First Solar Q4’22 Earnings and 2023 Guidance Call

February 28, 2023

First Solar

LEADING THE WORLD’S
SUSTAINABLE ENERGY FUTURE

Important Information

Cautionary Note Regarding Forward Looking Statements

This presentation contains forward-looking statements which are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in this presentation, other than statements of historical fact, are forward-looking statements. These forward-looking statements include, but are not limited to, statements concerning: demand for our technology, our business strategy, including anticipated trends and developments in and management plans for our business and the markets in which we operate; our ability to upgrade and expand manufacturing capacity worldwide; increased research and development (“R&D”) programs and investment; a new Series 7 product; our financial guidance for 2023, including future financial results, operating results, net sales, gross margin, gross profit, gross loss, operating expenses, operating income, earnings per share, loss per share, net cash balance, capital expenditures, gain on sale of businesses, net, tax expense, after-tax gain on sale of businesses, non-operating income, income (loss) before taxes, net income, net loss, and implied loss per share; volume sold, bookings, booking opportunities, expected module shipments; products and our business and financial objectives for 2023; the impact of the Inflation Reduction Act of 2022 including the total advanced manufacturing production credit available to us under Section 45X of the Internal Revenue Code; the ability of our updated contracting structure to provide ASP upsides and gross margin risk mitigation and a meaningful benefit to our current contracted backlog ASPs; our energy yield; our expectations regarding investment in the expansion of our domestic and international capacity and the dedicated R&D innovation center; our expectations regarding our work with partners; and our belief about recently passed legislation.

These forward-looking statements are often characterized by the use of words such as “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “seek,” “believe,” “forecast,” “foresee,” “likely,” “may,” “should,” “goal,” “target,” “might,” “will,” “could,” “predict,” “continue,” “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 and therefore speak only as of the date of this presentation. 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 our forward-looking 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 market for renewable energy, including solar energy; the reduction, elimination, expiration or introduction of government subsidies, policies, and support programs for solar energy projects; the impact of public policies, such as tariffs or other trade remedies imposed on solar cells and modules; the passage of legislation intended to encourage renewable energy investments through tax credits, such as the Inflation Reduction Act of 2022, the impact of the Inflation Reduction Act of 2022 on our expected results of operations in future periods, which may be affected by technical guidance, regulations, subsequent amendments or interpretations of the law; interest rate fluctuations and both our and our customers’ ability to secure financing; changes in the exchange rates between the functional currencies of our subsidiaries and other currencies in which assets and liabilities are denominated; our ability to execute on our long-term strategic plans; the loss of any of our large customers, or the ability of our customers and counterparties to perform under their contracts with us; our ability to execute on our solar module technology and cost reduction roadmaps; our ability to improve the wattage of our solar modules; the satisfaction of conditions precedent in our sales agreements; our ability to attract new customers and to develop and maintain existing customer and supplier relationships; general economic and business conditions, including those influenced by U.S., international, and geopolitical events; environmental responsibility, including with respect to cadmium telluride (“CdTe”) and other semiconductor materials; claims under our limited warranty obligations; changes in, or the failure to comply with, government regulations and environmental, health, and safety requirements; effects arising from and results of pending litigation; future collection and recycling costs for solar modules covered by our module collection and recycling program; supply chain disruption, including the availability of shipping containers, port congestion, canceled shipments by logistic providers, and the cost of fuel, demurrage, and detention charges, all of which may be exacerbated by the COVID-19 pandemic and the Russia-Ukraine conflict; our ability to protect our intellectual property; our ability to prevent and/or minimize the impact of cyber-attacks or other breaches of our information systems; our continued investment in research and development; the supply and price of components and raw materials, including CdTe; our ability to construct production facilities to support product lines, including Series 6 and Series 7 module manufacturing; our ability to attract and retain key executive officers and associates; the severity and duration of public health threats (including pandemics such as COVID-19), and the potential impact on our business, financial condition, and results of operations; and the matters discussed under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our most recent Annual Report on Form 10-K and our subsequently filed Quarterly Reports on Form 10-Q, as supplemented by our other filings with the Securities and Exchange Commission. You should carefully consider the risks and uncertainties described in these reports.

