2,855,363

The following table provides a reconciliation of cash, cash equivalents, restricted cash, and restricted cash equivalents reported within our condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025 to the total of such amounts as presented in the condensed consolidated statements of cash flows (in thousands):

	Balance Sheet Line Item	September 30, 2026	December 31, 2025
Cash and cash equivalents	Cash and cash equivalents	$ 1,576,003	$ 2,803,514
Restricted cash – current	Other current assets	1,386	—
Restricted cash – noncurrent	Other assets	2,321	3,617
Restricted cash equivalents – noncurrent	Other assets	13,230	6,900
Total cash, cash equivalents, restricted cash, and restricted cash equivalents		$ 1,592,940	$ 2,814,031

During the nine months ended September 30, 2026, we sold marketable securities for proceeds of $4.3 million and realized a loss of $0.7 million on such sales. See Note 8. “Fair Value Measurements” to our condensed consolidated financial statements for information about the fair value of our marketable securities.

The following tables summarize the unrealized gains and losses related to our available-for-sale marketable securities, by major security type, as of September 30, 2026 and December 31, 2025 (in thousands):

	As of September 30, 2026			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Time deposits	$ 48,072	$ —	$ —	$ 48,072
Total	$ 48,072	$ —	$ —	$ 48,072

	As of December 31, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Time deposits	$ 42,562	$ —	$ —	$ 42,562
U.S. debt	10,000	—	713	9,287
Total	$ 52,562	$ —	$ 713	$ 51,849

As of September 30, 2026, the contractual maturities of our marketable securities were within one year.

3. Restricted Marketable Securities

Restricted marketable securities consisted of the following as of September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
U.S. debt	$ 107,130	$ 115,350
Foreign government obligations	50,490	54,156
Supranational debt	27,318	28,276
U.S. government obligations	17,559	19,390
Total restricted marketable securities	$ 202,497	$ 217,172

Our restricted marketable securities represent long-term investments to fund the estimated future cost of collecting and recycling modules covered under our solar module collection and recycling program. We have established a trust under which funds are put into custodial accounts with an established and reputable bank, for which First Solar, Inc.; First Solar Malaysia Sdn. Bhd.; and First Solar Holdings GmbH are grantors. As of September 30, 2026 and December 31, 2025, such custodial accounts also included noncurrent restricted cash and cash equivalents balances of $13.3 million and $6.9 million, respectively, which were reported within "Other assets." Trust funds may be disbursed for qualified module collection and recycling costs (including capital and facility related recycling costs), payments to customers for assuming collection and recycling obligations, and reimbursements of any overfunded amounts. Investments in the trust must meet certain investment quality criteria comparable to highly rated government or agency bonds. As necessary, we fund any incremental amounts for our estimated collection and recycling obligations on an annual basis based on the estimated costs of collecting and recycling covered modules, estimated rates of return on our restricted marketable securities, and an estimated solar module life of 25 years, less amounts already funded in prior years. During the nine months ended September 30, 2026 and 2025, we purchased no restricted securities and $5.0 million of restricted securities, respectively, as part of our ongoing management of the custodial accounts.

See Note 8. "Fair Value Measurements" to our condensed consolidated financial statements for information about the fair value of our restricted marketable securities.

The following tables summarize the unrealized gains and losses related to our restricted marketable securities, by major security type, as of September 30, 2026 and December 31, 2025 (in thousands):

	As of September 30, 2026			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. debt	$ 141,374	$ —	$ 34,244	$ 107,130
Foreign government obligations	65,431	—	14,941	50,490
Supranational debt	29,957	72	2,711	27,318
U.S. government obligations	24,202	—	6,643	17,559
Total	$ 260,964	$ 72	$ 58,539	$ 202,497

	As of December 31, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. debt	$ 142,790	$ —	$ 27,440	$ 115,350
Foreign government obligations	67,091	—	12,935	54,156
Supranational debt	30,123	59	1,906	28,276
U.S. government obligations	24,274	—	4,884	19,390
Total	$ 264,278	$ 59	$ 47,165	$ 217,172

As of September 30, 2026, the contractual maturities of these securities were between 4 years and 13 years, and restricted marketable securities with unrealized losses had generally been in a loss position for a period of time greater than 12 months. The unrealized losses were primarily due to increases in interest rates relative to rates at the time of purchase, and, based on the underlying credit quality of the investments, we expect to hold such securities until we recover our cost basis.

4. Consolidated Balance Sheet Details

Accounts receivable trade, net

Accounts receivable trade, net consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Accounts receivable trade, gross (1)	$ 1,607,128	$ 1,307,307
Allowance for credit losses	(16,104)	(13,267)
Accounts receivable trade, net	$ 1,591,024	$ 1,294,040

(1) See Note 10. “Other Financing Arrangements” to our condensed consolidated financial statements for discussion of our various factoring arrangements.

Inventories

Inventories consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Raw materials	$ 391,823	$ 429,675
Work in process	196,053	105,325
Finished goods	725,605	439,196
Inventories	$ 1,313,481	$ 974,196
Inventories – current	$ 1,138,584	$ 736,734
Inventories – noncurrent	$ 174,897	$ 237,462

Other current assets

Other current assets consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Spare maintenance materials and parts	$ 293,457	$ 278,767
Indirect tax receivables	122,634	124,045
Advance payments for raw materials	76,549	64,319
Operating supplies	53,027	57,427
Insurance receivable for accrued litigation (1)	45,000	21,800
Prepaid expenses	32,529	34,961
Restricted cash	1,386	—
Derivative instruments (2)	1,140	4,001
Prepaid income taxes	741	9,772
Other	40,821	48,011
Other current assets	$ 667,284	$ 643,103

(1) See Note 11. “Commitments and Contingencies” to our condensed consolidated financial statements for discussion of our legal proceedings.

(2) See Note 6. “Derivative Financial Instruments” to our condensed consolidated financial statements for discussion of our derivative instruments.

Property, plant and equipment, net

Property, plant and equipment, net consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Land	$ 39,483	$ 39,578
Buildings and improvements	1,937,203	1,929,051
Machinery and equipment	5,810,126	5,746,979
Office equipment and furniture	173,874	162,070
Leasehold improvements	34,035	34,136
Construction in progress	611,461	321,524
Property, plant and equipment, gross	8,606,182	8,233,338
Accumulated depreciation	(2,972,308)	(2,557,544)
Property, plant and equipment, net	$ 5,633,874	$ 5,675,794

As of September 30, 2026, the recoverability of our property, plant, and equipment was based on certain expectations regarding the ongoing operation of our international manufacturing facilities. However, it is reasonably possible that the operational status of one or more of our international facilities may be adversely affected by geopolitical developments, including trade policies or tariffs, which may result in future decisions to reduce, pause, or cease operations at these facilities. Such decisions may result in certain property, plant, and equipment being sold or otherwise disposed of before the end of their previously estimated useful lives, which, in turn, could result in a decrease in the value, and possible impairment, of this property, plant, and equipment. Accordingly, any such changes to the operational status of our international manufacturing facilities could be material to our condensed consolidated financial statements and have a significant adverse effect on our results of operations.

Depreciation of property, plant and equipment was $143.6 million and $430.9 million for the three and nine months ended September 30, 2026, respectively, and $130.9 million and $375.3 million for the three and nine months ended September 30, 2025, respectively.

Other assets

Other assets consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Advance payments for raw materials	$ 311,144	$ 319,783
Lease assets (1)	255,357	196,058
Income tax receivables	110,067	110,067
Project assets	25,530	25,721
Restricted cash equivalents	13,230	6,900
Prepaid expenses	12,923	17,180
Restricted cash	2,321	3,617
Accounts receivable, trade	—	16,000
Other (2)	69,925	64,343
Other assets	$ 800,497	$ 759,669

(1) See Note 7. “Leases” to our condensed consolidated financial statements for discussion of our lease arrangements.

(2) During 2023, we entered into a power purchase agreement with Cleantech Solar ("Cleantech"), a leading provider of renewable energy solutions in India and Southeast Asia, and Cleantech committed to construct certain photovoltaic ("PV") solar and wind power-generating assets to supply electricity to our manufacturing facility in India.

During 2024, we purchased ownership interests in two subsidiaries of Cleantech. These subsidiaries own certain of the power-generating assets that supply electricity to our facility, and we account for our investments in these subsidiaries using the equity method. As of September 30, 2026, the carrying amount of our investments in these subsidiaries was $6.8 million.

During the three and nine months ended September 30, 2026, we purchased $1.5 million and $4.1 million of electricity, respectively, from these subsidiaries. During the three and nine months ended September 30, 2025, we purchased $1.3 million and $2.5 million of electricity, respectively, from these subsidiaries.

Accrued expenses

Accrued expenses consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Accrued property, plant and equipment	$ 88,084	$ 109,030
Accrued compensation and benefits	70,163	67,023
Accrued freight	68,323	51,707
Product warranty liability (1)	58,917	59,266
Accrued taxes	57,423	58,601
Accrued inventory	8,411	69,093
Other	78,758	104,694
Accrued expenses	$ 430,079	$ 519,414

(1) See Note 11. "Commitments and Contingencies" to our condensed consolidated financial statements for discussion of our product warranties.

Other current liabilities

Other current liabilities consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Accrued litigation (1)	$ 45,000	$ 21,800
Lease liabilities (2)	17,496	18,090
Derivative instruments (3)	839	2,357
Other	65,010	48,811
Other current liabilities	$ 128,345	$ 91,058

(1) See Note 11. "Commitments and Contingencies" to our condensed consolidated financial statements for discussion of our legal proceedings.

(2) See Note 7. "Leases" to our condensed consolidated financial statements for discussion of our lease arrangements.

(3) See Note 6. "Derivative Financial Instruments" to our condensed consolidated financial statements for discussion of our derivative instruments.

Other liabilities

Other liabilities consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Lease liabilities (1)	$ 199,810	$ 138,673
Deferred tax liabilities, net	58,349	69,691
Other taxes payable	52,699	51,711
Product warranty liability (2)	12,986	20,142
Other	13,481	15,370
Other liabilities	$ 337,325	$ 295,587

(1) See Note 7. “Leases” to our condensed consolidated financial statements for discussion of our lease arrangements.

(2) See Note 11. “Commitments and Contingencies” to our condensed consolidated financial statements for discussion of our product warranties.

5. Government Grants

Government grants represent benefits provided by federal, state, or local governments that are outside the scope of Accounting Standards Codification (“ASC”) 740; we account for such grants under ASC 832. We recognize government grants when it is probable we will comply with the grant’s conditions and the grant will be received. Government grants whose primary condition relates to the purchase, construction, or acquisition of a long-lived asset are accounted for using the cost accumulation approach and are recognized as a reduction to the related asset’s cost basis, which reduces future depreciation expense. Other government grants not related to long-lived assets are considered income-related grants and are recognized as a reduction to the related cost of activities that generated the benefit.

During the three and nine months ended September 30, 2026, we recognized $6.1 million of government grants using the cost accumulation approach. Such government grants relate to certain incentives for our manufacturing facilities in Alabama and were recorded as a reduction to “Property, plant and equipment, net” in our condensed consolidated balance sheets. In February 2021, the state government of Tamil Nadu, India granted First Solar certain incentives associated with the construction of our manufacturing facility in the state. Among other things, such incentives provided a 24% subsidy for eligible capital expenditures, contingent upon meeting certain minimum investment and employment commitments. Such incentives are reflected on our condensed consolidated balance sheets within “Government grants receivable, net” and “Government grants receivable,” depending on the expected timing of cash receipts. We expect to receive this incentive in installments through 2031.

The following table presents the benefits recognized from income-related government grants in our condensed consolidated statements of operations for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Cost of sales	$ 637,973	$ 396,311	$ 1,500,486	$ 1,075,172
Selling, general and administrative	7	13	41	61
Research and development	281	44	629	2,235
Production start-up	207	—	207	—

In August 2022, the previous U.S. President signed into law the Inflation Reduction Act of 2022 (the "IRA"). Among other things, the IRA offers a tax credit, pursuant to Section 45X of the Internal Revenue Code (the "IRC"), for solar modules and solar module components manufactured in the United States and sold to third parties. Such credit may be refundable by the Internal Revenue Service (the "IRS") or transferable to a third party and is available from 2023 to 2032, subject to phase down beginning in 2030. For eligible components, the credit is equal to (i) $12 per square meter for a PV wafer, (ii) 4 cents multiplied by the capacity of a PV cell in watts, and (iii) 7 cents multiplied by the capacity of a PV module in watts. Based on the current form factor of our modules, we believe we qualify for a credit of up to approximately 17 cents per watt for each module fully produced in the United States and sold to a third party. For each module that is initiated by our international fleet and then completed in the United States, we expect to qualify for a credit of approximately 7 cents per watt. We recognize such credit as a reduction to "Cost of sales" in the period the modules are sold to customers. Such credit is also reflected on our condensed consolidated balance sheets within "Government grants receivable, net" and "Government grants receivable," depending on the expected timing of cash receipts.

In December 2024, we entered into two agreements for the sale of $857.2 million of Section 45X tax credits we generated during 2024 for aggregate cash proceeds of $818.6 million. We received initial cash proceeds of $616.0 million in December 2024 and received the remaining cash proceeds of $202.6 million during the year ended December 31, 2025.

In June 2025 and July 2025, we entered into two agreements for the sale of $701.9 million of Section 45X tax credits we generated during 2025 for aggregate cash proceeds of $668.1 million. We received the full cash proceeds during the year ended December 31, 2025.

In October 2025, we entered into two agreements for the sale of $699.7 million of Section 45X tax credits we generated during 2025 for aggregate cash proceeds of $668.2 million. We received initial cash proceeds of $573.0 million during the year ended December 31, 2025 and received the remaining cash proceeds of $95.2 million during the nine months ended September 30, 2026.

During the nine months ended September 30, 2026, we received $117.6 million from the U.S. Department of the Treasury related to Section 45X tax credits generated during 2024.

6. Derivative Financial Instruments

As a global company, we are exposed to various risks, including foreign currency and commodity price risks, that could affect our financial position, results of operations, and cash flows. We may use derivative instruments to hedge against these risks and do not hold such instruments for speculative or trading purposes.

Depending on the terms of the specific derivative instruments and market conditions, some of our derivative instruments may be assets and others liabilities at any particular balance sheet date. We report all of our derivative instruments at fair value and account for changes in the fair value of derivative instruments within "Accumulated other comprehensive loss" if the derivative instruments qualify for hedge accounting. For those derivative instruments that do not qualify for hedge accounting (i.e., "economic hedges"), we record the changes in fair value directly to earnings. See Note 8. "Fair Value Measurements" to our condensed consolidated financial statements for information about the techniques we use to measure the fair value of our derivative instruments.

The following tables present the fair values of derivative instruments included in our condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026	
	Other Current Assets	Other Current Liabilities
Derivatives not designated as hedging instruments:		
Foreign exchange forward contracts	$ 1,140	$ 839
Total derivative instruments	$ 1,140	$ 839

	December 31, 2025	
	Other Current Assets	Other Current Liabilities
Derivatives not designated as hedging instruments:		
Foreign exchange forward contracts	$ 4,001	$ 2,357
Total derivative instruments	$ 4,001	$ 2,357

The following table presents the pretax amounts related to derivative instruments designated as cash flow hedges affecting accumulated other comprehensive loss and our condensed consolidated statements of operations for the nine months ended September 30, 2025 (in thousands):

	Commodity Swap Contracts
Balance as of December 31, 2024	$ (366)
Amount reclassified to cost of sales	366
Balance as of September 30, 2025	$ —

The following table presents the effect of derivative instruments not designated as hedges on our condensed consolidated statements of operations for the three and nine months ended September 30, 2026 and 2025 (in thousands):

		Amount of Gain Recognized in Income Statement			
		Three Months Ended September 30,		Nine Months Ended September 30,	
	Income Statement Line Item	2026	2025	2026	2025
Foreign exchange forward contracts	Foreign currency gain (loss), net	$ 1,998	$ 20,717	$ 14,726	$ 25,295

Foreign Currency Risk

Many of our subsidiaries have assets and liabilities (primarily receivables, deferred taxes, payables, accrued expenses, and solar module collection and recycling liabilities) that are denominated in currencies other than the subsidiaries' functional currencies. Changes in the exchange rates between the functional currencies of our subsidiaries and the other currencies in which these assets and liabilities are denominated will create fluctuations in our reported condensed consolidated statements of operations. We may enter into foreign exchange forward contracts or other financial instruments to economically hedge assets and liabilities against the effects of currency exchange rate fluctuations. The gains and losses on such foreign exchange forward contracts will economically offset all or part of the transaction gains and losses that we recognize in earnings on the related foreign currency denominated assets and liabilities.

We also enter into foreign exchange forward contracts to economically hedge balance sheet and other exposures related to transactions between certain of our subsidiaries and transactions with third parties. Such contracts are considered economic hedges and do not qualify for hedge accounting. Accordingly, we recognize gains or losses from the fluctuations in foreign exchange rates and the fair value of these derivative contracts in "Foreign currency gain (loss), net" on our condensed consolidated statements of operations.

As of September 30, 2026 and December 31, 2025, the U.S. dollar equivalent notional values of our foreign exchange forward contracts that do not qualify for hedge accounting were $61.0 million and $446.0 million, respectively, including contracts in Indian rupee, Euro, and Malaysian ringgit, among other currencies.

