



First Solar Q4'23 Earnings and 2024 Guidance Call

February 27, 2024



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 2024, 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 2024; 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 demurrage and detention charges; 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 new production facilities to support new product lines; evolving corporate governance and public disclosure regulations and expectations including with respect to environmental, social and governance matters; our ability to attract and retain key executive officers and associates; the severity and duration of public health threats, 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, as supplemented by our other filings with the Securities and Exchange Commission. You should carefully consider the risks and uncertainties described in these reports.

2023 Review



Commercial

- 28.3 GW of net-bookings in 2023 and record volume sold of 11.4 GW
- 1.8 GW of net-bookings year-to-date, 2.3 GW since previous earnings call
- Backlog of future deliveries (as of today's call) of 80.1 GW



Financial

- Full year 2023 Earnings per Share of \$7.74, above midpoint of guidance range
- Year-end 2023 net cash of \$1.6B
- \$1B revolving credit facility capacity and \$687M Section 45X tax credit sales



Manufacturing

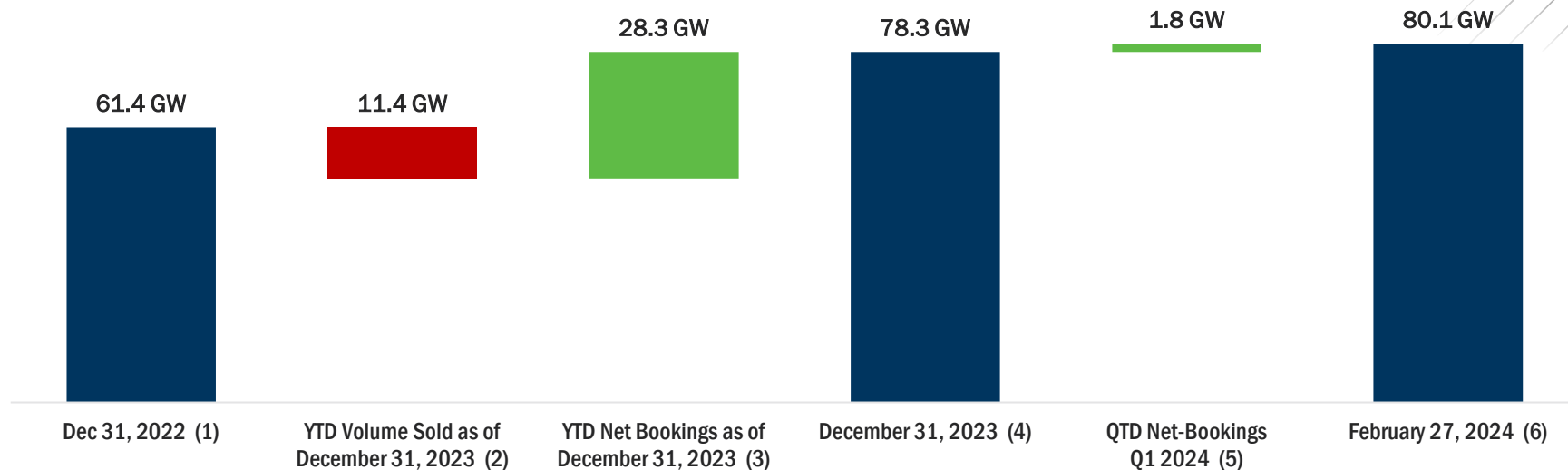
- Series 6: 9.7 GW produced in 2023; 2.5 GW in Q4; 475 watt top bin
- Series 7: 2.4 GW produced in 2023; 1.1 GW in Q4; 545 watt top bin
- 22.6% record efficiency research cell, BiFi launch, and CuRe readiness trial completed



Growth

- Exited 2023 with 16.6 GW of nameplate capacity, including 6 GW in the US
- Ohio expansion, and Alabama & Louisiana Series 7 factories on schedule
- Expect to exit 2026 with 25 GW nameplate capacity, including 14 GW in US

Expected Module Volume Sold (GW_{DC}):



The table above presents our expected module volume sold.