2022 Review

Commercial

- 48.3 GW of net-bookings in 2022, 30.8 GW increase over our 2021 record of 17.5 GWs
- 7.3 GW of net-bookings year-to-date, 12 GW since previous earnings call
- Record backlog of future deliveries (as of today's call) of 67.7 GW

Financial

- Full year 2022 Earnings per Share of $(0.41), above midpoint of guidance range
- Year-end 2022 gross cash of $2.6B
- Year-end 2022 net cash of $2.4B

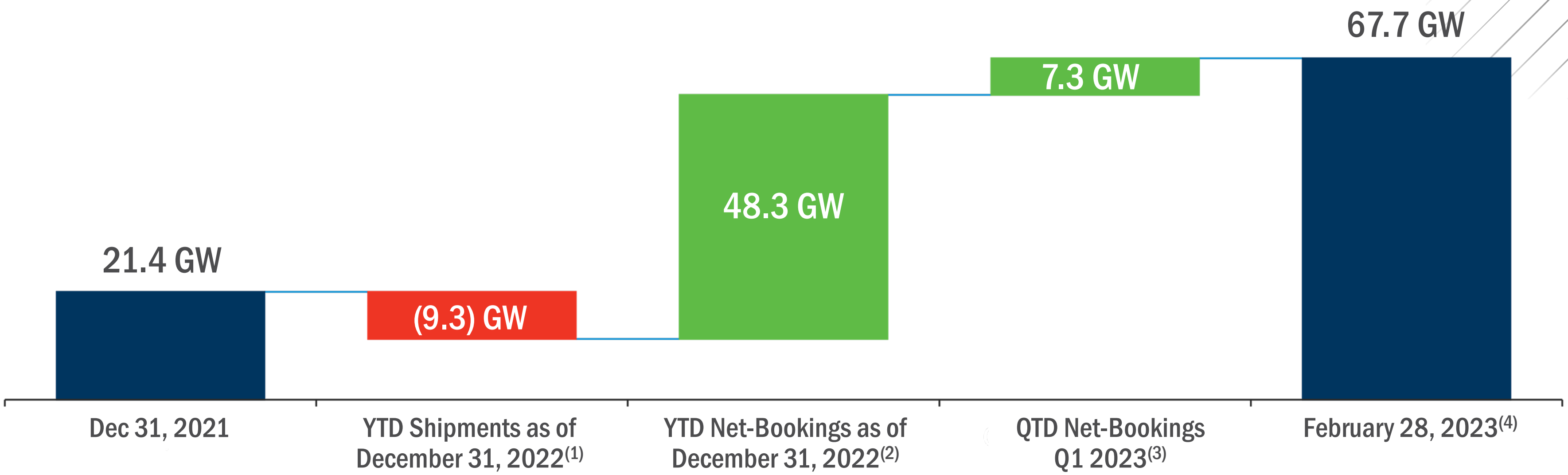
Manufacturing

- Produced 9.1 GW in 2022 and recently produced our 50^{th} GW since commercial production began
- Exited 2022 with a top production bin of 475 watts and average watts per module of 462
- Completed construction of our S7 factory in Ohio and on track to complete our S7 factory in India 2H23

Strategic

- Announced 4.4 GW expansion of US manufacturing capacity
- Announced dedicated R&D facility in Ohio
- Largely completed the exit of our legacy systems business

Expected Module Shipments (GW_{DC}):



The above table presents the actual module shipments for 2022 through December 31, 2022, new module volume net-bookings through February 28, 2023, and the expected module shipments beyond December 31, 2022. A module is considered to be shipped when the delivery process to a customer commences or the module has been recognized as revenue. Expected module shipments do not have a direct correlation to expected revenues as expected module shipments do not consider the timing of when all revenue recognition criteria are met.

(1) Reflects shipments from January 1, 2022 to December 31, 2022

(2) Reflects bookings from January 1, 2022 to December 31, 2022

(3) Reflects bookings from January 1, 2023 to February 28, 2023

(4) Balance includes remaining shipment volumes as of December 31, 2022 and net-bookings through February 28.2023. Shipments from January 1, 2023 to February 28, 2023 not deducted