Commodity Price Risk

From time to time, we have used commodity swap contracts to mitigate our exposure to commodity price fluctuations for certain raw materials used in the production of our modules. During the year ended December 31, 2024, we entered into various commodity swap contracts to hedge a portion of our forecasted cash flows for purchases of steel between April 2024 and December 2024. Such swaps had an aggregate initial notional value based on short tons of forecasted steel purchases, equivalent to $7.6 million, and entitled us to receive the price based on the U.S. Midwest Hot-Rolled Coil Steel Index while requiring us to pay certain fixed prices. The notional amount of the commodity swap contracts proportionately adjusted with forecasted purchases of steel.

These commodity swap contracts qualified for accounting as cash flow hedges in accordance with ASC 815, and we designated them as such. We reported unrealized gains or losses on such contracts in "Accumulated other comprehensive loss" and subsequently reclassified applicable amounts into earnings when the hedged transactions occurred and impacted earnings. As of September 30, 2026 and December 31, 2025, we had no outstanding cash flow hedges.

7. Leases

Our lease arrangements include our corporate and administrative offices, certain warehouses, and certain land, equipment, and facilities used by our manufacturing plants. Such leases primarily relate to assets located in the United States, Malaysia, India, and Vietnam.

The following table presents certain quantitative information related to our lease arrangements for the three and nine months ended September 30, 2026 and 2025, and as of September 30, 2026 and December 31, 2025 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Finance lease cost:				
Amortization of right-of-use assets	$ 580	$ 437	$ 1,757	$ 1,238
Interest on lease liabilities	616	552	1,878	1,620
Operating lease cost	6,773	5,653	17,606	13,966
Variable lease cost	1,086	1,007	3,304	2,724
Short-term lease cost	533	205	1,381	640
Total lease cost	$ 9,588	$ 7,854	$ 25,926	$ 20,188
Cash paid for amounts included in the measurement of:				
Operating lease liabilities			$ 17,188	$ 12,441
Finance lease liabilities			2,734	1,481
Lease assets obtained in exchange for:				
Operating lease liabilities			$ 74,443	$ 49,509
Finance lease liabilities			379	4,583

	September 30, 2026		December 31, 2025	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Lease assets	$ 223,268	$ 32,089	$ 161,756	$ 34,302
Lease liabilities – current	14,504	2,992	15,183	2,907
Lease liabilities – noncurrent	166,400	33,410	103,753	34,920
Weighted-average remaining lease term	11 years	24 years	12 years	24 years
Weighted-average discount rate	5.2 %	6.5 %	5.7 %	6.6 %

As of September 30, 2026, the future payments associated with our lease liabilities were as follows (in thousands):

	Operating Leases	Finance Leases
Remainder of 2026	$ 5,617	$ 922
2027	22,707	3,704
2028	22,542	3,767
2029	21,072	3,855
2030	19,690	3,901
2031	19,586	3,930
Thereafter	129,325	51,636
Total future payments	240,539	71,715
Less: interest	(59,635)	(35,313)
Total lease liabilities	$ 180,904	$ 36,402

8. Fair Value Measurements

The following is a description of the valuation techniques that we use to measure the fair value of assets and liabilities that we measure and report at fair value on a recurring basis:

- *Cash Equivalents and Restricted Cash Equivalents.* At September 30, 2026 and December 31, 2025, our cash equivalents and restricted cash equivalents consisted of money market funds. We value our cash equivalents and restricted cash equivalents using observable inputs that reflect quoted prices for securities with identical characteristics and classify the valuation techniques that use these inputs as Level 1.

- *Marketable Securities and Restricted Marketable Securities.* At September 30, 2026 and December 31, 2025, our marketable securities consisted of time deposits and U.S. debt, and our restricted marketable securities consisted of U.S. debt, foreign and U.S. government obligations, and supranational debt. We value our marketable securities and restricted marketable securities using observable inputs that reflect quoted prices for securities with identical characteristics or quoted prices for securities with similar characteristics and other observable inputs (such as interest rates that are observable at commonly quoted intervals). Accordingly, we classify the valuation techniques that use these inputs as either Level 1 or Level 2 depending on the inputs used. We also consider the effect of our counterparties' credit standing in these fair value measurements.

- *Derivative Assets and Liabilities*. At September 30, 2026 and December 31, 2025, our derivative assets and liabilities consisted of foreign exchange forward contracts involving major currencies. Since our derivative assets and liabilities are not traded on an exchange, we value them using standard industry valuation models. As applicable, these models project future cash flows and discount the amounts to a present value using market-based observable inputs, including credit risk, foreign exchange rates, and forward and spot prices for currencies. These inputs are observable in active markets over the contract term of the derivative instruments we hold, and accordingly, we classify the valuation techniques as Level 2. In evaluating credit risk, we consider the effect of our counterparties' and our own credit standing in the fair value measurements of our derivative assets and liabilities, respectively.

At September 30, 2026 and December 31, 2025, the fair value measurements of our assets and liabilities measured on a recurring basis were as follows (in thousands):

		Fair Value Measurements at Reporting Date Using		
	September 30, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash equivalents:				
Money market funds	$ 2,298	$ 2,298	$ —	$ —
Restricted cash equivalents:				
Money market funds	13,230	13,230	—	—
Marketable securities:				
Time deposits	48,072	48,072	—	—
Restricted marketable securities	202,497	—	202,497	—
Derivative assets	1,140	—	1,140	—
Total assets	$ 267,237	$ 63,600	$ 203,637	$ —
Liabilities:				
Derivative liabilities	$ 839	$ —	$ 839	$ —
Total liabilities	$ 839	$ —	$ 839	$ —

	December 31, 2025	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash equivalents:				
Money market funds	$ 197,195	$ 197,195	$ —	$ —
Restricted cash equivalents:				
Money market funds	6,900	6,900	—	—
Marketable securities:				
Time deposits	42,562	42,562	—	—
U.S. debt	9,287	—	9,287	—
Restricted marketable securities	217,172	—	217,172	—
Derivative assets	4,001	—	4,001	—
Total assets	$ 477,117	$ 246,657	$ 230,460	$ —
Liabilities:				
Derivative liabilities	$ 2,357	$ —	$ 2,357	$ —
Total liabilities	$ 2,357	$ —	$ 2,357	$ —

Fair Value of Financial Instruments

At September 30, 2026 and December 31, 2025, the carrying values and fair values of our financial instruments not measured at fair value were as follows (in thousands):

	September 30, 2026		December 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Government grants receivable – noncurrent	$ 1,587,950	$ 1,564,400	$ 125,607	$ 104,391
Liabilities:				
Long-term debt, including current maturities (1)	$ —	$ —	$ 373,651	$ 382,318

(1) Excludes unamortized issuance costs.

The carrying values in our condensed consolidated balance sheets of our trade accounts receivable, restricted cash, current government grants receivable, accounts payable, accrued expenses, and debt arrangements with an original maturity of less than one year approximated their fair values due to their nature and relatively short maturities; therefore, we excluded them from the foregoing table. The fair value measurements for our noncurrent government grants receivable and long-term debt are considered Level 2 measurements under the fair value hierarchy.

Credit Risk

We have certain financial instruments that subject us to credit risk. These consist primarily of cash, cash equivalents, marketable securities, accounts receivable, restricted cash, restricted cash equivalents, restricted marketable securities, foreign exchange forward contracts, and certain other assets. We are exposed to credit losses in the event of nonperformance by the counterparties to our financial instruments. We place these instruments with various high-quality financial institutions, limit the amount of credit risk from any one counterparty, and monitor the credit standing of these counterparty financial institutions. Our net sales are primarily concentrated among a limited number of customers. We monitor the financial condition of our customers and perform credit evaluations whenever considered necessary. We typically require some form of payment security from our customers, including, but not limited to, advance payments, parent guarantees, letters of credit, bank guarantees, or surety bonds.

9. Debt

Our debt arrangements consisted of the following at September 30, 2026 and December 31, 2025 (in thousands):

		Balance (USD)	
Loan Agreement	**Currency**	**September 30, 2026**	**December 31, 2025**
Credit Facility	USD	$ —	$ —
India Credit Facility	USD	—	373,651
India Credit Agricole Working Capital Facility	INR	54,189	41,157
India JPM Working Capital Facility	INR	37,847	26,140
India Citibank Working Capital Facility	INR	15,632	11,123
India HSBC Working Capital Facility	INR	—	46,719
Total debt principal		107,668	498,790
Less: unamortized issuance costs		—	(218)
Total debt		107,668	498,572
Less: current portion		(107,668)	(215,979)
Noncurrent portion		$ —	$ 282,593

Credit Facility

In June 2023, we entered into a credit agreement with several financial institutions as lenders and JPMorgan Chase Bank, N.A. as administrative agent, which provided us with a senior secured credit facility (the “Revolving Credit Facility”) with an aggregate borrowing capacity of $1.0 billion. In February 2026, we entered into a new credit agreement with several financial institutions as lenders and JPMorgan Chase Bank, N.A. as administrative agent and terminated the prior Revolving Credit Facility. This new agreement provides us with a senior unsecured five-year revolving credit facility (the “Credit Facility”) with an aggregate borrowing capacity of $1.5 billion and a sub-limit of $450 million, $150 million of which is currently committed and available for the issuance of letters of credit. Borrowings under the Credit Facility bear interest at a rate per annum equal to, at our option, (i) the Term Secured Overnight Financing Rate (“Term SOFR”), plus a margin that ranges between 1.00% to 1.75% or (ii) an alternate base rate as defined in the credit agreement, plus a margin that ranges from 0.00% to 0.75%. The margins are based on our net leverage ratio or, if we elect to switch to a credit ratings-based system after the investment grade ratings trigger date occurs (as defined in the credit agreement), on our public debt rating.

In addition to paying interest on outstanding principal under the Credit Facility, we are required to pay an unused commitment fee that ranges from 0.100% to 0.225% per annum based on the same factors discussed above and the daily unused commitments under the facility. We are also required to pay (i) a letter of credit fee based on the applicable margin for Term SOFR, (ii) letter of credit fronting fees as agreed by us and such issuing lender, and (iii) other customary letter of credit fees.

India Credit Facility

In July 2022, FS India Solar Ventures Private Limited ("FSISV"), our indirect wholly-owned subsidiary, entered into a finance agreement (the "India Credit Facility") with the U.S. International Development Finance Corporation for aggregate borrowing of up to $500.0 million for the development and construction of a solar module manufacturing facility in India. Principal on the India Credit Facility was payable in scheduled semi-annual installments beginning in August 2024. In May 2026, we fully repaid the outstanding principal and interest balances and closed the India Credit Facility. There was no significant gain or loss on extinguishment.

India Credit Agricole Working Capital Facility

In August 2022, FSISV entered into a working capital facility agreement (the "India Credit Agricole Working Capital Facility") with Credit Agricole Corporate and Investment Bank, for the issuance of letters of credit, bank guarantees, and overdrafts. In 2024, the India Credit Agricole Working Capital Facility was amended to include certain working capital loans, and during 2025, the facility limit was increased to INR 8.5 billion ($88.6 million). The outstanding balance matures in the fourth quarter of 2026. The India Credit Agricole Working Capital Facility is guaranteed by First Solar, Inc.

India JPM Working Capital Facility

In December 2022, FSISV entered into a working capital facility agreement (the "India JPM Working Capital Facility") with JPMorgan Chase Bank, N.A. for the issuance of bank guarantees, bonds, and other similar forms of security. In 2023, the India JPM Working Capital Facility was amended to include certain working capital loans of up to INR 6.2 billion ($64.9 million). The outstanding balance matures in the fourth quarter of 2026 and the first quarter of 2027. The India JPM Working Capital Facility is guaranteed by First Solar, Inc.

India Citibank Working Capital Facility

In August 2024, FSISV entered into a working capital facility agreement (the "India Citibank Working Capital Facility") with Citibank, N.A. In January 2025, the India Citibank Working Capital Facility was amended to provide certain working capital loans of up to INR 6.4 billion ($66.7 million). The outstanding balance matures in the first quarter of 2027. The India Citibank Working Capital Facility is guaranteed by First Solar, Inc.

India HSBC Working Capital Facility

In February 2024, FSISV entered into a working capital facility agreement (the "India HSBC Working Capital Facility") with the Hongkong and Shanghai Banking Corporation Limited, which provides certain working capital loans of up to INR 8.2 billion ($85.5 million). The India HSBC Working Capital Facility is guaranteed by First Solar, Inc.

10. Other Financing Arrangements

Non-Recourse Factoring

We have entered into various revolving factoring arrangements to sell certain trade receivables to unrelated financial institutions. Transfers under these arrangements, which retain servicing but are without recourse, qualify as true sales under ASC 860.

During the year ended December 31, 2025, we factored $245.7 million under these arrangements and recorded $5.3 million of discounts on factored receivables in "Selling, general and administrative" expense. We also repurchased $27.0 million of previously transferred assets under these arrangements during the year ended December 31, 2025. The trade receivables sold that remained outstanding as of December 31, 2025 were $99.8 million. Proceeds from the sale of such receivables were classified as operating cash flows, whereas amounts paid to repurchase previously transferred receivables were classified as investing cash flows.

During the nine months ended September 30, 2026, we did not sell any trade receivables under these arrangements. There were no trade receivables sold that remained outstanding as of September 30, 2026.

Secured Borrowings

During the year ended December 31, 2025, we transferred $492.8 million of trade receivables to a financial institution under a factoring arrangement with recourse, while retaining servicing responsibilities. We did not transfer any trade receivables under this factoring arrangement during the nine months ended September 30, 2026. Transfers under this arrangement do not meet the criteria for a sale of receivables and are therefore accounted for as secured borrowings.

We record discounts on receivables factored with recourse as interest expense over the term of the respective receivables. Accordingly, during the year ended December 31, 2025, we recorded $6.5 million of interest expense associated with this arrangement. As of September 30, 2026 and December 31, 2025, there were no outstanding liabilities related to this arrangement.

Supplier Finance Program

We participate in a supplier finance program administered by a third-party financial institution. Under this program, suppliers that choose to participate have the option to receive early payment from the financial institution for invoices that we have confirmed as valid. Our contractual payment terms with suppliers are not impacted by their participation in this program. If the supplier participates, we pay the financial institution the full invoice amount on the original due date. We do not pledge assets or provide guarantees under this program. As of September 30, 2026 and December 31, 2025, our payment obligations outstanding under the supplier finance program were $9.5 million and $9.0 million, respectively, which were recorded within "Accounts payable" in our condensed consolidated balance sheets.

11. Commitments and Contingencies

Commercial Commitments

During the normal course of business, we enter into commercial commitments in the form of letters of credit and surety bonds to provide financial and performance assurance to third parties. As of September 30, 2026, the issued and outstanding amounts and available capacities under these commitments were as follows (in millions):

	Issued and Outstanding	Available Capacity
Credit Facility (1)	$ —	$ 150.0
Bilateral facilities (2)	153.0	235.8
Surety bonds	140.8	144.3

(1) Our Credit Facility provides us with a committed sub-limit of $150.0 million to issue letters of credit, at a fee based on the applicable margin for Term SOFR loans, a fronting fee, and other customary letter of credit fees.

(2) Of the total letters of credit issued under the bilateral facilities, $1.2 million was secured with cash.

Product Warranties

When we recognize revenue for sales of modules, we accrue liabilities for the estimated future costs of meeting our limited warranty obligations. We estimate our limited product warranty liability for power output and defects in materials and workmanship under normal use and service conditions based on return rates for each series of module technology and other factors. We make and revise these estimates based primarily on the number of solar modules under warranty installed at customer locations, our historical experience with and projections of warranty claims, and our estimated per-module replacement costs. We also monitor our expected future module performance through certain quality and reliability testing and actual performance in certain field installation sites. From time to time, we have taken remediation actions with respect to affected modules beyond our limited warranties and may elect to do so in the future, in which case we would incur additional costs. Such potential voluntary future remediation actions beyond our limited warranty obligations may be material to our condensed consolidated statements of operations if we commit to any such remediation actions.

Product warranty activities during the three and nine months ended September 30, 2026 and 2025 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Product warranty liability, beginning of period	$ 77,228	$ 75,828	$ 79,408	$ 76,435
Accruals for new warranties issued	3,961	4,341	13,438	10,320
Settlements	(19,643)	(3,877)	(34,218)	(10,449)
Changes in estimate of product warranty liability	10,357	13,250	13,275	13,236
Product warranty liability, end of period	$ 71,903	$ 89,542	$ 71,903	$ 89,542
Current portion of warranty liability	$ 58,917	$ 73,427	$ 58,917	$ 73,427
Noncurrent portion of warranty liability	$ 12,986	$ 16,115	$ 12,986	$ 16,115

During the year ended December 31, 2024, we identified manufacturing issues affecting certain Series 7 modules manufactured in 2023 and 2024 that may cause the modules to experience premature power loss once installed in the field. Subsequently, we identified the causes of these issues and compiled and evaluated data on the expected impact such issues may have on performance, including collecting samples of module performance data from several locations. We have settled certain of our obligations related to these issues and have continued to engage in settlement discussions with various additional customers. Based on such settlement experience, the estimated

number of affected modules, and projections of probable costs to remediate the issues, we believe a reasonable estimate of potential future losses will range from approximately $40 million to $65 million. Within that range, we recorded a specific warranty liability of $46 million as of September 30, 2026, which represents our best estimate of expected future losses related to the identified manufacturing issues. The ultimate loss we will incur will depend on the extent of the premature power loss that is experienced in relation to the obligations under our limited product warranties, as well as any potential additional commitments we may make to remediate the affected modules. As additional information becomes available to us, our estimate of the aggregate losses related to these manufacturing issues may change, and any change in estimate may also result in a change to our product warranty liability.