(1) Backlog as of December 31, 2022

(2) Volume sold from January 1, 2023 to December 31, 2023

(3) Net-bookings from January 1, 2023 to December 31, 2023

(4) Backlog as of December 31, 2023

(5) Net-bookings from January 1, 2024 to February 27, 2024

(6) Backlog as of December 31, 2023 and net-bookings through February 27, 2024. Volume sold from January 1, 2024 to February 27, 2024 not deducted

Income Statement Highlights

	Q4 2023A			2023A	
	Q4 2023A	QoQ Change	YoY Change	2023A	YoY Change
<i>(In millions, except per share amounts)⁽¹⁾</i>					
Net sales	\$1,159	\$357	\$156	\$3,319	\$699
Gross profit %	43.3%	(3.6%)	37.3%	39.2%	36.5%
Selling, general and administrative	57	7	14	198	33
Research and development	44	3	13	152	40
Production start-up	10	(2)	(23)	65	(8)
Litigation loss	-	-	-	36	36
Gain on sales of businesses, net ⁽²⁾	7	7	7	7	(247)
Operating income	398	125	444	857	885
Income tax expense	(27)	(5)	(26)	(61)	(8)
Net income	349	81	357	831	875
Net income per share - diluted	3.25	0.75	3.32	7.74	8.15

(1) Actual, QoQ, and YoY amounts rounded to the nearest million and may not tie due to rounding

(2) Reflects certain post-closing adjustments and earnouts associated with the prior sale of our Japan project development business

Balance Sheet Highlights

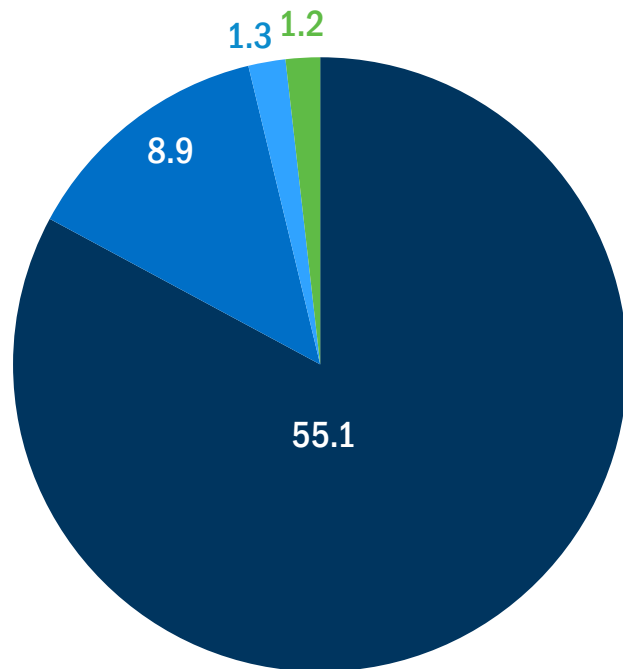
	Q4 2023A				
(In millions) ⁽¹⁾	Q4 2023A	Q3 2023A	Q4 2022A	QoQ Change	YoY Change
Cash and marketable securities ⁽²⁾	\$2,121	\$1,840	\$2,590	281	(470)
Accounts receivable	661	754	324	(93)	336
Inventories - current and noncurrent	1,087	1,144	882	(57)	205
Property, plant and equipment, net	4,397	4,073	3,537	324	860
Total assets	10,365	9,583	8,251	782	2,114
Deferred revenue - current and noncurrent	2,005	1,722	1,208	283	797
Debt - current and noncurrent	560	499	184	61	376
Total liabilities	3,678	3,280	2,415	397	1,262
Total stockholders' equity	6,687	6,302	5,836	385	851