Income Statement Highlights

(In millions, except per share amounts)[1]	Q4 2022A	Q4 2022A QoQ Change	Q4 2022A YoY Change	2022A	2022A YoY Change
Net sales	**$1,002**	**$373**	**$95**	**$2,619**	**($304)**
Gross profit %	*6.0%*	*2.7%*	*(21.2%)*	*2.7%*	*(22.3%)*
Selling, general and administrative	43	(3)	5	165	(5)
Research and development	31	2	1	113	14
Production start-up	33	13	28	73	52
Gain on sales of businesses, net[2]	-	(6)	-	254	107
Operating (loss) income	**(46)**	**22**	**(219)**	**(27)**	**(614)**
Income tax (expense) benefit	(1)	(14)	35	(53)	50
Net (loss) income	**(8)**	**41**	**(139)**	**(44)**	**(513)**
Net (loss) income per share - diluted	**(0.07)**	**0.39**	**(1.30)**	**(0.41)**	**(4.79)**

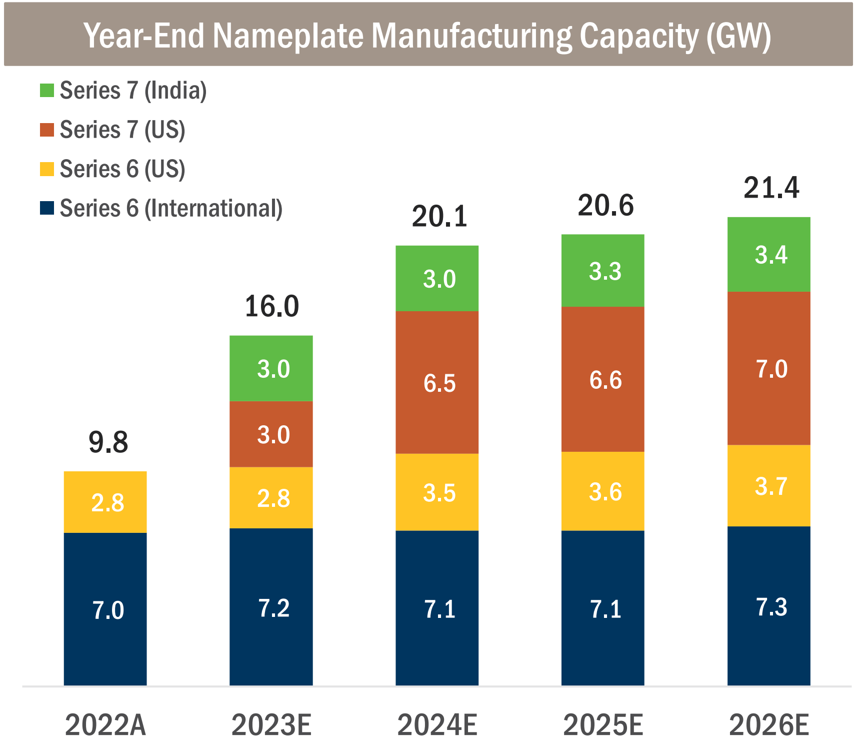
(1) Actual, QoQ, and YoY amounts rounded to the nearest million and may not tie due to rounding
(2) Reflects gains associated with the sales of our Japan project development business and certain international O&M operations in 2022