Indemnifications

In certain limited circumstances, we have provided indemnifications to customers or other parties under which we are contractually obligated to compensate such parties for losses they suffer resulting from a breach of a representation, warranty, or covenant; the resolution of specific matters associated with a solar project's development or construction; guarantees of a third party's payment or performance obligations; or any disallowance or lack of the right to claim all or any portion of certain tax credits. For contracts that have such indemnification provisions, we initially recognize a liability under ASC 460 for the estimated premium that would be required by a guarantor to issue the same indemnity in a standalone arm's-length transaction with an unrelated party. We may base these estimates on the cost of insurance or other instruments that cover the underlying risks being indemnified and may purchase such instruments to mitigate our exposure to potential indemnification payments. We subsequently measure such liabilities at the greater of the initially estimated premium or the contingent liability required to be recognized under ASC 450. We recognize any indemnification liabilities as a reduction of earnings associated with the related transaction.

After an indemnification liability is recorded, we derecognize such amount pursuant to ASC 460 depending on the nature of the indemnity, which derecognition typically occurs upon expiration or settlement of the arrangement, and any contingent aspects of the indemnity are accounted for in accordance with ASC 450. As of September 30, 2026 and December 31, 2025, we had no accrued indemnification liabilities. Our potential future payments under these indemnifications primarily relate to legislative changes that may adversely affect an entity's ability to benefit from previously transferred Section 45X tax credits.

Solar Module Collection and Recycling Liability

We previously established a module collection and recycling program, which has since been discontinued, to collect and recycle modules sold and covered under such program once the modules reach the end of their service lives. For legacy customer sales contracts that are covered under this program, we agreed to pay the costs for the collection and recycling of qualifying solar modules, and the end-users agreed to notify us, disassemble their solar power systems, package the solar modules for shipment, and revert ownership rights over the modules back to us at the end of the modules' service lives. Accordingly, we recorded any collection and recycling obligations within "Cost of sales" at the time of sale based on the estimated cost to collect and recycle the covered solar modules.

We estimate the cost of our collection and recycling obligations based on the present value of the expected future cost of collecting and recycling the solar modules, which includes estimates for the cost of packaging materials; the cost of freight from the solar module installation sites to a recycling center; material, labor, and capital costs; and by-product credits for certain materials recovered during the recycling process. We base these estimates on our experience collecting and recycling solar modules and on certain assumptions regarding costs at the time the solar modules will be collected and recycled. In the periods between the time of sale and the related settlement of the collection and recycling obligation, we accrete the carrying amount of the associated liability and classify the corresponding expense within "Selling, general and administrative" expense on our condensed consolidated statements of operations.

Our module collection and recycling liability was $145.9 million and $146.0 million as of September 30, 2026 and December 31, 2025, respectively. See Note 3. “Restricted Marketable Securities” to our condensed consolidated financial statements for more information about our arrangements for funding this liability.

Legal Proceedings

During the year ended December 31, 2022, we received several indemnification demands from certain customers, for whom we provided engineering, procurement, and construction services, regarding claims that such customers’ PV tracker systems infringe, in part, on patents owned by Rovshan Sade, the owner of a company called Trabant Solar, Inc. In January 2023, we were notified by two of our customers that the plaintiff served them with patent infringement complaints, and we have assumed the defense of these claims. We have conducted due diligence on the patents and claims and believe that we will prevail in the actions. After a series of stays of the proceedings, the last of which was lifted on July 14, 2025, the parties have begun responding to their respective discovery demands. Each party has submitted its claim construction filings with the court, and a claim construction hearing took place on February 20, 2026. The court has stayed discovery in the actions until it decides the parties’ claim-construction issues. On June 19, 2026, East Pecos Solar was served with a complaint filed by the plaintiff in the Western District of Texas. The complaint alleges the same causes of action as those in the current infringement actions. Southern Power, East Pecos Solar’s parent company, tendered the defense to First Solar pursuant to an indemnification obligation set forth in the Engineering, Procurement and Construction Agreement by and between East Pecos Solar, LLC and First Solar Electric, LLC dated as of March 4, 2016. East Pecos Solar answered the complaint on August 24, 2026. At this time, we are not in a position to assess the likelihood of any potential loss or adverse effect on our financial condition or to estimate the amount or range of possible loss, if any, from these actions.

In April 2019, a subcontractor of First Solar sustained certain injuries while performing work at a former project site and, in May 2019, commenced legal action against a subsidiary of First Solar. In June 2023, a jury awarded damages of approximately $51.3 million to the plaintiff. On September 21, 2023, the Superior Court of California for Monterey County ruled, in response to our motion for remittitur, that the damages awarded to the plaintiff were excessive and reduced the award from $51.3 million to $21.8 million. The plaintiff did not accept the reduced award by the court ordered deadline of October 10, 2023. As a result, the $21.8 million award was vacated. On October 1, 2026, the parties entered into an agreement to settle the action for $45.0 million. Accordingly, as of September 30, 2026, we recorded a $45.0 million accrued litigation payable included in “Other current liabilities” in our condensed consolidated balance sheet. We believe the full amount of awarded damages will be covered by our various insurance policies. Accordingly, we also recorded a $45.0 million receivable included in “Other current assets” in our condensed consolidated balance sheet as of September 30, 2026.

In June 2026, a securities class action lawsuit was commenced in the United States District Court for the Eastern District of New York by Claire Day, a purchaser of First Solar common stock, against First Solar and certain executive officers of First Solar, individually and on behalf of all persons and entities that purchased or otherwise acquired First Solar securities between February 26, 2025 and February 24, 2026, seeking to recover damages. The plaintiff alleges that we made materially false and misleading statements regarding our business, operations, and compliance policies and failed to disclose material information regarding our capacity to manage the impact of U.S. tariff policy on our business, and understated the extent to which our responses to U.S. tariff policy were likely to negatively impact projected performance in 2026. The plaintiff alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC Rule 10b-5 promulgated thereunder. On September 21, 2026, the court appointed co-lead plaintiffs and on October 6, 2026, the court ordered that an amended complaint be filed by December 4, 2026. On July 28, 2026, based on allegations substantially similar to the above-described securities class action, a shareholder derivative lawsuit was commenced in the United States District Court for the Eastern District of New York by Manh Ho, a purchaser of First Solar common stock, against certain directors and executive officers of First Solar, on behalf of First Solar, seeking to recover damages and equitable relief. The derivative complaint asserts claims for violations of the federal securities laws, breach of fiduciary duty, unjust enrichment, gross mismanagement, and waste of corporate assets. On August 24, 2026, a second shareholder derivative lawsuit, similar to the one brought by Manh Ho, was commenced in the United States District Court for the Eastern District

of New York by Bradley Walkup. The parties filed a joint stipulation requesting that the court consolidate the derivative actions, which the court has not yet ruled on. We dispute all the allegations and intend to defend these actions vigorously. At this time, with respect to both the securities class action and the derivative actions, we are not in a position to assess the likelihood of any potential loss or adverse effect on our financial condition or to estimate the amount or range of possible loss, if any, from these actions.

On September 9, 2026, Swift Current Energy, LLC and certain of its affiliates ("Swift") filed a complaint in the New York County Supreme Court against First Solar seeking damages and restitution. The complaint alleges certain modules deployed at the plaintiff's Double Black Diamond Solar Power, Harvest Gold Solar Power, and Tres Bahias Solar Power projects failed to meet their warranted power output. The complaint also alleges that First Solar failed to honor its product warranties, that we misrepresented the power output of the modules sold to the plaintiffs, and that our module testing process is flawed and deliberately overstates module power output. We dispute the allegations in the complaint and intend to defend the action vigorously. The parties entered a stipulation allowing us to file an answer and/or move to dismiss on or before November 16, 2026. At this time, we are not in a position to assess the likelihood of any potential loss or adverse effect on our financial condition or to estimate the amount or range of possible loss, if any, from this action.

We are party to other legal matters and claims in the normal course of our operations. While we believe the ultimate outcome of these matters and claims will not have a material adverse effect on our financial position, results of operations, or cash flows, the outcome of such matters and claims is not determinable with certainty, and negative outcomes may adversely affect us.

12. Revenue from Contracts with Customers

We recognize revenue for module sales at a point in time following the transfer of control of the modules to the customer, which typically occurs upon delivery of the modules to the location specified in the terms of the underlying contract. Our customer contracts generally contain provisions that (i) require us to pay the customer liquidated damages if we fail to deliver modules by scheduled dates or if we fail to deliver modules that meet certain U.S. domestic content requirements and (ii) entitle us to a termination payment if the customer defaults on its contractual obligations and the contract is terminated. For sales of modules imported into the United States, our customer contracts generally include provisions that are intended to mitigate the adverse impact from changes in trade policy, such as tariffs. If a contract is terminated on the basis of these trade policy provisions, such contract would effectively be canceled without liability to either party, resulting in a corresponding reduction in future sales of solar modules related to such contract and the return of any customer deposit under the contract, if applicable.

The following table reflects the changes in our contract liabilities, which we classify as "Deferred revenue," for the nine months ended September 30, 2026 (in thousands):

	September 30, 2026	December 31, 2025	Nine Month Change	
Deferred revenue	$ 1,597,473	$ 1,819,404	$ (221,931)	(12)%

During the nine months ended September 30, 2026, our contract liabilities decreased by $221.9 million primarily due to (i) the recognition of revenue for sales of solar modules for which payment was received in prior years, partially offset by (ii) advance payments received or accrued in the current period for future sales of solar modules. During the nine months ended September 30, 2026 and 2025, we recognized revenue of $499.5 million and $309.5 million, respectively, that was included in the corresponding contract liability balance at the beginning of the periods.

As of September 30, 2026, we had entered into contracts with customers for the future sale of 44.0 GW of solar modules for an aggregate transaction price of $13.5 billion, which we expect to recognize as revenue through 2030 as we transfer control of the modules to our customers. This volume and transaction price exclude contracts with customers in India for which payment has not been fully secured. This transaction price also excludes estimates of variable consideration associated with (i) future module technology improvements, including enhancements to certain energy related attributes; (ii) sales freight in excess of defined thresholds; (iii) changes to certain commodity prices; (iv) the module wattage committed for delivery; (v) the volume of modules sold that meet certain U.S. domestic content requirements; and (vi) changes to certain tariff structures within a defined threshold, among other things. As a result, the revenue recognized from such contracts may increase or decrease in future periods relative to the original transaction price or may otherwise be impacted if a contract is terminated. These contracts may also be subject to amendments as agreed to by the parties to the contract. These amendments may increase or decrease the volume of modules to be sold under the contract, change delivery schedules, or otherwise adjust the expected revenue under these contracts.

13. Share-Based Compensation

The following table presents share-based compensation expense recognized in our condensed consolidated statements of operations for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Cost of sales	$ 996	$ 835	$ 2,445	$ 2,141
Selling, general and administrative	6,495	5,400	16,544	12,100
Research and development	1,587	1,084	3,915	2,471
Production start-up	—	—	—	1
Total share-based compensation expense	$ 9,078	$ 7,319	$ 22,904	$ 16,713

As of September 30, 2026, we had $35.8 million of unrecognized share-based compensation expense related to unvested restricted stock and performance units, which we expect to recognize over a weighted-average period of approximately 1.4 years.

In March 2022 and March 2023, the compensation committee of our board of directors approved grants of performance units for key executive officers to be earned over multi-year performance periods, which ended in December 2024 and December 2025, respectively. Vesting of the 2022 and 2023 grants of performance units was contingent upon the specific attainment targets of each grant, which targets included metrics such as contracted revenue, return on capital, cost per watt, production, and operating income metrics. In February 2025, the compensation committee certified the achievement of the vesting conditions applicable to the 2022 grants, which approximated the maximum level of performance. In February 2026, the compensation committee certified the achievement of the vesting conditions applicable to the 2023 grants, which approximated the target level of performance. Accordingly, each participant received one share of common stock for each vested performance unit granted, net of any tax withholdings.

In March 2024, May 2025, and May 2026, the compensation committee granted additional performance units for key executive officers; such grants are expected to be earned over multi-year performance periods ending in December 2026, December 2027, and December 2028, respectively. Vesting of the 2024, 2025, and 2026 grants of performance units is contingent upon the specific attainment targets of each grant, which targets include metrics such as contracted revenue, production, incremental average selling price, operating margin, adjusted gross margin, and technology development and performance.

Vesting of performance units is also contingent upon the employment of program participants through the applicable vesting dates, with limited exceptions in case of death, disability, a qualifying retirement, or a change-in-control of First Solar. Outstanding performance units are included in the computation of diluted net income per share based on the number of shares that would be issuable if the end of the reporting period were the end of the contingency period.

14. Income Taxes

In July 2025, the U.S. President signed the budget reconciliation legislation (House of Representatives 1, or "H.R.1") into law, commonly referred to as the "One Big Beautiful Bill Act" (the "OBBBA"). H.R.1 includes significant provisions, such as (i) the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, (ii) modifications to the international tax framework, and (iii) the restoration of favorable tax treatment for certain business provisions. H.R.1 has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The enactment of H.R.1 did not result in a material impact on our condensed consolidated financial statements.

In August 2022, the previous U.S. President signed into law the IRA, which revised U.S. tax law by, among other things, including a new corporate alternative minimum tax of 15% on certain large corporations, imposing a 1% excise tax on stock buybacks, and providing various incentives, including the introduction of the advanced manufacturing production credit under Section 45X of the IRC. The provisions of the IRA are generally effective for tax years beginning after 2022.

In December 2021, the OECD released model rules for a new global minimum tax framework ("Pillar Two"). While it is uncertain whether the U.S. will enact legislation to adopt Pillar Two, certain governments in countries in which we operate have enacted local Pillar Two legislation, which includes qualified domestic minimum top-up tax and undertaxed profits rules. As these rules are implemented and applied to our operating results, our effective tax rate and tax liabilities may be materially affected, including as a result of the geographic mix and profitability of our operations.

Our effective tax rate was 2.9% and 2.2% for the nine months ended September 30, 2026 and 2025, respectively. The increase in our effective tax rate was primarily driven by global minimum tax expense under Pillar Two, partially offset by higher advanced manufacturing production credits. Our provision for income taxes differed from the amount computed by applying the U.S. statutory federal income tax rate of 21% primarily due to the effect of tax law associated with the IRA, partially offset by global minimum tax expense.

Our Malaysian subsidiary has been granted a long-term tax holiday that expires in 2027. The tax holiday, which generally provides for a full exemption from Malaysian income tax, is conditional upon our continued compliance with certain employment and investment thresholds. We are currently in compliance with such thresholds.

Our Vietnamese subsidiary has been granted a long-term tax incentive that generally provides a full exemption from Vietnamese income tax through 2023, followed by reduced tax rates of 5% through 2032 and 10% through 2036. Such long-term tax incentive is conditional upon our continued compliance with certain revenue and research and development ("R&D") spending thresholds. We are currently in compliance with such thresholds.

We are subject to audit by federal, state, local, and foreign tax authorities. We are currently under examination in the United States, India, and Chile, along with the State of North Carolina. In October 2026, we received a Notice of Proposed Adjustment ("NOPA") from the IRS with respect to our transfer pricing policies for the tax years 2016 to 2021. The NOPA proposed an increase to our taxable income in the United States of $720.6 million for such periods. Additionally, the IRS may also seek similar adjustments for tax years after 2021. We disagree with the NOPA and plan to vigorously contest the proposed adjustments through the IRS's administrative appeals office and, if necessary, judicial proceedings. We believe our tax positions are supported by applicable laws and relevant facts and circumstances, and that adequate provisions have been made for any adjustments that may result from the examinations in the various jurisdictions mentioned above. However, the outcome of tax examinations cannot be predicted with certainty, and the ultimate resolution of these matters could differ materially from our current estimates. If any issues addressed by our tax examinations are not resolved in a manner consistent with our expectations, we may be required to adjust our provision for income taxes in the period such resolution occurs.

15. Net Income per Share

The calculation of basic and diluted net income per share for the three and nine months ended September 30, 2026 and 2025 was as follows (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic net income per share				
Numerator:				
Net income	$ 571,063	$ 455,943	$ 1,340,251	$ 1,007,346
Denominator:				
Weighted-average common shares outstanding	107,472	107,264	107,430	107,211
Diluted net income per share				
Denominator:				
Weighted-average common shares outstanding	107,472	107,264	107,430	107,211
Effect of restricted stock and performance units	230	274	236	281
Weighted-average shares used in computing diluted net income per share	107,702	107,538	107,666	107,492
Net income per share:				
Basic	$ 5.31	$ 4.25	$ 12.48	$ 9.40
Diluted	$ 5.30	$ 4.24	$ 12.45	$ 9.37

The following table summarizes the potential shares of common stock that were excluded from the computation of diluted net income per share for the three and nine months ended September 30, 2026 and 2025 as such shares would have had an anti-dilutive effect (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Anti-dilutive shares	3	1	—	1

16. Accumulated Other Comprehensive Loss

The following table presents the changes in accumulated other comprehensive loss, net of tax, for the nine months ended September 30, 2026 (in thousands):

	Foreign Currency Translation Adjustment	Unrealized Loss on Marketable Securities and Restricted Marketable Securities	Total
Balance as of December 31, 2025	$ (109,560)	$ (45,906)	$ (155,466)
Other comprehensive loss before reclassifications	(11,642)	(11,386)	(23,028)
Amounts reclassified from accumulated other comprehensive loss	2,221	738	2,959
Net tax effect	—	415	415
Net other comprehensive loss	(9,421)	(10,233)	(19,654)
Balance as of September 30, 2026	$ (118,981)	$ (56,139)	$ (175,120)

The following table presents the pretax amounts reclassified from accumulated other comprehensive loss into our condensed consolidated statements of operations for the three and nine months ended September 30, 2026 and 2025 (in thousands):

Comprehensive Income Components	Income Statement Line Item	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Foreign currency translation adjustment	Other expense, net	$ (3,244)	$ (1,865)	$ (2,221)	$ (2,188)
Unrealized loss on marketable securities	Other expense, net	—	—	(738)	—
Unrealized loss on derivative instruments:					
Commodity swap contracts	Cost of sales	—	—	—	(366)
Total loss reclassified		$ (3,244)	$ (1,865)	$ (2,959)	$ (2,554)

17. Segment Reporting

First Solar operates as one business, which involves the design, manufacture, and sale of cadmium telluride (“CdTe”) solar modules, which convert sunlight into electricity. As such, we operate as a single operating segment. Third-party customers of this segment include system developers, independent power producers, utilities, commercial and industrial companies, large corporate energy buyers, and other system owners and operators. Our business is managed by our Chief Executive Officer, who is also considered our chief operating decision maker (“CODM”).