(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

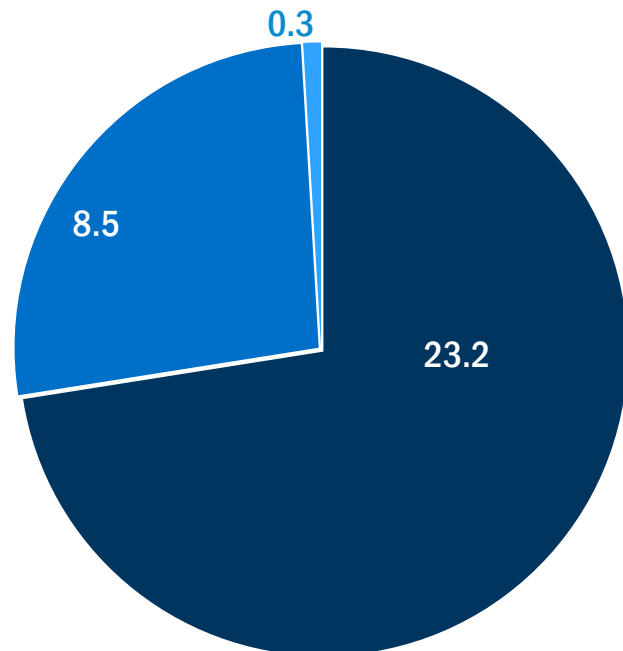
Potential Booking Opportunities

Total bookings opportunities



66.5 GW Opportunity

Mid-to-Late stage opportunities

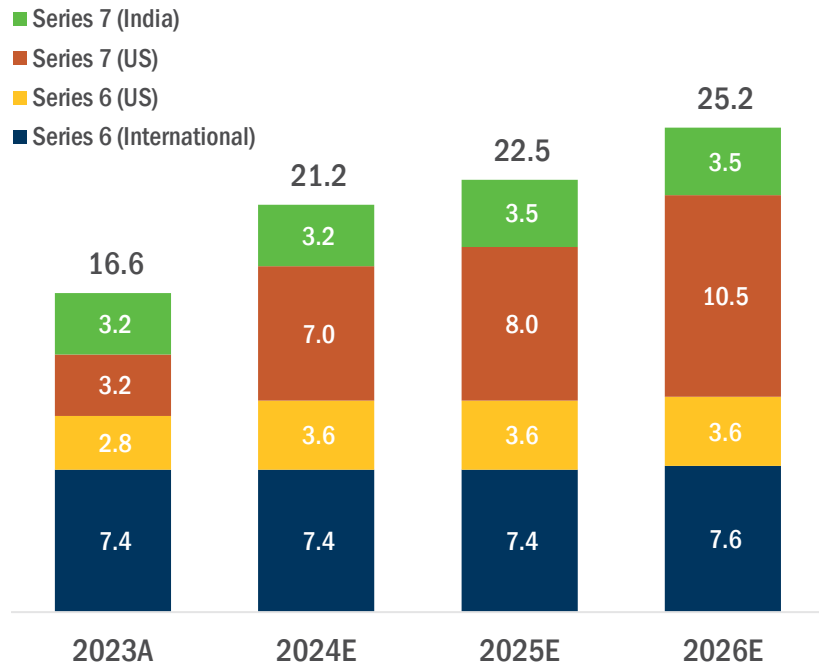


32.0 GW Opportunity

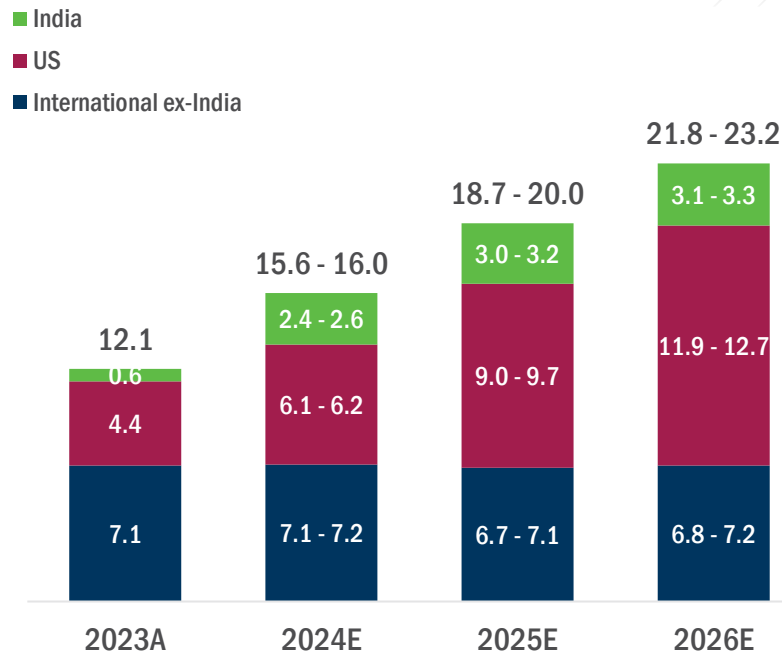
3.8 GW
of opportunities
confirmed,
but not booked