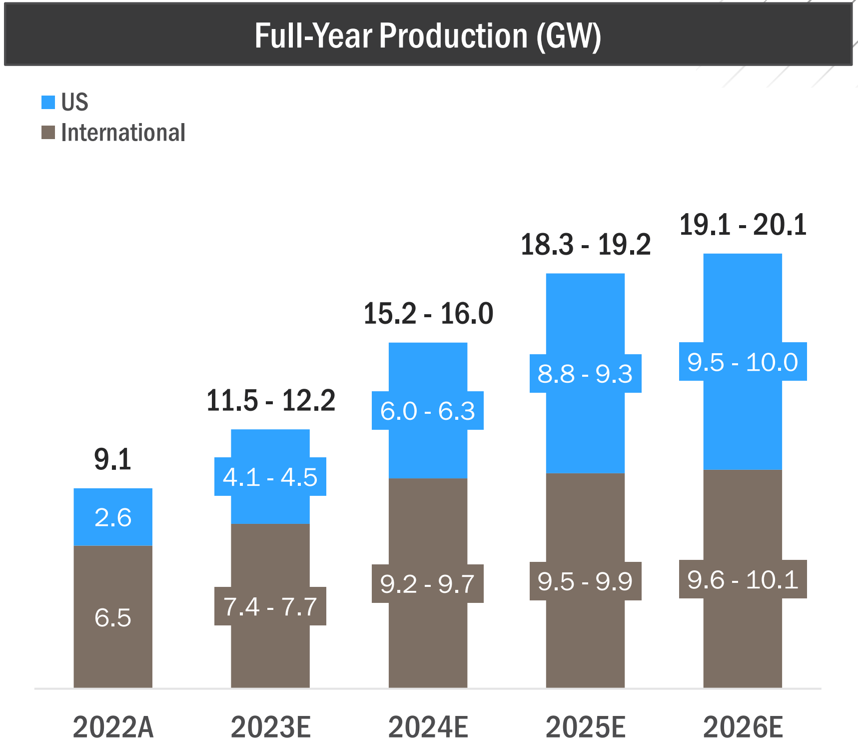
Balance Sheet Highlights

(In millions)[1]	Q4 2022A	Q3 2022A	Q4 2021A	Q4 2022A QoQ Change	Q4 2022A YoY Change
Cash and marketable securities[2]	$2,590	$1,937	$1,831	653	759
Accounts receivable[3]	355	361	455	(6)	(100)
Inventories - current and noncurrent	882	1,050	904	(168)	(22)
Property, plant and equipment, net	3,537	3,124	2,650	413	887
PV solar power systems, net	6	154	217	(148)	(211)
Project assets - noncurrent	30	28	315	2	(285)
Total assets	**8,251**	**7,493**	**7,414**	**758**	**837**
Deferred revenue - current and noncurrent	1,208	584	298	624	910
Long-term debt - current and noncurrent	184	260	240	(76)	(56)
Total liabilities	**2,415**	**1,664**	**1,454**	**751**	**961**
Total stockholders' equity	**5,836**	**5,828**	**5,960**	**8**	**(123)**

(1) Actual, QoQ, and YoY amounts rounded to the nearest million and may not tie due to rounding
(2) Includes cash and cash equivalents, marketable securities, restricted cash and restricted cash equivalents
(3) Includes accounts receivable trade, net & accounts receivable, unbilled, net