Although our CODM regularly uses gross profit for key operating decisions about allocating resources and assessing performance, we have concluded that consolidated net income is also used and is the measure of profit or loss required to be disclosed under the provisions of ASC 280 for our single operating segment. Accordingly, we considered whether there were any significant expense categories to disclose and concluded that the condensed consolidated financial statements and accompanying notes thereto include the relevant categories regularly provided to our CODM. The measure of segment assets is reported in our condensed consolidated balance sheets as “Total assets.”

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Securities Act of 1933, as amended (the "Securities Act"), which are subject to risks, uncertainties, and assumptions that are difficult to predict. All statements in this Quarterly Report on Form 10-Q, other than statements of historical fact, are forward-looking statements. These forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements include statements, among other things, concerning: effects resulting from certain module manufacturing changes; our business strategy, including anticipated trends and developments in and management plans for our business and the markets in which we operate; future financial results, operating results, module volumes produced, module volumes sold, revenues, gross margin, operating expenses, products, projected costs (including estimated future module collection and recycling costs), warranties and anticipated claims thereunder, solar module technology and cost reduction roadmaps, product reliability, investments, and capital expenditures; our ability to continue to reduce the cost per watt of our solar modules; the impact of public policies, such as tariffs, export controls, or other trade remedies; the potential impact of legislation intended to encourage renewable energy investments through tax credits; our ability to expand manufacturing capacity, including the construction of new manufacturing facilities in the United States and related increases in manufacturing capacity; the impact of supply chain disruptions, which may affect the procurement of raw materials used in our manufacturing process and the distribution of our modules; R&D programs and our ability to improve the wattage of our solar modules; our ability to enforce our intellectual property rights; and competition. In some cases, you can identify these statements by forward-looking words, such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "will," "could," "predict," "continue," "contingent," 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. All forward-looking statements included in this Quarterly Report on Form 10-Q are based upon information available to us as of the filing date of the report and therefore speak only as of the filing date. 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, whether as a result of new information, future developments, or otherwise. 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:

- structural imbalances in global supply and demand for PV solar modules;
- our competitive position and other key competitive factors;
- the modification, reduction, elimination, or expiration of government subsidies, economic incentives, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications;
- the impact of public policies, such as tariffs, export controls, or other trade remedies imposed on solar cells and modules or related raw materials or equipment;
- the loss of any of our large customers, or the inability of our customers and counterparties to perform under their contracts with us, including through terminations by customers of any contract in part or in full;
- our ability to attract new customers and to develop and maintain existing customer and supplier relationships;
- interest rate fluctuations and our customers' ability to secure financing;

- our ability to execute on our long-term strategic plans, including our ability to secure financing and realize the potential benefits of strategic acquisitions and investments;
- our ability to execute on our solar module technology and cost reduction roadmaps;
- claims under our limited warranty obligations;
- our continued investments in R&D;
- our ability to incorporate technology improvements into our manufacturing process, including the implementation of our copper replacement ("CuRe") program;
- our ability to improve the wattage of our solar modules;
- our ability to construct new production facilities to support new product lines;
- the supply and price of key raw materials (including CdTe, tellurium, and tellurium compounds), components, and manufacturing equipment;
- supply chain disruptions;
- our ability to avoid manufacturing interruptions, including during the ramp of new manufacturing facilities;
- future collection and recycling costs for solar modules covered by our module collection and recycling program, or otherwise as required by external laws and regulations;
- our ability to protect or successfully commercialize our intellectual property;
- environmental responsibility, including with respect to CdTe and other semiconductor materials;
- changes in, or the failure to comply with, government regulations and environmental, health, and safety requirements;
- evolving corporate governance and public disclosure regulations and expectations, including with respect to environmental, social, and governance matters;
- effects arising from and results of pending litigation;
- general economic and business conditions, including those influenced by U.S., international, and geopolitical events and conflicts;
- our ability to prevent and/or minimize the impact of cybersecurity incidents or information or security breaches;
- the severity and duration of public health threats;
- our ability to attract, train, retain, and successfully integrate key talent into our team; and
- all other matters discussed in Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025, elsewhere in this Quarterly Report on Form 10-Q, and our other reports filed with the SEC.

You should carefully consider the risks and uncertainties described in this section. The following discussion and analysis of our business, financial condition, and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes thereto included in this Quarterly Report on Form 10-Q.

Executive Overview

We are America's leading PV solar technology and manufacturing company. The only U.S.-headquartered company among the world's largest solar manufacturers, First Solar is focused on competitively and reliably enabling power generation needs with our advanced, uniquely American thin film PV technology. Developed at R&D labs in California and Ohio, our technology provides a competitive, high-performance, and responsibly produced alternative to conventional crystalline silicon PV solar modules. Our PV solar modules are produced using a fully integrated, continuous process that does not rely on Chinese crystalline silicon supply chains.

We are the world's largest thin film PV solar module manufacturer and the largest PV solar module manufacturer in the Western Hemisphere. We recently commenced operations at our fifth manufacturing facility in the United States. We are in the process of further expanding our domestic manufacturing capacity, including the completion of our sixth U.S. manufacturing facility, located in South Carolina, to onshore final production processes for modules initiated by our international fleet. The first phase of this facility commenced commercial production in September 2026, and we expect the second phase to commence operations in mid-2027. Our global manufacturing footprint spans the United States, India, Malaysia, and Vietnam.

Certain of our financial results and other key operational developments for the three months ended September 30, 2026 include the following:

- Net sales for the three months ended September 30, 2026 decreased by 22.8% to $1.2 billion compared to the same period in 2025. The decrease was primarily due to a 22.0% decrease in the volume of modules sold to third parties and lower revenue associated with customer contract terminations.

- Gross profit as a percentage of net sales for the three months ended September 30, 2026 increased 19.6 percentage points to 57.9% from 38.3% for the same period in 2025. The increase was primarily due to a higher volume of modules sold qualifying for the advanced manufacturing production credit under Section 45X of the IRC and a higher sales price per watt, partially offset by increased production costs due to a higher sales mix of U.S.-produced modules and lower revenue associated with customer contract terminations.

- During the three months ended September 30, 2026, we produced 4.3 GW and sold 4.1 GW of solar modules, compared to 3.6 GW produced and 5.3 GW sold in the same period in 2025

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- During the three months ended June 30, 2026, we began submitting and receiving payment for eligible refund claims for tariffs paid pursuant to the International Emergency Economic Powers Act ("IEEPA") prior to the U.S. Supreme Court's ruling that such tariffs were unlawful. During the three months ended September 30, 2026, we received payment for substantially all remaining claims.

Market Overview

Solar energy is one of the fastest growing forms of renewable energy with numerous benefits, including economic benefits and speed of deployment, which make it an attractive complement to, or substitute for, traditional forms of energy generation. In recent years, the cost of electricity from PV solar power systems has generally been competitive with, or below, other forms of generation. Other technological developments in the renewable energy industry, such as the advancement and availability of energy storage capabilities, have further enhanced the prospects of solar energy as an attractive complement to traditional forms of energy generation.

Government incentive programs have contributed to this momentum by providing solar module manufacturers, project developers, and project owners with various incentives to accelerate the deployment of solar power generation. Our net sales and profits remain subject to variability based on the availability and size of these programs, including tax and production incentives, renewable portfolio standards, and other incentive programs intended to stimulate economies, establish greater energy independence, and achieve decarbonization initiatives.

Supply and Demand

As a result of the market opportunities described above, we recently commenced operations at our fifth manufacturing facility in the United States. We are in the process of further expanding our domestic manufacturing capacity, including the completion of our sixth U.S. manufacturing facility, located in South Carolina, to onshore final production processes for modules initiated by our international fleet. The first phase of this facility commenced commercial production in September 2026, and we expect the second phase to commence operations in mid-2027. We believe manufacturers of solar cells and modules, particularly those in China, have significant excess installed production capacity, relative to global demand, and the ability for additional capacity expansion. Accordingly, we believe the solar industry may experience periods of structural imbalance between supply and demand, which could lead to periods of pricing volatility. Further, demand for solar energy in key markets, such as the United States and India, may be affected by the nature and extent of commitments to the renewable energy transition at the local and global levels. Notwithstanding these considerations, utility and corporate demand for energy and overall electric load growth, especially as a result of artificial intelligence-driven data center demand, continue to increase. However, such data center demand may be adversely affected by opposition from local communities who may pose obstacles to, or cause delays in, the permitting and construction of these facilities. In addition, data centers may address their large energy needs from sources that compete with solar energy, such as on- or off-grid natural gas. Despite these factors, utility-scale PV solar, even on an unsubsidized basis, is cost competitive with conventional forms of energy generation, including natural gas and nuclear, and is significantly faster to deploy than a five-year natural gas project development timeline or a much longer nuclear project timeline.

However, given the combination of (i) a European market captured by Chinese solar modules, where pricing is at levels near or below manufacturing costs; (ii) an Indian market effectively closed to Southeast Asian products; (iii) a general supply and demand imbalance for Southeast Asian products; and (iv) certain tariffs on modules imported into the United States, we have reduced production of Series 6 modules at our international manufacturing facilities. In light of these market realities, we continue to advocate for industrial and trade policies that provide a level playing field for manufacturers of solar wafers, cells, and modules. We also continue to focus on our strategies and points of differentiation, which include our proprietary advanced module technology, our manufacturing process and distributed manufacturing presence, our localized supply chains, our R&D capabilities, our commitment to responsible solar, and our financial stability.

Pricing Competition

The solar industry continues to be characterized by intense pricing competition, both at the module and system levels. This competition may result in an environment in which pricing falls rapidly, which could potentially increase demand for solar energy solutions but constrain the ability for module manufacturers and project developers to sustain meaningful and consistent profitability. Our results of operations could be adversely affected if competitors reduce pricing below their costs, bid aggressively low prices for module sale agreements, or are able to operate at minimal or negative operating margins for sustained periods of time. For certain of our competitors, including many in China, these practices may be enabled by their direct or indirect access to sovereign capital or other forms of state support.

Despite this competition, module pricing in the United States, our primary market, remained relatively stable due, in part, to the rising demand for domestically manufactured modules as a result of the IRA, energy tax credit eligibility restrictions (including foreign-entity-related limitations) as amended by the OBBBA, and tariffs on modules imported into the United States. However, as a result of recent developments, including the conclusion of the investigation into polysilicon and its derivatives under Section 232 of the Trade Expansion Act of 1962 ("Section 232"), module prices in the United States are generally expected to increase.

Diverse Offerings

We face intense competition from manufacturers of crystalline silicon solar modules and other emerging technologies. Solar module manufacturers compete with one another on sales price per watt, which may be influenced by several module value attributes, including energy yield, wattage (through a larger form factor or an improved conversion efficiency), degradation, sustainability, and reliability. Sales price per watt may also be influenced by warranty terms and customer payment terms. We believe that utility-scale solar will continue to be a compelling offering and will continue to represent an increasing portion of the overall electricity generation mix. However, this focus on utility-scale module offerings exists within a current market environment that also includes rooftop and distributed generation solar, which may influence our future offerings.

We continue to devote significant resources to support the implementation of our technology roadmap and improve the energy output of our modules. In the course of our R&D activities, we explore various technologies in our efforts to sustain competitive differentiation of our modules. Such technologies include the development of bifacial modules, the implementation of our CuRe program, and the ongoing R&D of a viable and commercially scalable perovskite product.

- *Bifacial*. While conventional solar modules are monofacial, meaning their ability to produce energy is a function of direct and diffuse irradiance on their front side, most module manufacturers offer bifacial modules that also capture diffuse irradiance on the back side of a module. Bifaciality compromises nameplate power, but by converting both front and back side irradiance, such technology may improve the overall energy production of a module relative to nameplate power when applied in certain applications, which could lower the overall levelized cost of electricity ("LCOE") of a system when compared to systems using monofacial solar modules.

- *CuRe*. Our CuRe program is intended to improve our current semiconductor structure by replacing copper with certain other elements that are expected to enhance module performance by improving its bifaciality characteristics, improving its temperature coefficient, and improving its warranted degradation. As a result of these performance improvements, CuRe modules are expected to produce more energy in real-world operating conditions over their estimated useful lives than crystalline silicon modules with the same nameplate power. During the first half of 2026, we permanently converted one of our Ohio facilities to our CuRe technology and intend to proceed with a phased replication of the technology across certain manufacturing facilities within our fleet, with our Indian facility expected to begin manufacturing CuRe modules in the first quarter of 2027.

- *Perovskite*. We continue to research and develop our thin-film semiconductor technology, with a focus on the use of perovskite thin films. Perovskites have the potential to significantly increase the efficiency and reduce the cost of PV solar modules either through single-junction or potentially multi-junction devices. Supported by the associates at our California and European Technology Centers, we continue to advance our work on improving both the efficiency and stability of this technology in developing a commercially scalable perovskite product. Our investment in this technology also includes the construction and operation of a dedicated perovskite development line in Ohio and a perovskite pilot line that is expected to be available in 2027.

Product Efficiencies

The efficiencies gained from the vertical integration of our manufacturing model and our cost management initiatives allow us to compete favorably in markets that are supported by a level playing field. Our cost competitiveness is based in large part on our advanced thin film semiconductor technology, proprietary manufacturing process (which enables us to produce a CdTe module in a matter of hours using a continuous and highly automated industrial manufacturing process, as opposed to a batch process), and focus on operational excellence. In addition, our CdTe modules use approximately 2% to 3% of the amount of semiconductor material that is used to manufacture conventional crystalline silicon solar modules. The cost of polysilicon is a significant driver of the manufacturing cost of crystalline silicon solar modules, and the timing and rate of change in the cost of silicon feedstock and polysilicon could lead to changes in solar module pricing levels.

Energy Performance

In many climates, our solar modules provide certain energy production advantages relative to competing crystalline silicon solar modules. As a result, our solar modules can produce more energy in real-world operating conditions than conventional crystalline silicon modules with the same nameplate power. Additionally, we generally warrant that our solar modules will produce at least 98% of their labeled power output rating during the first year, with the warranty coverage reducing by a degradation factor every year thereafter throughout the limited power output warranty period of up to 30 years.

While our modules are generally competitive in cost, reliability, and performance attributes, there can be no guarantee such competitiveness will continue to exist in the future to the same extent, or at all. Any declines in the competitiveness of our products could result in declines in the average selling prices of our modules and additional margin compression. Accordingly, we continue to focus on enhancing the competitiveness of our solar modules through our module technology and cost reduction roadmaps.

Certain Trends and Uncertainties

We believe that our business, financial condition, and results of operations may be favorably or unfavorably impacted by the following trends and uncertainties. See Part II. “Other Information” Item 1A. “Risk Factors” for discussions of other risks that may affect us.

Our business is evolving worldwide and is shaped by the varying ways in which our offerings can be compelling and economically viable solutions to energy needs in our key markets. In addressing electricity demands, we are focused on providing utility-scale module offerings in markets we believe have a significant need for mass-scale PV solar electricity, including markets primarily in the United States and India. We closely evaluate and monitor the appropriate level of resources required to support such markets and their associated sales opportunities. When deployed in utility-scale applications, our modules provide energy at a lower LCOE compared to traditional forms of energy generation.

Demand for our PV solar modules depends, in part, on certain factors outside our control. For example, many governments have proposed or enacted policies or incentive programs intended to encourage renewable energy investments to achieve decarbonization objectives and/or establish greater energy independence. Accordingly, our net sales and profits are affected by the availability and size of these government subsidies and economic incentives. Adverse changes in these factors could increase the cost of utility-scale systems, which could reduce demand for our solar modules. Recent developments to government incentive programs include the following:

- *United States.* In August 2022, the previous U.S. President signed the IRA into law, which was intended to accelerate the country's ongoing transition to clean energy. Among other things, the financial incentives provided by the IRA have significantly increased demand for modules manufactured in the United States. However, in January 2025, the U.S. President issued the executive order entitled, "Unleashing American Energy," which, among other things, indicated a lack of support for federal funding of certain solar and solar-related projects. Further, in July 2025, the U.S. President signed the OBBBA into law, which significantly curtails the availability of certain energy tax credits. The OBBBA accelerates the termination of the clean electricity Investment Tax Credit ("ITC") and Production Tax Credit ("PTC") in relation to solar and restricts tax credits if a taxpayer employs certain products and components produced by a supplier with ties to a foreign entity of concern ("FEOC"). The OBBBA also severely limits Section 45X tax credit eligibility for products manufactured by, or with material assistance from, a FEOC. For more information about certain risks associated with the benefits available to us under IRA, see Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025.