Expansion Update

Year-End Nameplate Manufacturing Capacity (GW)



Full-Year Production (GW)



Capacity expansions in Alabama, Louisiana and Ohio manufacturing footprint

2024 Guidance Assumptions



Volumes Sold

- Global: 15.6 GW to 16.3 GW
- Produced in US: 5.8 GW to 6.1 GW
- Produced and sold in India: 2.0 to 2.2 GW



Average Selling Prices

- 28.2 cents per watt global ASP (includes domestic India sales)
- Includes benefit of certain technology, commodity and freight adders



Cost per Watt

- CpW produced: 18.7 to 18.9 cents per watt, reduction of 2-3% vs FY 2023
- Sales freight ramp and period costs of approximately 3 cents per watt
- CpW sold: 21.7 to 21.9 cents per watt, reduction of ~7% vs FY 2023



Capital Structure

- Anticipate ability to finance current CapEx program without raising new capital
- Forecasting to elect direct payment for 2024 Section 45X tax credits

2024 Guidance as of February 27, 2024⁽¹⁾

2024 Guidance

Net Sales	\$4.4B to \$4.6B
Gross Margin (\$) ⁽²⁾	\$2.0B to \$2.1B
Operating Expenses ⁽³⁾	\$455M to \$485M
Operating Income ⁽⁴⁾	\$1.5B to \$1.6B
Earnings Per Diluted Share	\$13.00 to \$14.00
Net Cash Balance ⁽⁵⁾	\$0.9B to \$1.2B
Capital Expenditures	\$1.7B to \$1.9B
Volume Sold	15.6GW to 16.3GW



⁽¹⁾ The guidance figures presented are forward-looking statements that are subject to a variety of assumptions and estimates

⁽²⁾ Includes \$40 to \$60 million of ramp and underutilization costs and \$1.0 to \$1.05 billion of Section 45X tax credits

⁽³⁾ Includes \$85 to \$95 million of production start-up expenses

⁽⁴⁾ Includes \$125 to \$155 million of production start-up expenses, ramp and underutilization costs and \$1.0 to \$1.05 billion of Section 45X tax credits

⁽⁵⁾ Defined as cash, cash equivalents, restricted cash, restricted cash equivalents, and marketable securities, less expected debt at the end of 2024

Summary & Highlights



Demand

- 2.3 GW of net bookings since the previous earnings call, at ASP of 31.8 cents per watt
- Current contracted backlog of 80.1 GW
- Opportunity pipeline of 66.5 GW, including 32.0 GW mid-to-late stage



Manufacturing

- Produced 12.1 GW of modules in 2023 including 2.4 GW of Series 7
- Exited 2023 with 16.6 GW of nameplate capacity
- Expect to exit 2026 with over 25 GW of nameplate capacity, including 14 GW in US



Financial

- 2023 earnings per diluted share of \$7.74
- 2024 forecasted earnings per diluted share guidance of \$13.00 to \$14.00
- 2024 year-end net cash balance⁽¹⁾ guidance of \$0.9 to \$1.2 billion

(1) Defined as cash, cash equivalents, restricted cash, restricted cash equivalents, and marketable securities, less expected debt at the end of 2024



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