Expansion Update

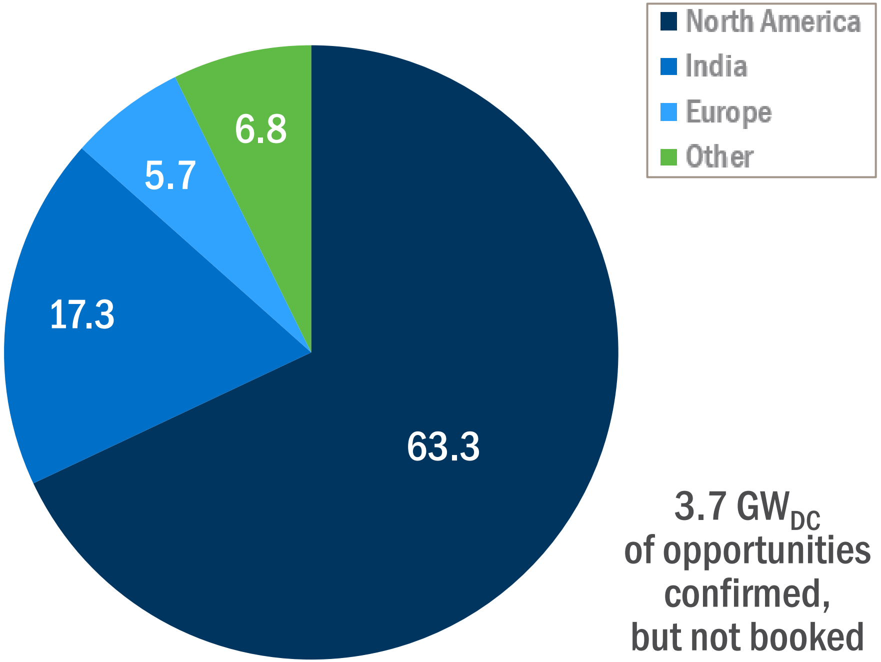




Capacity expansions in Alabama, Ohio and India increase manufacturing footprint

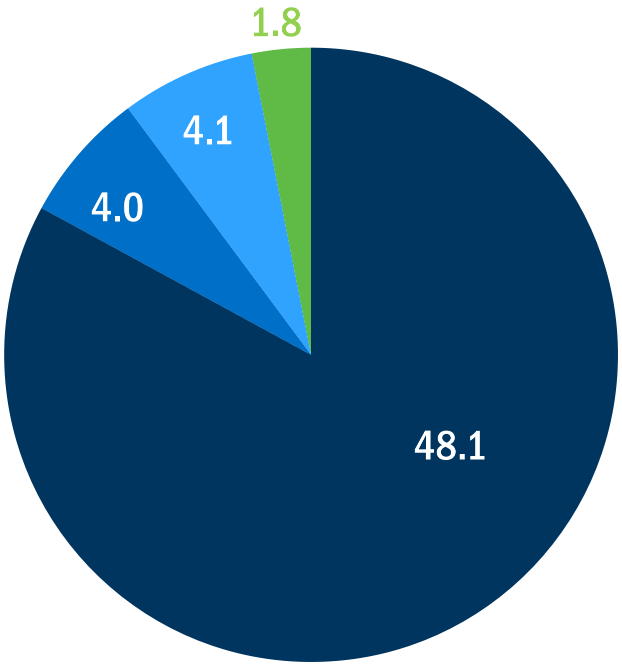
Potential Booking Opportunities

Total bookings opportunities	Mid-to-Late stage opportunities



93.1 GW_{DC} Opportunity

3.7 GW_{DC}
of opportunities
confirmed,
but not booked



58.0 GW_{DC} Opportunity

2023 Guidance Assumptions

Strategic / Legacy Systems

- Largely completed transition back to module only business
- Limited remaining risks, liabilities, indemnities, warranty obligations, accounts payable, accounts receivable, earn outs, cash collection, dispute resolution & other legacy involvements
- Guidance provided at consolidated level going forward

Production and Sold volumes

- 2023E production 11.5 GW to 12.2 GW; sold volume of 11.8 GW to 12.3 GW
- Ohio Series 7 factory begun production Q1 2023, ramp through 2023
- India factory forecast to begin production 2H 2023, ramp into early 2024
- Forecast ramp/underutilization (COGS) $110 to $130 million: startup (OpEx) $85 to $90 million

Capital Structure

- Ended 2022 in strong liquidity position
- Anticipate ability to finance current CapEx program without raising new capital
- Expect to put in place a Revolving Credit Facility in 2023

Advanced Manufacturing Credit

- Intend to begin recording IRA Section 45X tax credits in Q1 2023
- Accounted for as reduction to Cost of Sales (P&L) and Government Grants Receivable (BS)
- Expect to elect direct payment, timing of cash receipt uncertain pending IRA guidance

2023 Guidance as of February 28, 2023 (1)

	2023 Guidance
Net Sales	$3.4B to $3.6B
Gross Margin ($)(2)	$1.2B to $1.3B
Operating Expenses(3)	$415M to $440M
Operating Income(4)	$745M to $870M
Earnings Per Diluted Share	$7.00 to $8.00
Net Cash Balance(5)	$1.2B to $1.5B
Capital Expenditures	$1.9B to $2.1B
Volume Sold	11.8GW to 12.3GW

(1) The guidance figures presented are forward-looking statements that are subject to a variety of assumptions and estimates, including with respect to certain factors related to the Inflation Reduction Act of 2022. Among other things, such factors include (i) the total advanced manufacturing production credits available to us under Section 45X of the Internal Revenue Code, and (ii) the timing and ability to monetize such credits
(2) Includes $110 to $130 million of ramp and underutilization costs and $660 to $710 million of Section 45X tax credits
(3) Includes $85 to $90 million of production start-up expenses
(4) Includes $195 to $220 million of production start-up expenses, ramp and underutilization costs and $660 to $710 million of Section 45X tax credits
(5) Defined as cash, cash equivalents, marketable securities, restricted cash, and restricted cash equivalents less expected debt at the end of 2023

Summary & Highlights

Demand

- 12 GW of net bookings since the previous earnings call
- Current contracted backlog of 67.7 GW
- Opportunity pipeline of 93.1 GW, including 58 GW mid-to-late stage

Manufacturing

- Expect to exit 2026 with over 21 GW of nameplate capacity, including approximately 10.7 GW of U.S. capacity
- Recently produced our 50th GW since commercial production began

Financial

- 2022 year-end gross cash[1] of $2.6 billion and net cash[2] of $2.4 billion
- 2023 forecast EPS guidance of $7.00 to $8.00

(1) Defined as cash, cash equivalents, marketable securities, restricted cash and restricted cash equivalents
(2) Defined as cash, cash equivalents, marketable securities, restricted cash and restricted cash equivalents less debt at the end of 2022

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