Demand for our PV solar modules also depends on domestic or international trade policies and government regulations, which may be proposed, revised, and/or enacted across short- and long-term time horizons with varying degrees of impact to our net sales, profit, and manufacturing operations. Changes in these policies and regulations could adversely impact the competitive landscape of solar markets, which could reduce demand for our solar modules. Recent revisions or proposed changes to trade policy and government regulations include the following:

- *United States*. In April 2025, the U.S. President imposed a 10% "baseline" reciprocal tariff on nearly all U.S. trading partners and additional, higher reciprocal tariffs on certain countries pursuant to the IEEPA. In February 2026, the U.S. Supreme Court ruled the IEEPA tariffs unlawful. Since that ruling, the U.S. Court of International Trade ordered U.S. Customs and Border Protection to commence the process of refunding IEEPA tariffs. Accordingly, we requested refunds for applicable tariffs under the ruling and have received payment for substantially all remaining claims. Such refunds may be offset by estimated amounts payable to customers for amounts we previously received in connection with the pass-through of certain tariff costs. The U.S. President responded to the U.S. Supreme Court's decision by revoking the IEEPA tariff actions and imposing new global tariffs pursuant to Section 122 of the Trade Act of 1974 ("Section 122") of 10%. The Section 122 tariff terminated on July 24, 2026, at which time the Office of the United States Trade Representative ("USTR") implemented a final action under Section 301 of the Trade Act of 1974, to impose tariffs on 60 countries related to the failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. The USTR imposed a tariff of 10% on several countries, including Malaysia, India, and the European Union ("EU"), and a tariff of 12.5% on the remaining countries, including China and Vietnam. The USTR is also conducting several additional Section 301 investigations, including an investigation of structural excess capacity and production in manufacturing in 16 countries. These investigations could result in additional tariffs on imports from China, the EU, India, Malaysia, and Vietnam. We plan to continue to monitor changes to the trade policies of the United States and other countries that could impact our financial position, results of operations, and cash flows. For more information about these developments, see Part II. "Other Information" Item 1A. "Risk Factors – The modification, reduction, elimination, or expiration of government subsidies, economic incentives, eligibility limitations, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications, or the impact of other public policies, such as tariffs or other trade remedies imposed on solar cells and modules or related raw materials or equipment, have impacted, and in the future could negatively impact demand and/or price levels for our solar modules and limit our growth or lead to a reduction in our net sales or increase our costs, thereby adversely impacting our operating results."

- *United States.* Effective June 4, 2025, the U.S. President increased Section 232 tariffs on imported aluminum and steel articles from 25% to 50%. Effective August 1, 2025, the U.S. President imposed tariffs of 50% on copper under Section 232. Effective April 6, 2026, the U.S. President modified the Section 232 tariffs on aluminum, steel, and copper to apply a rate of 50% to the full value of primary metal articles and a rate of 25% to the full value of derivative articles, while removing certain products from the scope of Section 232 tariffs. Effective October 14, 2025, the U.S. President imposed tariffs of 10% on imported softwood timber and lumber products under Section 232. Further, on April 22, 2025, the U.S. Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of processed critical minerals, as well as their derivative products, under Section 232; on July 1, 2025, the U.S. Secretary of Commerce initiated a Section 232 investigation to determine whether imports of polysilicon and its derivatives impair U.S. national security; and on September 2, 2025, the U.S. Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of robotics and industrial machinery under Section 232. On August 6, 2026, following the conclusion of the Section 232 investigation into polysilicon and its derivatives, the U.S. President issued a proclamation (the "Proclamation") that, effective December 4, 2026, (i) establishes minimum import prices of $21 per kilogram for polysilicon, $100 per kilogram for polysilicon ingots and wafers, $0.22 per watt for solar cells, and $0.38 per watt for solar modules, and (ii) imposes an additional 15% duty on imports of polysilicon derivatives, subject to reduced rates for certain countries. The Proclamation also directs the U.S. Department of Commerce to enter into company-specific deals with producers to incentivize and strengthen investments in the United States polysilicon supply chain. As polysilicon is a foundational input for crystalline silicon solar modules, we expect the Proclamation to have a favorable impact on the volume of our future module sales, including the pricing and contractual terms of those sales. However, we continue to evaluate the scope and impact of the Proclamation on our financial position, results of operations, and cash flows. For more information about the context of these developments, see Part II. "Other Information" Item 1A. "Risk Factors – The modification, reduction, elimination, or expiration of government subsidies, economic incentives, eligibility limitations, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications, or the impact of other public policies, such as tariffs or other trade remedies imposed on solar cells and modules or related raw materials or equipment, have impacted, and in the future could negatively impact demand and/or price levels for our solar modules and limit our growth or lead to a reduction in our net sales or increase our costs, thereby adversely impacting our operating results."

- *China.* In February 2025, China announced that it would tighten export controls for five key minerals, including products containing tellurium, which is a key component of our CdTe modules. Although tellurium and products containing tellurium are sourced globally, China is a major global producer of tellurium and products containing tellurium. Chinese exporters of tellurium and related products are generally required to obtain a license from the Chinese Ministry of Commerce. In October 2025, China expanded its rare earths export controls, adding new minerals to its restricted list and requiring foreign entities to obtain a license to export any products containing over 0.1% of rare earths from China or manufactured using China's extraction, refining, magnet-making, or recycling technology. In November 2025, China announced it would delay imposition of the October 2025 export controls for one year. In February 2026, the U.S. President announced the creation of an approximately $12 billion stockpile of critical minerals for U.S. manufacturers in response to the potential supply chain disruptions as a result of Chinese export controls. In September 2026, China and the United States agreed to extend the trade truce—covering tariffs and export controls—to January 2027. We have assembled a cross-functional team to monitor the export controls and related developments and analyze how they may impact materials required for our module production. We have applied for and intend to continue applying for export licenses where appropriate, as well as continuing to implement other strategic alternatives, such as sourcing from other suppliers to mitigate potential adverse impacts from these export controls. For more information about this development, see Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025.

- *United States.* In April 2024, the American Alliance for Solar Manufacturing Trade Committee, which includes First Solar, filed a set of antidumping and countervailing duty ("AD/CVD") petitions with the U.S. Department of Commerce ("USDOC") and the U.S. International Trade Commission ("USITC") to impose duties on certain unfairly traded crystalline silicon solar products from Cambodia, Malaysia, Thailand, and Vietnam. Following final affirmative determinations by the USDOC and USITC that identified final subsidy rates of 534.67% to 3,403.96% for Cambodia, 14.64% to 168.8% for Malaysia, 263.74% to 799.55% for Thailand, and 68.15% to 542.64% for Vietnam, AD/CVD orders, including the assessment of countervailing duties and suspension of liquidation of such products, were issued on June 9, 2025. On July 17, 2025, the Alliance for American Solar Manufacturing and Trade filed another set of AD/CVD petitions with the USDOC and the USITC to impose duties on unfairly traded crystalline silicon solar products from India, Indonesia, and Laos. In addition to a range of alleged illegal subsidies, the petitioners identified dumping margins of 213.96% for India, 89.65% for Indonesia, and 245.79% to 249.09% for Laos. In September 2026, the USDOC issued its final antidumping and countervailing duty determinations, calculating subsidy rates of 126.09% and dumping margins of 123.04% for India; subsidy rates of up to 173.70% and dumping margins of 94.36% for Indonesia; and subsidy rates of up to 153.67% and dumping margins of 65.43% for Laos. We expect such AD/CVD orders to support a level playing field and help drive critical solar technology growth by encouraging investment in domestic manufacturing capacity and jobs. For more information about this development, see Part II. "Other Information" Item 1A. "Risk Factors – The modification, reduction, elimination, or expiration of government subsidies, economic incentives, eligibility limitations, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications, or the impact of other public policies, such as tariffs or other trade remedies imposed on solar cells and modules or related raw materials or equipment, have impacted, and in the future could negatively impact demand and/or price levels for our solar modules and limit our growth or lead to a reduction in our net sales or increase our costs, thereby adversely impacting our operating results."

- *India*. The Approved List of Models and Manufacturers ("ALMM") was introduced in 2021 as a non-tariff barrier to incentivize domestic manufacturing of PV modules by approving the list of models and manufacturers who can participate in certain solar development projects. The ALMM is approved by the Ministry of New and Renewable Energy ("MNRE"), and any modifications to the ALMM and its application may affect future investments in solar module manufacturing in India. For example, in December 2024, the ALMM was amended to require nearly all solar development projects to use PV modules that contain domestically manufactured solar cells, which is expected to be effective for such projects completed on or after June 2026; in August 2025, the relevant list of qualifying entities was released, which included First Solar as an approved manufacturer. Further, in September 2025, the MNRE released draft amendments that would require nearly all solar development projects to use PV modules that contain domestically manufactured wafers, which is expected to be effective for such projects completed on or after June 2028; the proposed list was released at that time, which included First Solar as an approved manufacturer. In November 2025, the MNRE released a draft proposal that would increase the minimum efficiency of PV modules for manufacturers to be included in the ALMM beginning in 2027, which may adversely affect our ability to sell modules within the Indian market. For more information about the ALMM, see Part II. "Other Information" Item 1A. "Risk Factors – The modification, reduction, elimination, or expiration of government subsidies, economic incentives, eligibility limitations, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications, or the impact of other public policies, such as tariffs or other trade remedies imposed on solar cells and modules or related raw materials or equipment, have impacted, and in the future could negatively impact demand and/or price levels for our solar modules and limit our growth or lead to a reduction in our net sales or increase our costs, thereby adversely impacting our operating results."

Our ability to provide solar modules on economically attractive terms is also affected by the availability and cost of logistics services associated with the procurement of raw materials or equipment used in our manufacturing process and the shipping, handling, storage, and distribution of our modules. To mitigate certain logistics costs, we employ commercial contract structures that provide additional consideration to us if the cost of logistics services, excluding detention and demurrage, exceeds defined thresholds. We may also adjust our shipping plans to include additional lead times for module deliveries and/or use our network of U.S. distribution centers to mitigate logistics costs. Additionally, our manufacturing capacity expansions are expected to bring production activities closer to customer demand, further mitigating our exposure to the cost of ocean freight.

We generally price and sell our solar modules on a per watt basis. As of September 30, 2026, we had entered into contracts with customers for the future sale of 44.0 GW of solar modules for an aggregate transaction price of $13.5 billion, which we expect to recognize as revenue through 2030 as we transfer control of the modules to our customers. This volume and transaction price exclude contracts with customers in India for which payment has not been fully secured. This volume includes contracts for the sale of 20.0 GW of solar modules with anticipated price adjustments for future module technology improvements, including enhancements to certain energy related attributes. Based on these potential improvements, the contracted module volume as of September 30, 2026, the expected timing of such improvements being incorporated into our manufacturing process, and the expected timing of module deliveries, such adjustments, if realized, could result in additional revenue of up to $0.5 billion, the majority of which would be recognized in 2027 and 2028. In addition to these price adjustments, certain of our contracts with customers may include favorable or unfavorable price adjustments associated with changes to (i) sales freight in excess of defined thresholds, (ii) changes to certain commodity prices, (iii) the module wattage committed for delivery, (iv) the volume of modules sold that meet certain U.S. domestic content requirements, and (v) changes to certain tariff structures within a defined threshold, among other things. As a result, the revenue recognized from such contracts may increase or decrease in future periods relative to the original transaction price or may otherwise be impacted if a contract is canceled.

While our contracts with customers typically have certain firm purchase commitments and may require our customers to make payments to us if a contract is terminated in certain circumstances, those contract terms have in the past and may in the future be breached by our customers or be subject to renegotiation. Among other things, these contract breaches and renegotiations have reduced, and may continue to reduce, the volume of modules sold under the relevant contracts and/or the extent of anticipated price adjustments for future module technology improvements, thereby reducing future sales of solar modules. Furthermore, our ability to subsequently resell solar modules sold under terminated and/or renegotiated contracts may be constrained by the project lead times of our customers, their required module specifications, or other factors. For example, in September 2025, First Solar filed a complaint in the Supreme Court of the State of New York asserting that BP Solar Holding LLC and its affiliate Lightsource Renewable Energy Trading, LLC breached their contractual obligations with First Solar, having entered into various master supply agreements to purchase solar modules from First Solar and then refusing to pay the amounts owed under the purchase orders. For more information about this development, see Part II. “Other Information” Item 1. “Legal Proceedings.”

We monitor our modules’ expected performance through quality and reliability testing, as well as actual performance in certain field installation sites. Any declines in the expected performance attributes of our modules could adversely impact our financial results due to declines in the average selling prices of our modules and additional margin compression. For example, the identified manufacturing issues affecting certain Series 7 modules have adversely affected and may continue to adversely affect the average selling prices of our modules. These manufacturing issues have also increased product warranty claims by our customers to resolve the premature power loss in affected modules. Any such manufacturing issues, including any additional commitments we have made, or may make in the future, to remediate module performance issues beyond our limited warranty, could also adversely impact our reputation, financial position, operating results, and cash flows. We may also be subject to certain other risks and uncertainties surrounding module performance as described in Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025.

We are in the process of expanding our domestic manufacturing capacity; this additional capacity, and any other potential investments to add to or otherwise modify our existing manufacturing capacity in response to market demand and competition, may require significant internal and possibly external sources of capital, and may be subject to certain risks and uncertainties described in Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025 and Part II. “Other Information” Item 1A. “Risk Factors” of this Quarterly Report on Form 10-Q.

Results of Operations

The following table sets forth our condensed consolidated statements of operations as a percentage of net sales for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	42.1 %	61.7 %	45.8 %	58.9 %
Gross profit	57.9 %	38.3 %	54.2 %	41.1 %
Selling, general and administrative	5.3 %	3.0 %	5.5 %	4.3 %
Research and development	5.5 %	3.8 %	6.3 %	4.7 %
Production start-up	2.8 %	2.3 %	2.1 %	2.4 %
Operating income	44.4 %	29.2 %	40.3 %	29.7 %
Foreign currency gain (loss), net	— %	(0.6)%	(0.7)%	(0.9)%
Interest income	2.0 %	1.5 %	2.5 %	1.5 %
Interest expense, net	(0.2)%	(0.9)%	(0.5)%	(0.9)%
Other expense, net	(0.2)%	(0.4)%	(0.2)%	(0.3)%
Income tax benefit (expense)	0.4 %	(0.3)%	(1.2)%	(0.6)%
Net income	46.4 %	28.6 %	40.2 %	28.5 %

Segment Overview

First Solar operates as one business, which involves the design, manufacture, and sale of CdTe solar modules, which convert sunlight into electricity. As such, we operate as a single operating segment. Our third-party customers include system developers, independent power producers, utilities, commercial and industrial companies, large corporate energy buyers, and other system owners and operators.

Net Sales

We generally price and sell our solar modules on a per watt basis. During the three and nine months ended September 30, 2026, we sold the majority of our solar modules to developers and operators of systems in the United States, and a majority of our module sales were denominated in U.S. dollars, with the remainder primarily sold in India and denominated in Indian rupees. We recognize revenue for module sales at a point in time following the transfer of control of the modules to the customer, which typically occurs upon delivery of the modules to the location specified in the terms of the underlying contract.

The following table shows net sales for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Net sales	$ 1,230,936	$ 1,594,856	$ (363,920)	(22.8)%	$ 3,331,369	$ 3,536,594	$ (205,225)	(5.8)%

Net sales decreased $363.9 million for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 primarily due to a 22.0% decrease in the volume of modules sold to third parties and lower revenue associated with customer contract terminations.

Net sales decreased $205.2 million for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 primarily due to lower revenue associated with customer contract terminations and a 1.4% decrease in the average selling price per watt primarily driven by estimated payments to customers for IEEPA tariff refunds and certain other sales price adjustments.

Cost of Sales

Our cost of sales includes the cost of raw materials and components for manufacturing solar modules, such as glass, transparent conductive coatings, CdTe and other thin film semiconductors, laminate materials, connector assemblies, edge seal materials, and frames or back rails. In addition, our cost of sales includes direct labor for the manufacturing of solar modules and manufacturing overhead, such as engineering, equipment maintenance, quality and production control, and information technology. Our cost of sales also includes depreciation of manufacturing plant and equipment, facility-related expenses, environmental health and safety costs, and costs associated with logistics, warranties, and solar module collection and recycling (excluding accretion).

The following table shows cost of sales for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Cost of sales	$ 517,876	$ 984,111	$ (466,235)	(47.4)%	$ 1,527,174	$ 2,081,596	$ (554,422)	(26.6)%
% of net sales	42.1 %	61.7 %			45.8 %	58.9 %		

Cost of sales decreased $466.2 million, or 47.4%, and decreased 19.6 percentage points as a percent of net sales for the three months ended September 30, 2026 compared to the three months ended September 30, 2025. This decrease was primarily driven by (i) a higher volume of modules sold qualifying for the advanced manufacturing production credit under Section 45X of the IRC, which decreased cost of sales by $237.7 million; (ii) lower costs of $229.9 million due to a decrease in the volume of modules sold; and (iii) decreased logistics costs of $55.7 million. This decrease was partially offset by (iv) higher production costs of $118.9 million primarily due to a higher sales mix of U.S.-produced modules.

Cost of sales decreased $554.4 million, or 26.6%, and decreased 13.1 percentage points as a percent of net sales for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. This decrease was primarily driven by (i) the advanced manufacturing credit described above, which decreased cost of sales by $426.3 million; (ii) lower logistics costs of $129.8 million; and (iii) the net impact of IEEPA tariff refunds, partially offset by certain new tariff costs. This decrease was partially offset by (iv) higher production costs of $100.4 million, largely due to a higher sales mix of U.S.-produced modules.

Gross Profit

Gross profit may be affected by various factors, including the selling prices of our modules, our manufacturing costs, the capacity utilization of our manufacturing facilities, and foreign exchange rates.

The following table shows gross profit for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Gross profit	$ 713,060	$ 610,745	$ 102,315	16.8 %	$ 1,804,195	$ 1,454,998	$ 349,197	24.0 %
% of net sales	57.9 %	38.3 %			54.2 %	41.1 %		

Gross profit as a percentage of net sales increased 19.6 percentage points to 57.9% during the three months ended September 30, 2026 from 38.3% during the three months ended September 30, 2025. The increase was primarily due to (i) a higher volume of modules sold qualifying for the advanced manufacturing production credit under Section 45X of the IRC and (ii) a higher sales price per watt. These increases in gross profit were partially offset by (iii) increased production costs due to a higher sales mix of U.S.-produced modules and (iv) lower revenue associated with customer contract terminations.

Gross profit as a percentage of net sales increased 13.1 percentage points to 54.2% during the nine months ended September 30, 2026 from 41.1% during the nine months ended September 30, 2025. The increase was primarily due to (i) a greater benefit from the advanced manufacturing credit described above and (ii) lower logistics costs. These increases in gross profit were partially offset by (iii) higher manufacturing costs per watt due to the sales mix discussed above and (iv) lower revenue associated with customer contract terminations.

Selling, General and Administrative

Selling, general and administrative expense consists primarily of salaries and other personnel-related costs, professional fees, insurance costs, and other business development and selling expenses.

The following table shows selling, general and administrative expense for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Selling, general and administrative	$ 65,326	$ 47,324	$ 18,002	38.0 %	$ 182,604	$ 153,078	$ 29,526	19.3 %
% of net sales	5.3 %	3.0 %			5.5 %	4.3 %		

Selling, general and administrative expense for the three months ended September 30, 2026 increased compared to the three months ended September 30, 2025 primarily due to legal costs associated with litigation activities.

Selling, general and administrative expense for the nine months ended September 30, 2026 increased compared to the nine months ended September 30, 2025 primarily due to higher legal costs associated with litigation activities and higher incentive compensation costs.

Research and Development

Research and development expense consists primarily of salaries and other personnel-related costs; the cost of products, materials, and outside services used in our R&D activities; and depreciation and amortization expense associated with R&D specific facilities and equipment. We maintain a number of programs and activities to improve our technology and processes in order to enhance the performance and reduce the costs of our solar modules.

The following table shows research and development expense for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Research and development	$ 67,223	$ 60,592	$ 6,631	10.9 %	$ 210,410	$ 167,468	$ 42,942	25.6 %
% of net sales	5.5 %	3.8 %			6.3 %	4.7 %		

Research and development expense for the three months ended September 30, 2026 increased compared to the three months ended September 30, 2025 primarily due to (i) higher compensation costs from an increase in headcount and (ii) higher costs related to equipment purchases and depreciation expense resulting from our continued investments in R&D facilities and equipment.

Research and development expense for the nine months ended September 30, 2026 increased compared to the nine months ended September 30, 2025 primarily due to (i) higher costs related to equipment purchases and depreciation expense and (ii) the impairment of certain equipment that was no longer expected to be used as part of our technology roadmap.

Production Start-Up

Production start-up expense consists of costs associated with operating a production line before it is qualified for commercial production, including the cost of raw materials for solar modules produced during the qualification phase, employee compensation for individuals supporting production start-up activities, and applicable facility-related costs. Production start-up expense also includes costs related to the selection of a new site and implementation costs for manufacturing process improvements to the extent we cannot capitalize these expenditures.

The following table shows production start-up expense for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Production start-up	$ 34,403	$ 36,734	$ (2,331)	(6.3)%	$ 69,384	$ 85,506	$ (16,122)	(18.9)%
% of net sales	2.8 %	2.3 %			2.1 %	2.4 %		

During the three and nine months ended September 30, 2026, we incurred production start-up expense primarily for our sixth manufacturing facility in the United States. The first phase of this facility commenced commercial production in September 2026. During the three and nine months ended September 30, 2025, we incurred production start-up expense primarily for our fifth manufacturing facility in the United States.

Foreign Currency Gain (Loss), Net

Foreign currency gain (loss), net consists of the net effect of gains and losses resulting from holding assets and liabilities and conducting transactions denominated in currencies other than our subsidiaries' functional currencies.

The following table shows net foreign currency gains and losses for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Foreign currency gain (loss), net	$ 90	$ (8,903)	$ 8,993	N/A	$ (22,961)	$ (30,224)	$ 7,263	(24.0)%

Foreign currency gain for the three months ended September 30, 2026 increased compared to the three months ended September 30, 2025 largely due to lower costs associated with hedging activities related to our subsidiaries in India. Foreign currency loss decreased for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 for similar reasons.

Interest Income

Interest income is earned on our cash, cash equivalents, marketable securities, restricted cash, restricted cash equivalents, and restricted marketable securities. Interest income also includes interest earned from late customer payments.

The following table shows interest income for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Interest income	$ 24,151	$ 23,308	$ 843	3.6 %	$ 82,933	$ 54,273	$ 28,660	52.8 %

Interest income for the three months ended September 30, 2026 was consistent with the three months ended September 30, 2025.

Interest income for the nine months ended September 30, 2026 increased compared to the nine months ended September 30, 2025 primarily due to (i) an increase in yields on cash and cash equivalents and (ii) interest related to IEEPA tariff refunds.

Interest Expense, Net

Interest expense, net primarily comprises interest incurred on debt. We may capitalize interest expense to our property, plant and equipment when such costs qualify for interest capitalization, which reduces the amount of net interest expense reported in any given period.

The following table shows interest expense, net for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Interest expense, net	$ (2,390)	$ (14,121)	$ 11,731	(83.1)%	$ (15,568)	$ (32,830)	$ 17,262	(52.6)%

Interest expense, net for the three and nine months ended September 30, 2026 decreased compared to the three and nine months ended September 30, 2025 primarily due to our prepayment of the India Credit Facility during the second quarter of 2026.

Other Expense, Net

Other expense, net primarily comprises miscellaneous items and financing fees.

The following table shows other expense, net for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Other expense, net	$ (1,930)	$ (6,034)	$ 4,104	(68.0)%	$ (6,461)	$ (10,594)	$ 4,133	(39.0)%

Other expense, net for the three and nine months ended September 30, 2026 was consistent with the three and nine months ended September 30, 2025.

Income Tax Expense

Income tax expense or benefit, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect our best estimates of current and future taxes to be paid. We are subject to income taxes in both the United States and numerous foreign jurisdictions in which we operate, principally Singapore, Malaysia, Vietnam, and India. Significant judgments and estimates are required to determine our consolidated income tax expense. The statutory federal corporate income tax rate in the United States is 21%, and the tax rates in Singapore, Malaysia, Vietnam, and India are 17%, 24%, 20%, and 17%, respectively. In Malaysia, we have been granted a long-term tax holiday, scheduled to expire in 2027, pursuant to which substantially all of our income earned in Malaysia is exempt from income tax, conditional upon our continued compliance with certain employment and investment thresholds. In Vietnam, we have been granted a long-term tax incentive, scheduled to expire at the end of 2036, pursuant to which income earned in Vietnam is subject to reduced tax rates, conditional upon our continued compliance with certain revenue and R&D spending thresholds.

The following table shows income tax expense for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(Dollars in thousands)	2026	2025	Three Month Change		2026	2025	Nine Month Change	
Income tax benefit (expense)	$ 5,034	$ (4,402)	$ 9,436	N/A	$ (39,489)	$ (22,225)	$ (17,264)	77.7 %
Effective tax rate	(0.9)%	1.0 %			2.9 %	2.2 %		

Our tax rate is affected by the advanced manufacturing production credit under Section 45X and recurring items such as tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions. The rate is also affected by discrete items that may occur in any given period but are not consistent from period to period.

Income tax benefit for the three months ended September 30, 2026 increased compared to the three months ended September 30, 2025 primarily due to (i) higher advanced manufacturing production credits and (ii) higher income earned in jurisdictions with a lower statutory tax rate, partially offset by (iii) higher global minimum tax expense and (iv) a prior-year discrete tax benefit associated with the acceptance of a filing position on an amended return in a foreign jurisdiction.

Income tax expense for the nine months ended September 30, 2026 increased compared to the nine months ended September 30, 2025 primarily due to (i) higher global minimum tax expense, (ii) the prior-year discrete tax benefit discussed above, and (iii) higher pretax income in the current period, partially offset by (iv) higher advanced manufacturing production credits.

Critical Accounting Policies and Estimates

In preparing our condensed consolidated financial statements in conformity with U.S. GAAP, we make estimates and assumptions that affect the amounts of reported assets, liabilities, revenues, and expenses, as well as the disclosure of contingent liabilities. Some of our accounting policies require the application of significant judgment in the selection of the appropriate assumptions for making these estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. We base our judgments and estimates on our historical experience, our forecasts, and other available information, as appropriate. We believe the judgments and estimates involved in accrued solar module collection and recycling, product warranties, and government grants have the greatest potential impact on our condensed consolidated financial statements. The actual results experienced by us may differ materially and adversely from our estimates. To the extent there are material differences between our estimates and the actual results, our future results of operations will be affected. For a description of the accounting policies that require the most significant judgment and estimates in the preparation of our condensed consolidated financial statements, refer to our Annual Report on Form 10-K for the year ended December 31, 2025. Except as discussed in Note 1. “Basis of Presentation” to our condensed consolidated financial statements, there have been no material changes to our accounting policies during the nine months ended September 30, 2026.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board (“FASB”) issued ASU 2024-03, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires additional disclosure of specific types of expenses included in the expense captions presented on the face of the income statement. ASU 2024-03 is effective for public companies for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted, but we do not expect to do so. The disclosure requirements will be applied on a prospective basis, with the option to apply retrospectively. We are currently evaluating the impact ASU 2024-03 will have on our associated disclosures.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832) - Accounting for Government Grants Received by Business Entities*, to establish guidance on the recognition, measurement, and presentation of government grants received by business entities, which largely codifies our current approach to accounting for such grants. ASU 2025-10 is effective for public companies for annual reporting periods beginning after December 15, 2028 and interim reporting periods within those annual reporting periods. We adopted this standard on a modified prospective basis effective January 1, 2026. The adoption did not have a significant impact on our condensed consolidated financial statements or associated disclosures.

In May 2026, the FASB issued ASU 2026-02, *Environmental Credits and Environmental Credit Obligations (Topic 818)*, which establishes guidance on the recognition, measurement, presentation, and disclosure of environmental credits and related obligations. The standard introduces a comprehensive framework that requires entities to recognize and measure environmental credits based on the intended use of those credits and how those credits are obtained, which is expected to reduce diversity in practice. ASU 2026-02 is effective for public companies for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted, but we do not expect to do so. We are currently evaluating the impact ASU 2026-02 will have on our condensed consolidated financial statements and associated disclosures.

Liquidity and Capital Resources

As of September 30, 2026, we believe that our cash, cash equivalents, marketable securities, cash flows from operating activities, and contracts with customers for the future sale of solar modules will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months. In addition, we have significant availability under our Credit Facility, as well as various trade receivables factoring arrangements with financial institutions. In May 2026, we satisfied all obligations under the India Credit Facility by prepaying the final principal amount of $328.2 million and outstanding interest of $5.5 million. For more information about these facilities, see Note 9. “Debt.” To the extent we offer extended payment terms to customers, fail to collect trade receivables in a timely manner, or face other challenges in managing our working capital, we may be required to use our Credit Facility or other temporary sources of funding. As necessary, we also believe we will have adequate access to the capital markets. We monitor our working capital to ensure we have adequate liquidity, both domestically and internationally. We intend to maintain appropriate debt levels based upon cash flow expectations, our overall cost of capital, and expected cash requirements for operations, including near-term expansion activities in the United States. However, our ability to raise capital on terms commercially acceptable to us could be constrained if there is insufficient lender or investor interest due to company-specific, industry-wide, or broader market concerns. Any incremental debt financing could result in increased debt service expenses and/or restrictive covenants, which could limit our ability to pursue our strategic plans.

As of September 30, 2026, we had $1.6 billion in cash, cash equivalents, and marketable securities compared to $2.9 billion as of December 31, 2025. This decrease was primarily driven by (i) higher payments to suppliers, (ii) purchases of property, plant and equipment for our U.S. facilities, and (iii) repayment of debt. As of September 30, 2026 and December 31, 2025, $0.4 billion and $0.5 billion of our cash, cash equivalents, and marketable securities, respectively, were held by our foreign subsidiaries and were primarily based in U.S. dollar, Indian rupee, and Euro denominated holdings. Our investment policy seeks to preserve our investment principal and maintain adequate liquidity to meet our cash flow requirements, while at the same time optimizing the return on our investments. Pursuant to such policy, we place our investments with a diversified group of high-quality financial institutions and limit the concentration of such investments with any one counterparty. We place significant emphasis on the creditworthiness of financial institutions and assess the credit ratings and financial health of our counterparty financial institutions when making investment decisions.

We use a variety of tax planning and financing strategies in an effort to ensure that our worldwide cash is available in the locations in which it is needed. If certain international funds were needed for our operations in the United States, we may be required to accrue and pay certain U.S. and foreign taxes to repatriate such funds. We maintain the intent and ability to permanently reinvest our accumulated earnings outside the United States, with the exception of certain subsidiaries for which applicable income taxes have been recorded as of September 30, 2026. In addition, changes to foreign government banking regulations may restrict our ability to move funds among various jurisdictions under certain circumstances, which could negatively impact our access to capital, resulting in an adverse effect on our liquidity and capital resources.

Our net sales and profits remain subject to variability based on the availability and size of government subsidies and economic incentives. For example, the financial incentives provided by the IRA have significantly increased demand for modules manufactured in the United States, and we expect the benefits made available to us by the IRA to favorably impact our liquidity and capital resources in future periods. We expect to qualify for the advanced manufacturing production credit under Section 45X of the IRC, which provides certain specified benefits for solar modules and solar module components manufactured in the United States and sold to third parties. Such credit may be refundable by the IRS or transferable to a third party and is available from 2023 to 2032, subject to phase down beginning in 2030. Based on the current form factor of our modules, we believe we qualify for a credit of up to approximately 17 cents per watt for each module fully produced in the United States and sold to a third party. For each module that is initiated by our international fleet and then completed in the United States, we expect to qualify for a credit of approximately 7 cents per watt. Accordingly, we expect the advanced manufacturing production credit will provide us with a significant source of funding throughout its remaining period. For more information about

certain risks associated with the benefits available to us under the IRA, see Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025. See Note 5. “Government Grants” to our condensed consolidated financial statements for further information about government grants.

As a result of various market opportunities and increased domestic demand for our products, we recently commenced operations at our fifth manufacturing facility in the United States. We are in the process of further expanding our domestic manufacturing capacity, including the completion of our sixth U.S. manufacturing facility, located in South Carolina, to onshore final production processes for modules initiated by our international fleet. The first phase of this facility commenced commercial production in September 2026, and we expect the second phase to commence operations in mid-2027. We expect our investment in this U.S. facility to be approximately $0.3 billion. The capital expenditures necessary to expand our capacity may be financed, in part, by cash on hand, advance payments from customers for module sales in future periods, and the advanced manufacturing production credit described above.

During 2026, we expect to spend between $0.6 billion and $0.8 billion for capital expenditures, including the new facility mentioned above, investments in various R&D initiatives, and upgrades to machinery and equipment. These capital investments, and any other potential investments to implement our technology roadmap, may require significant internal and possibly external sources of capital, and may be subject to certain risks and uncertainties described in Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025.

We have committed and expect to continue to commit significant working capital to purchase various raw materials used in our module manufacturing process. Our failure to obtain raw materials and components that meet our quality, quantity, and cost requirements in a timely manner could increase our manufacturing costs or interrupt or impair our ability to manufacture our solar modules. Accordingly, we may enter into long-term supply agreements to mitigate potential risks related to the procurement of key raw materials and components, and such agreements may be noncancelable or cancelable with a significant penalty. For example, we have entered into long-term supply agreements for the purchase of certain specified minimum volumes of substrate glass for our PV solar modules. We have the right to terminate certain of these agreements upon payment of specified termination payments (which, in aggregate, are up to approximately $300 million as of September 30, 2026 and decline over the remaining supply periods). Additionally, for certain strategic suppliers, we have made, and may in the future be required to make, certain advance payments to secure the raw materials necessary for our module manufacturing.

We have also committed certain financial resources to fulfill our solar module collection and recycling obligations and have established a trust under which these funds are put into custodial accounts with an established and reputable bank. As of September 30, 2026, such funds were comprised of restricted marketable securities of $202.5 million and associated restricted cash and cash equivalents of $13.3 million. As of September 30, 2026, our module collection and recycling liability was $145.9 million. Trust funds may be disbursed for qualified module collection and recycling costs (including capital and facility related recycling costs), payments to customers for assuming collection and recycling obligations, and reimbursements of any overfunded amounts. Investments in the trust must meet certain investment quality criteria comparable to highly rated government or agency bonds. As necessary, we adjust the funded amounts for our estimated collection and recycling obligations based on the estimated costs of collecting and recycling covered modules, estimated rates of return on our restricted marketable securities, and an estimated solar module life of 25 years, less amounts already funded in prior years.

As of September 30, 2026, we had no off-balance sheet debt or similar obligations, other than financial assurance related instruments, which are not classified as debt. We do not guarantee any third-party debt. See Note 11. “Commitments and Contingencies” to our condensed consolidated financial statements for further information about our financial assurance related instruments.

Cash Flows

The following table summarizes key cash flow activity for the nine months ended September 30, 2026 and 2025 (in thousands):

	Nine Months Ended September 30,	
	2026	**2025**
Net cash (used in) provided by operating activities	$ (402,714)	$ 815,212
Net cash used in investing activities	(428,067)	(577,934)
Net cash (used in) provided by financing activities	(393,980)	124,442
Effect of exchange rate changes on cash, cash equivalents, restricted cash, and restricted cash equivalents	3,670	2,021
Net (decrease) increase in cash, cash equivalents, restricted cash, and restricted cash equivalents	$ (1,221,091)	$ 363,741

Operating Activities

The increase in net cash used in operating activities was primarily driven by lower cash receipts from module sales, lower proceeds from the sale of Section 45X tax credits, higher payments made to suppliers, and receipts from factoring trade receivables in the prior period, partially offset by IEEPA tariff refunds received.

Investing Activities

The decrease in net cash used in investing activities was primarily due to lower purchases of property, plant and equipment for our manufacturing facilities in the United States, partially offset by higher net purchases of marketable securities.

Financing Activities

The increase in net cash used in financing activities was primarily due to higher repayments of debt in the current period and higher net proceeds from secured borrowings from trade receivables factoring with recourse in the prior period.

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

There have been no material changes to the information previously provided under Item 7A. of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our "disclosure controls and procedures" as defined in Exchange Act Rule 13a-15(e) and 15d-15(e). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2026 our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

We also carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of our "internal control over financial reporting" as defined in Exchange Act Rule 13a-15(f) and 15d-15(f) to determine whether any changes in our internal control over financial reporting occurred during the three months ended September 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there were no such changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026.

CEO and CFO Certifications

We have attached as exhibits to this Quarterly Report on Form 10-Q the certifications of our Chief Executive Officer and Chief Financial Officer, which are required in accordance with the Exchange Act. We recommend that this Item 4. be read in conjunction with those certifications for a more complete understanding of the subject matter presented.

Limitations on the Effectiveness of Controls

Control systems, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control systems' objectives are being met. Further, the design of any system of controls must reflect the fact that there are resource constraints, and the benefits of all controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of error or mistake. Control systems can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

JinkoSolar

On February 25, 2025, First Solar filed suit in the district court for the District of Delaware asserting that JinkoSolar Holding Co., Ltd.; Jinko Solar Co., Ltd.; Jinko Solar (Vietnam) Industries Co. Ltd.; Jinko Solar Technology Sdn. Bhd.; Zhejiang Jinko Solar Co., Ltd.; JinkoSolar (U.S.) Holding Inc.; JinkoSolar (U.S.) Inc.; Jinko Solar (U.S.) Manufacturing Inc.; and Jinko Solar (U.S.) Industries Inc. (collectively, "JinkoSolar") directly and indirectly infringe a First Solar patent through JinkoSolar's manufacture, import, use, sale, and offering for sale of certain tunnel oxide passivated contact ("TOPCon") solar products. First Solar alleges that the JinkoSolar TOPCon products contain solar cells manufactured using a method claimed in the patent. First Solar seeks both monetary damages and injunctive relief. On June 27, 2025, JinkoSolar filed an answer to the complaint and counterclaims asserting that the patent-in-suit is not valid and that it is not infringed by JinkoSolar. On July 18, 2025, First Solar filed an answer to the counterclaims. On April 2, 2026, the case was stayed until the determination of the USITC in Investigation No. 337-TA 1494 becomes final.

On July 18, 2025, JinkoSolar Co. Ltd. filed an *inter partes* review before the U.S. Patent and Trademark Office (the "USPTO") alleging First Solar's patent asserted in the District of Delaware litigation (the "'074 Patent") is invalid over certain prior art. On September 29, 2025, First Solar filed a brief requesting that the *inter partes* review be discretionarily denied. On November 20, 2025, the U.S. Patent Trial and Appeal Board declined the petition, ending the proceeding.

On December 15, 2025, JinkoSolar filed a petition for an *ex parte* reexamination of First Solar's '074 patent. On February 3, 2026, the USPTO granted the request for *ex parte* reexamination. On April 3, 2026, First Solar filed a petition to terminate the *ex parte* reexamination.

Mundra

On April 15, 2025, Mundra Solar PV Limited ("Mundra") filed suit in the district court of the District of Delaware seeking declaratory judgment that it does not infringe two of First Solar's patents (the '074 Patent and the '732 Patent) through its manufacture, import, use, sale, and offering for sale of certain TOPCon solar products. On August 1, 2025, First Solar filed an answer to the complaint and pleaded counterclaims alleging that Mundra as well as its affiliates Mundra Solar Energy Ltd., Adani Solar USA Inc., Adani Solar USA LLC, and Adani Solar infringe the two First Solar patents. On September 22, 2025, Mundra filed an answer to First Solar's counterclaims and added counterclaims asserting that the First Solar patents are invalid. On October 3, 2025, Adani Solar USA Inc. and Adani Solar USA LLC (collectively, "Adani Solar USA") filed a motion to dismiss First Solar's counterclaims with respect to Adani Solar USA. On October 8, 2025, First Solar filed an answer to Mundra's counterclaims. First Solar filed an opposition to the motion to dismiss on October 17, 2025, and Adani Solar USA filed a reply brief on October 24, 2025. On March 27, 2026, the case was stayed until the determination of the USITC in Investigation No. 337-TA 1494 becomes final.

On August 15, 2025, Mundra filed an *inter partes* review before the USPTO alleging that First Solar's '732 Patent is invalid over certain prior art. On October 17, 2025, First Solar filed a brief requesting that the *inter partes* review be discretionarily denied. On December 11, 2025, the U.S. Patent Trial and Appeal Board declined the petition, ending the proceeding.

On December 19, 2025, Mundra filed a petition for an *ex parte* reexamination of First Solar's '074 patent. On February 10, 2026, the USPTO granted the request for *ex parte* reexamination. On April 10, 2026, First Solar filed a petition to terminate the *ex parte* reexamination.

Canadian Solar

On May 9, 2025, First Solar filed suit in the district court for the District of Delaware asserting that Canadian Solar Inc.; CSI Solar Co., Ltd.; Canadian Solar Manufacturing (Thailand) Co., Ltd.; Canadian Solar International Limited; Canadian Solar (USA) Inc.; and Canadian Solar US Module Manufacturing Corporation (collectively, "Canadian Solar") directly and indirectly infringe a First Solar patent through Canadian Solar's manufacture, import, use, sale, and offering for sale of certain TOPCon solar products. First Solar alleges that the Canadian Solar TOPCon products contain solar cells manufactured using a method claimed in the patent. First Solar seeks both monetary damages and injunctive relief. On August 11, 2025, Canadian Solar filed an answer to the complaint. On July 30, 2026, the case was stayed until the determination of the USITC in Investigation No. 337-TA 1494 becomes final.

On August 22, 2025, Canadian Solar (USA) Inc. filed an *inter partes* review before the USPTO alleging that First Solar's '074 Patent is invalid over certain prior art. On October 24, 2025, First Solar filed a brief requesting that the *inter partes* review be discretionarily denied. On December 18, 2025, the U.S. Patent Trial and Appeal Board declined the petition, ending the proceeding.

Trina Solar

On February 27, 2026, First Solar filed suit in the district court for the District of Delaware asserting that Trina Solar Co., Ltd.; Trina Solar (U.S.) Inc.; Trina Solar Energy Development Company Ltd.; Trina Solar Science & Technology (Thailand) Ltd.; Changzhou Trina Solar Energy Co., Ltd.; and Trina Solar Yiwu Technology Co., Ltd. (collectively, "Trina Solar") directly and indirectly infringe a First Solar patent through Trina Solar's manufacture, import, use, sale, and offering for sale of certain TOPCon solar products. First Solar alleges that the Trina Solar TOPCon products contain solar cells manufactured using a method claimed in the patent. First Solar seeks both monetary damages and injunctive relief. On March 31, 2026 the case was stayed until the determination of the USITC in Investigation No. 337-TA 1494 becomes final.

JA Solar

On September 28, 2026, First Solar filed suit in the district court for the District of Delaware asserting that JA Solar Technology Co., Ltd.; JA Solar International, Ltd.; JA Solar Vietnam Co., Ltd.; JA Solar Industrial Corp.; and American Panel Solutions LLC (collectively, "JA Solar") directly and indirectly infringe a First Solar patent through JA Solar's manufacture, import, use, sale, and/or offering for sale of certain TOPCon solar products. First Solar alleges that the JA Solar TOPCon products contain solar cells manufactured using a method claimed in the patent. First Solar seeks both monetary damages and injunctive relief. JA Solar's deadline to answer the complaint is December 31, 2026.

BYD

On September 21, 2026, BYD America LLC ("BYD") filed suit in the district court for the Northern District of California seeking declaratory judgment that it does not infringe First Solar's '074 Patent through its manufacture, import, use, sale, and offering for sale of certain TOPCon solar products and that the '074 Patent is invalid. On October 19, 2026, First Solar moved to transfer venue or, in the alternative, to dismiss the complaint for lack of personal jurisdiction and improper venue.

TOYO

On September 23, 2026, TOYO Co., Ltd., TOPTOYO Investment PTE. Ltd., TOYO Solar Manufacturing One Member Private Limited Company, TOYO Solar Texas LLC, VSUN Solar USA Inc., Vietnam Sunergy Joint Stock Company, and Vietnam Sunergy (Bac Ninh) Company Limited (collectively, "TOYO") filed suit in the district court for the Northern District of California seeking declaratory judgment that it does not infringe First Solar's '074 and

’732 Patents through its manufacture, import, use, sale, and offering for sale of certain TOPCon solar products. First Solar’s deadline to answer or otherwise respond to the complaint is November 2, 2026.

USITC Proceeding

On February 24, 2026, First Solar filed a petition with the USITC asserting that entities affiliated with Axitec Solar, Canadian Solar, JA Solar, JinkoSolar, Mundra, Philadelphia Solar, Hanwha QCells, Runergy, Trina Solar, and VSUN (collectively, the “Respondents”) directly and indirectly infringe a First Solar patent through the importation and sale of certain TOPCon solar products. First Solar alleges that the Respondents’ TOPCon solar products contain solar cells manufactured using a method claimed in the patent. First Solar seeks a general exclusion order preventing the importation of infringing TOPCon solar products made by any foreign entity or, in the alternative, seeks a limited exclusion order preventing the importation of infringing TOPCon products by the Respondents. In addition, First Solar seeks a cease-and-desist order preventing the sale of infringing TOPCon products that were previously imported. On March 25, 2026, the USITC instituted an investigation, Investigation No. 337-TA 1494, as requested by First Solar’s petition. On April 14, 2026, BYD America LLC (“BYD”) filed a motion to intervene as a respondent in the investigation. On April 27, 2026, BYD’s motion was granted. On April 28, 2026, Tesla filed a motion to intervene as a respondent in the investigation. On May 11, 2026, Tesla’s motion was granted. On May 29, 2026, IC Star Solar (USA) LLC (“Imperial Star”) filed a motion to intervene as a respondent to the investigation. On June 25, 2026, Imperial Star’s motion to intervene was granted. Following the conclusion of the Section 232 investigation into polysilicon and its derivatives in August 2026, on September 17, 2026, First Solar filed a motion to terminate the ITC proceeding without prejudice. On September 30, 2026, the Administrative Law Judge (“ALJ”) issued an initial determination granting First Solar’s motion to terminate without prejudice. On October 7, 2026, several respondents filed a petition to the ITC to review the ALJ’s initial determination. First Solar’s response to the petition was filed on October 15, 2026.

Customer Contract Dispute

On September 30, 2025, First Solar filed a complaint in the Supreme Court of the State of New York asserting that BP Solar Holding LLC and its affiliate Lightsource Renewable Energy Trading, LLC (together, the “Defendants”) breached their contractual obligations with First Solar, having entered into various master supply agreements to purchase solar modules from First Solar and then refusing to pay the amounts owed under the master supply agreements. As a result of the failure to cure such breaches, First Solar terminated the various master supply agreements, which triggered certain contractual termination payment provisions amounting to $384.6 million, of which First Solar recognized $61.0 million in revenue during the quarter related to advance payments previously received from the Defendants. First Solar seeks monetary damages, demanding payment from the Defendants for the remaining termination payments of $323.6 million along with certain other receivables for solar modules previously delivered to the Defendants. The Defendants’ answers to the complaint were filed on December 5, 2025, which included denials of First Solar’s claims and a series of counterclaims related to the performance of modules previously sold to Defendants and claimed breaches of existing contracts. Defendants’ have demanded damages in the amount of $175 million plus the return of $15 million credit support taken by First Solar. We do not believe the Defendants have a legal basis for these counterclaims.

On February 10, 2026, First Solar filed and served a motion seeking dismissal of each of the Defendants’ counterclaims. Oral argument of the Motion to Dismiss was heard on July 29, 2026. The court has not rendered a decision.

See Note 11. “Commitments and Contingencies” under the heading “Legal Proceedings” of our condensed consolidated financial statements for other legal proceedings and related matters.

Item 1A. ***Risk Factors***

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025, which could materially affect our business, financial condition, results of operations, and cash flows. The risks described in our Annual Report on Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently consider immaterial may also materially adversely affect our business, financial condition, results of operations, and cash flows. Except for the risk factors set forth below, there have been no material changes in the risk factors contained in our Annual Report on Form 10-K.

The modification, reduction, elimination, or expiration of government subsidies, economic incentives, eligibility limitations, tax incentives, renewable energy targets, and other support for on-grid solar electricity applications, or the impact of other public policies, such as tariffs or other trade remedies imposed on solar cells and modules or related raw materials or equipment, have impacted, and in the future could negatively impact demand and/or price levels for our solar modules and limit our growth or lead to a reduction in our net sales or increase our costs, thereby adversely impacting our operating results.

Although we believe that solar energy will experience widespread adoption in those applications where it competes economically with traditional forms of energy without any incentive programs, in certain markets our net sales and profits remain subject to variability based on the availability and size of government subsidies and economic incentives. Federal, state, and local governmental bodies in many countries have provided subsidies in the form of feed-in-tariff structures, rebates, tax incentives, and other incentives to end users, distributors, system integrators, and manufacturers of PV solar products. Many of these incentive programs expire, phase down over time, require renewal by the applicable authority, or may be amended. To the extent government incentive programs are reduced earlier than previously expected, are changed retroactively, or are not renewed, such changes could negatively impact demand and/or price levels for our solar modules, lead to a reduction in our net sales, and adversely impact our operating results.

Current regulatory policies, or any future changes or threatened changes to such policies, may subject us to significant risks, including the following:

- a reduction or removal of certain energy programs and initiatives and the incentives they provide may diminish the market for future solar energy off-take agreements, slow the retirement of aging fossil fuel plants, including the retirements of coal generation plants, and reduce the ability for solar project developers to compete for off-take agreements, which may reduce PV solar module sales;

- any limitations on the value or availability to manufacturers or potential investors of tax incentives that benefit solar energy production, sales, or projects, such as the Section 45X advanced manufacturing production credit, ITC, and PTC, as seen in the accelerated termination of certain energy tax credits under the OBBBA the U.S. President signed into law on July 4, 2025, could result in reducing such manufacturers' or investors' economic returns and could cause a reduction in the availability of financing, thereby reducing demand for PV solar modules;

- any incentives contingent upon domestic production of modules, such as tax incentives set forth under the IRA, could limit our ability to sell modules manufactured in certain foreign jurisdictions, which may adversely impact our module average selling prices and could require us to record significant charges to earnings should we determine that the manufacturing facilities and equipment in such foreign jurisdictions are impaired; and

- any effort to overturn federal and state laws, regulations, or policies that are supportive of solar energy generation or that remove costs or other limitations on other types of electricity generation that compete with solar energy projects could negatively impact our ability to compete with traditional forms of electricity generation and materially and adversely affect our business.

Application of trade laws may also adversely impact, either directly or indirectly, our operating results; for example, by impacting our customers' project costs, profitability, and their demand for our modules; or by impacting our own costs or disrupting our manufacturing or supply chains, and consequently negatively impacting demand and/or price levels for our solar modules, reducing our net sales, or affecting potential profitability of fulfilling customer contracts. We are therefore potentially subject to various risks, which include the following:

- any tariffs that reduce the profitability of contracts, whereby the cost of tariffs exceeds the amount able to be, or willing to be, absorbed by either us or the customer under the provisions of the contract and may lead to us or the customer cancelling such contract, potentially resulting in the reduction of future revenue, the loss of the contractual right to a termination payment from the customer, and potentially the required return of a previously received customer down payment;

- any reciprocal or other tariffs may place burdens on our customers' supply chains exclusive of module import costs, including through increased costs of trackers, inverters, transformers, and other imported equipment, which are often heavily dependent on Chinese supply chains. These and other costs could result in an inability for certain projects to generate profitable returns, and may lead to the delay or abandonment of such projects, thereby reducing or removing demand for currently contracted PV module sales; and

- any reduction in our ability to profitably import modules from our international manufacturing locations as a result of tariffs or other trade laws could lead to us significantly reducing capacity utilization at certain international manufacturing facilities. Such underutilization may lead to potential impairment of certain international equipment and facilities and may also increase our selling costs and reduce our competitiveness in the market, thereby reducing demand for our modules.

In some instances, the application of trade laws is currently beneficial to us, and changes in their application could have an adverse impact. The overall impact of trade laws on our business depends on multiple factors, including their duration, their scope and potential expansion thereof, enforcement, retaliatory measures by impacted exporting countries, inflationary effects and broader macroeconomic responses, changes to consumer purchasing behavior, and the effectiveness of our responses in managing these impacts. Recent developments include the following:

- *United States — IEEPA and Other Global Tariffs*. In 2025, the U.S. President imposed a series of tariffs on nearly all U.S. trading partners pursuant to the IEEPA. On February 20, 2026, the U.S. Supreme Court ruled the IEEPA tariffs unlawful. The U.S. President responded immediately by revoking the IEEPA tariff actions and imposing new global tariffs pursuant to Section 122 of 10% for a period of no more than 150 days, which terminated on July 24, 2026, at which time the USTR implemented a final action under Section 301 of the Trade Act of 1974, to impose tariffs on 60 countries related to the failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. The USTR imposed a tariff of 10% on several countries, including Malaysia, India, and the European Union ("EU"), and a tariff of 12.5% on the remaining countries, including China and Vietnam. The USTR is also conducting several additional Section 301 investigations, including an investigation of structural excess capacity and production in manufacturing in 16 countries. These investigations could result in additional tariffs on imports from China, the EU, India, Malaysia, and Vietnam. Tariffs have increased the costs of our solar modules manufactured in these countries with respect to our U.S. market. Further, such circumstances have impacted and may continue to impact our ability to sell certain modules into the United States and therefore may continue to also impact the operational status of certain of our international manufacturing facilities. As a result, our operating results may continue to be adversely impacted by these tariffs.

- *United States — Additional Tariffs on Certain Chinese Imports*. The United States currently imposes tariffs on various articles imported from China, including tariffs of 50% on crystalline silicon solar cells and tariffs of 25% on modules, based on an investigation under Section 301 of the Trade Act of 1974. As discussed above, on July 24, 2026 the USTR also imposed a 12.5% tariff on China pursuant to Section 301 related to the failure to effectively enforce a prohibition on the importation of goods produced with forced labor. Our operating results could be adversely impacted by revocation of the Section 301 tariffs on China.

- *United States — Port Fees on Certain Chinese Vessel Operators and Chinese Vessel Owners.* On April 17, 2025, the Office of the U.S. Trade Representative published a notice of final action based on an investigation under Section 301 of the Trade Act of 1974 into China's targeting of the maritime, logistics, and shipbuilding sectors for dominance. The action imposes new port fees on Chinese vessel operators and/or Chinese vessel owners as well as on non-Chinese operators of Chinese-origin vessels beginning on October 14, 2025. The level of fees is on a sliding scale per net ton or, in the case of non-Chinese operators, the higher of a net ton or container-based fee. Effective November 10, 2025, however, the United States suspended implementation of such action for one year. Once implemented, such fees may impact our logistics services and consequently impact our profitability and results of operations.

- *United States — Tariffs on Certain Foreign-imported Aluminum, Steel, Copper, Timber, and Lumber.* Effective June 4, 2025, the U.S. President increased tariffs on imported aluminum and steel articles under Section 232 from 25% to 50%. Effective August 1, 2025, the U.S. President imposed tariffs of 50% on copper under Section 232. Effective October 14, 2025, the U.S. President imposed tariffs of 10% on imported softwood timber and lumber products under Section 232. Effective April 6, 2026, the U.S. President modified the Section 232 tariffs on aluminum, steel, and copper to apply at a rate of 50% to the full value of primary metal articles; 25% to the full value of derivative articles; and to remove certain products from the scope of Section 232 tariffs. Such tariffs and policies, or any other U.S. or global trade remedies or other trade barriers, may directly or indirectly affect U.S. or global markets for solar energy and our business, financial condition, and results of operations.

- *United States — Potential Tariffs on Processed Critical Minerals and Derivative Products, Polysilicon, Robotics and Industrial Machinery.* On April 22, 2025, the U.S. Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of processed critical minerals, as well as their derivative products, under Section 232; on July 1, 2025, the U.S. Secretary of Commerce initiated a Section 232 investigation to determine whether imports of polysilicon and its derivatives impair U.S. national security; and on September 2, 2025, the U.S. Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of robotics and industrial machinery under Section 232. The scope of these investigations is potentially broad and may cover materials and equipment used in solar module manufacturing. For example, on August 6, 2026, following the conclusion of the Section 232 investigation into polysilicon and its derivatives, the U.S. President issued the Proclamation that, effective December 4, 2026, (i) establishes minimum import prices of $21 per kilogram for polysilicon, $100 per kilogram for polysilicon ingots and wafers, $0.22 per watt for solar cells, and $0.38 per watt for solar modules, and (ii) imposes an additional 15% duty on imports of polysilicon derivatives, subject to reduced rates for certain countries. The Proclamation also directs the U.S. Department of Commerce to enter into company-specific deals with producers to incentivize such investments and the strengthening of the United States polysilicon supply chain. Although polysilicon is a foundational input for crystalline silicon solar modules, and we expect the Proclamation to have a favorable impact on the volume of our future module sales, including the pricing and contractual terms of those sales, these investigations may result in the imposition of tariffs or import restrictions, or may remove barriers on the imports of competitor products and materials, all of which could negatively impact demand and/or price levels for our solar modules and limit our growth, lead to a reduction in our net sales, or increase our costs, thereby adversely impacting our operating results.

- *United States — Antidumping and Countervailing Duties on Certain Imported Crystalline Silicon PV Cells and Modules.* The United States currently imposes AD/CVDs on certain imported crystalline silicon PV cells and modules from China and Taiwan. Such AD/CVDs can change over time pursuant to annual administrative reviews conducted by the USDOC, and a decline in duty rates or USDOC failure to fully enforce U.S. AD/CVD laws could have an adverse impact on our operating results. In August 2023, the USDOC issued final affirmative circumvention rulings, finding that solar modules completed in Cambodia, Malaysia, Thailand, and Vietnam using parts and components produced in China circumvent the pre-existing AD/CVD orders on China. Such duties apply to circumventing imports on or after June 6, 2024, as well as any circumventing imports prior to that date that were not used or installed on or before December 3, 2024. Our operating results could be adversely impacted if the USDOC and other U.S. government agencies do not enforce the affirmative circumvention rulings as expected or if pending litigation challenges result in a modification of the rulings. Conversely, effective enforcement could positively impact our operating results.

- *United States — Antidumping and Countervailing Duties on Certain Imported Crystalline Silicon Solar Products.* In April 2024, the American Alliance for Solar Manufacturing Trade Committee, which includes First Solar, filed a set of AD/CVD petitions with the USDOC and the USITC to impose duties on certain unfairly traded crystalline silicon solar products from Cambodia, Malaysia, Thailand, and Vietnam. On April 21, 2025, the USDOC announced final determinations in the AD/CVD investigations. Final AD/CVD rates ranged from de minimis to over 3,400%, depending on the particular foreign producer. On June 9, 2025, the USITC notified USDOC of its final affirmative determinations in the AD/CVD investigations. AD/CVD orders, including the assessment of AD/CVDs and suspension of liquidation of such products, were issued on June 9, 2025. On July 17, 2025, the Alliance for American Solar Manufacturing and Trade filed another set of AD/CVD petitions with the USDOC and the USITC to impose duties on unfairly traded crystalline silicon solar products from India, Indonesia, and Laos. In September 2026, the USDOC issued its final antidumping and countervailing duty determinations, calculating subsidy rates of 126.09% and dumping margins of 123.04% for India; subsidy rates of up to 173.70% and dumping margins of 94.36% for Indonesia; and subsidy rates of up to 153.67% and dumping margins of 65.43% for Laos. The USITC Commissioners approved such measures on October 14, 2026.

- *India — Domestic and Foreign Imports.* The ALMM was introduced in 2021 as a non-tariff barrier to incentivize domestic manufacturing of PV modules by approving the list of models and manufacturers who can participate in certain solar development projects. The ALMM is approved by the MNRE, and any modifications to the ALMM and its application may affect future investments in solar module manufacturing in India. In April 2024, the government of India reimposed the ALMM, thereby requiring solar project developers to procure qualifying modules from companies on the list, which includes our Indian manufacturing facility. Also in April 2024, the ALMM was amended to include specific minimum conversion efficiency thresholds for CdTe solar technologies starting at 18% for solar lighting, 18.5% for rooftop applications, and 19% for utility-scale applications. In December 2024, the ALMM was amended to require nearly all solar development projects to use PV modules that contain domestically manufactured solar cells, which is expected to be effective for such projects completed on or after June 2026; in August 2025, the relevant list of qualifying entities was released, which included First Solar as an approved manufacturer. In September 2025, the MNRE released draft amendments that would require nearly all solar development projects to use PV modules that contain domestically manufactured wafers, which is expected to be effective for such projects completed on or after June 2028; the proposed list was released at that time, which included First Solar as an approved manufacturer. In November 2025, the MNRE released a draft proposal that would increase the minimum efficiency of PV modules for manufacturers to be included in the ALMM beginning in 2027. If enacted, the proposal would negatively impact our ability to sell modules within the Indian market. Our operating results could also be adversely impacted if the ALMM requirements are significantly relaxed to allow modules, solar cells, or certain other key module components to be imported from other countries.

- *India — Import Duty Tariffs.* In April 2022, the Indian government began imposing import duty tariffs of 40% on solar modules and 25% on solar cells. In connection with such April 2022 tariffs, the Indian government also implemented a regulation mandating that any solar project with federal utility, state utility, or commercial and industrial off-takers that interconnects through government owned transmission lines only use solar modules from manufacturers included in the ALMM, and a requirement that all federal procurement of solar modules be only from cells and modules produced domestically. However, in February 2025, the Indian government began imposing import duty tariffs of 20% each on solar modules and cells and levied additional tax on certain commercial agricultural production, which included a tax of 20% on solar modules and 7.5% on solar cells. Therefore, the aggregate impact on the import of solar modules and cells is 40% and 27.5%, respectively.

These examples show that established markets for PV solar development face uncertainties arising from policy, regulatory, and governmental actions. While the expected potential of the markets we are targeting is significant, policy promulgation and market development are especially vulnerable to governmental inertia, political instability, changing government policy and priorities, the imposition or lowering of trade remedies and other trade barriers, geopolitical risk, fossil fuel subsidization, potentially stringent localization requirements, and limited available infrastructure. Any negative impacts from changes in policy, regulatory, and governmental actions could negatively affect our business, reduce our net sales, profitability, and/or market share, and consequently affect our results of operations, prospects, and financial condition.

Our failure to protect or successfully commercialize our intellectual property rights may undermine our competitive position, and litigation to protect our intellectual property rights or defend against third-party allegations of infringement may be costly.

Protection of our proprietary processes, methods, and other technology is critical to our business. Failure to protect and monitor the use of our existing intellectual property rights or to successfully commercialize future intellectual property rights could result in the loss of valuable technologies. We rely primarily on patents, trademarks, trade secrets, copyrights, and contractual restrictions to protect our intellectual property. We regularly file patent applications to protect certain inventions arising from our R&D and are currently pursuing such patent applications in various countries in accordance with our strategy for intellectual property. Our existing patents and future patents could be challenged, invalidated, circumvented, or rendered unenforceable. Our pending patent applications may not result in issued patents, or if patents are issued to us, such patents may not be sufficient to provide meaningful protection against competitors or against competitive technologies.

We also rely on unpatented proprietary manufacturing expertise, continuing technological innovation, and other trade secrets to develop and maintain our competitive position. Although we generally enter into confidentiality agreements with our associates and third parties to protect our intellectual property, such confidentiality agreements are limited in duration and could be breached and may not provide meaningful protection for our trade secrets or proprietary manufacturing expertise. Adequate remedies may not be available in the event of unauthorized use or disclosure of our trade secrets and manufacturing expertise. In addition, others may obtain knowledge of our trade secrets through independent development or legal means. The failure of our patents or confidentiality agreements to protect our processes, equipment, technology, trade secrets, and proprietary manufacturing expertise, methods, and compounds could have a material adverse effect on our business. In addition, effective patent, trademark, copyright, and trade secret protection may be unavailable or limited in some foreign countries, especially any developing countries into which we may expand our operations. In some countries, we have not applied for patent, trademark, or copyright protection.

Third parties may infringe or misappropriate our proprietary technologies or other intellectual property rights, which could have a material adverse effect on our business, financial condition, and operating results. Policing unauthorized use of proprietary technology can be difficult and expensive. Additionally, litigation may be necessary to enforce our intellectual property rights, protect our trade secrets, or determine the validity and scope of the proprietary rights of others. For example, on February 25, 2025, we filed a lawsuit in the United States District Court for the District of Delaware against JinkoSolar and its related entities alleging infringement of certain of our U.S. TOPCon patents. On April 15, 2025, Mundra, whose parent corporation is Adani Green Technology Limited, filed a lawsuit in the United States District Court for the District of Delaware seeking a judgment declaring that it has not infringed two of our U.S. TOPCon patents. On May 9, 2025, we filed a lawsuit in the United States District Court for the District of Delaware against Canadian Solar and its related entities alleging infringement of certain of our U.S. TOPCon patents. On February 27, 2026, we filed a lawsuit in the United States District Court for the District of Delaware against Trina Solar and its related entities alleging infringement of certain of our U.S. TOPCon patents. Further, on February 24, 2026, we filed a petition with the USITC asserting that entities affiliated with Axitec Solar, Canadian Solar, JA Solar, JinkoSolar, Mundra, Philadelphia Solar, Hanwha QCells, Runergy, Trina Solar, and VSUN directly and indirectly infringe a First Solar patent through the importation and sale of certain TOPCon solar products. On September 28, 2026, we filed a lawsuit in the United States District Court for the District of Delaware against JA Solar and its related entities alleging infringement of certain of our U.S. TOPCon patents. On September 21, 2026, BYD filed a lawsuit in the United States District Court for the Northern District of California seeking a judgment declaring that it has not infringed First Solar's '074 Patent and that the '074 Patent is invalid. On September 23, 2026, TOYO and its related entities filed a lawsuit in the United States District Court for the Northern District of California seeking a judgment declaring that it has not infringed First Solar's '074 and '732 Patents. We cannot ensure that the outcome of such litigation will be in our favor, and such litigation may be costly and may divert management attention and other resources away from our business. An adverse determination in any such litigation or the related ex parte reexaminations may impair our intellectual property rights and may harm our business, prospects, and reputation. In addition, we have no insurance coverage against such litigation costs and would have to bear all costs arising from such litigation to the extent we are unable to recover them from other parties.

Item 5. ***Other Information***

From time to time, our directors and officers may adopt plans for the purchase or sale of our securities. Such plans may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K). During the three months ended September 30, 2026, none of our officers or directors terminated Rule 10b5-1 trading arrangements or adopted or terminated non-Rule 10b5-1 trading arrangements. However, one of our officers adopted a Rule 10b5-1 trading plan for the sale of our securities. The following table provides certain terms of such plans:

Name	Position	Action	Adoption Date	Expiration Date	Aggregate Number of Securities to be Sold (1)
Georges Antoun	Chief Commercial Officer	Adoption	August 5, 2026	August 6, 2027	29,748

(1) Represents the gross number of shares subject to the Rule 10b5-1(c) plan, excluding the potential effect of shares withheld for taxes. Amounts related to performance units are presented at their target amounts. The actual number of performance units that vest following the end of the applicable performance period, if any, will depend on the relative attainment of the performance metrics.

Item 6. ***Exhibits***

The following exhibits are filed with this Quarterly Report on Form 10-Q:

Exhibit Number	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation of First Solar, Inc. (incorporated by reference to Exhibit 3.1 to First Solar, Inc.'s Registration Statement on Form S-1 filed on October 25, 2006)
3.2	Amended and Restated Bylaws of First Solar, Inc. (incorporated by reference to Exhibit 3.1 to First Solar, Inc.'s Form 8-K filed on May 9, 2024)
31.1*	Certification of Chief Executive Officer pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover page formatted as Inline XBRL and contained in Exhibit 101

* Filed herewith.

† Furnished herewith. This exhibit shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in such filings.

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 thereunto duly authorized.

FIRST SOLAR, INC.

Date: October 29, 2026

By: /s/ NATHAN THEURER
Name: Nathan Theurer
Title: Chief Accounting Officer

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 15 U.S.C. SECTION 7241, AS
ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark R. Widmar, certify that:

(1) I have reviewed the Quarterly Report on Form 10-Q of First Solar, Inc., a Delaware corporation, for the period ended September 30, 2026, as filed with the Securities and Exchange Commission;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 29, 2026

By: /s/ MARK R. WIDMAR

Name: Mark R. Widmar

Title: Chief Executive Officer

EXHIBIT 32.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of First Solar, Inc., a Delaware corporation, for the period ended September 30, 2026, as filed with the Securities and Exchange Commission, each of the undersigned officers of First Solar, Inc. certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his respective knowledge:

(1) the quarterly report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the quarterly report fairly presents, in all material respects, the financial condition and results of operations of First Solar, Inc. for the periods presented therein

October 29, 2026	By:	/s/ MARK R. WIDMAR
	Name:	Mark R. Widmar
	Title:	Chief Executive Officer

October 29, 2026	By:	/s/ ALEXANDER R. BRADLEY
	Name:	Alexander R. Bradley
	Title:	Chief Financial Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 15 U.S.C. SECTION 7241, AS
ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Alexander R. Bradley, certify that:

(1) I have reviewed the Quarterly Report on Form 10-Q of First Solar, Inc., a Delaware corporation, for the period ended September 30, 2026, as filed with the Securities and Exchange Commission;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 29, 2026

By: /s/ ALEXANDER R. BRADLEY

Name: Alexander R. Bradley

Title: Chief Financial Officer