



First Solar Q1'25 Earnings Call

April 29, 2025



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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 solar technology generally and for our technology specifically, including in the U.S. market, and our positioning to serve such demand; 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; our expectations regarding the political and trade environment and its impacts; increased research and development (“R&D”) programs and investment; production and delivery of our modules; anticipated claims under our limited product warranty obligations and any related remediation commitments; our financial guidance for 2025, including future financial results, net sales, gross margin, operating expenses, operating income, earnings per diluted share, net cash balance, capital expenditures, expected earnings cadence, volume sold, bookings, booking opportunities, and expected module shipments; products and our business and financial objectives for 2025; the impact of the Inflation Reduction Act of 2022 (“IRA”) 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 capacity; our expectations regarding our work with partners; the impact of the implementation of new tariffs in April 2025; 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 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 impact of the IRA 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 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, including our ability to secure financing and realize the potential benefits of strategic acquisitions and investments; 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; the performance of our solar modules upon installation; our ability to improve the wattage of our solar modules; our ability to incorporate technology improvements into our manufacturing process, including the implementation of our Copper Replacement (“CuRe”) program; 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 and conflicts; 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 or otherwise as required by external laws and regulation; supply chain disruptions, including demurrage and detention charges; our ability to protect or successfully commercialize our intellectual property; our ability to prevent and/or minimize the impact of cybersecurity incidents or information or security breaches; our continued investment in research and development; the supply and price of key raw materials (including CdTe, tellurium, and tellurium compounds), components, and manufacturing equipment; our ability to construct new production facilities to support new product lines in line with anticipated timing; evolving corporate governance and public disclosure regulations and expectations, including with respect to environmental, social and governance matters; our ability to avoid manufacturing interruptions, including during the ramp of our Series 7 module manufacturing facilities; our ability to attract, train, retain and successfully integrate key talent into our team; 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.

First Quarter 2025 Update



Demand

- 0.6 GW of net bookings since previous earnings call
- Total bookings backlog of 66.3 GW extending through 2030
- Total booking opportunities of 81.0 GW; 23.7 GW mid-to-late stage



Manufacturing and Technology

- Production⁽¹⁾: S6 2.0 GW / S7 2.0 GW
- Yield⁽¹⁾: S6 97% / S7 96%
- Completed CuRe limited commercial production, continued field deployment, initial performance data meeting expectations
- Louisiana factory on schedule to begin commercial operation in 2H 2025



Financial

- Q1 2025 diluted EPS of \$1.95
- Q1 2025 gross cash⁽²⁾ of \$0.9 billion, net cash⁽³⁾ of \$0.4 billion

¹ For the period January 1, 2025, through March 31, 2025

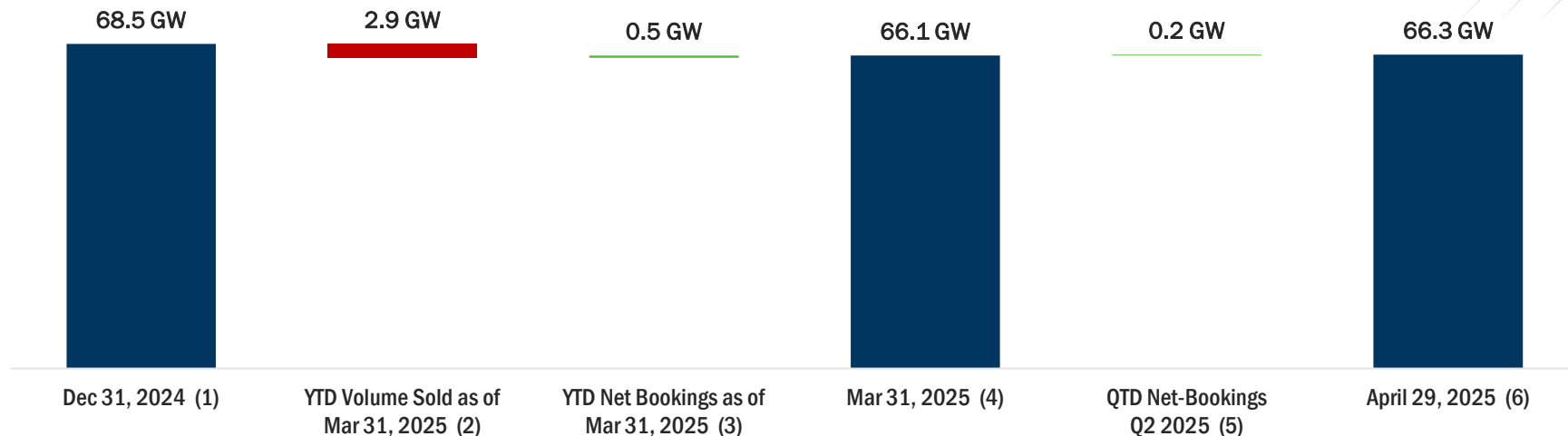
² Defined as cash, cash equivalents, marketable securities, restricted cash and restricted cash equivalents

³ Defined as gross cash less debt

U.S. Market Conditions & Policy Environment

Near Term	Reciprocal Tariffs: Industry Uncertainty	<ul style="list-style-type: none"> • “Universal” and “reciprocal” tariff rates create significant operational uncertainty • First Solar’s contracted backlog for imported product contains tariff-related risk mitigation provisions • Pivoting India manufacturing to domestic market and evaluating Malaysia and Vietnam 2025 production volume
	Trade and Industrial Policy	<ul style="list-style-type: none"> • Uncertain impacts of Congressional budget reconciliation on renewable energy tax credits • Final Southeast Asia AD/CVD determinations confirm dumping and illegal subsidization, levy substantial duties • Chinese producers relocate capacity, data indicates surge in U.S. imports, including from Laos and Indonesia
Longer Term	Utility-Scale Solar: Strong Fundamentals	<ul style="list-style-type: none"> • Projected U.S. electricity demand growth of 50% by 2050 • Artificial Intelligence, reshoring domestic manufacturing expected to be key drivers • Utility-scale solar capable of rapidly delivering cost-effective incremental peaking and baseload capacity
	Domestic Manufacturing Ecosystem	<ul style="list-style-type: none"> • Policy uncertainty and imposition of tariffs may delay c-Si manufacturing investments in U.S. • Timing of IRA §45X credit phase-out limits potential benefits to facilities not yet operating • FEOC regulations, high reliance on bill of material imports pose further headwinds to c-Si manufacturing in U.S.
First Solar	Long-Term Strength	<ul style="list-style-type: none"> • America’s Solar Company: American technology, American manufacturing, American supply chain • 14 GW of vertically-integrated domestic operational capacity by 2026 provides supply certainty • Tangible economic value creation and retention through domestic manufacturing, supply chains

Expected Module Volume Sold (GW_{DC}):



The table above presents our expected module volume sold.

(1) Backlog as of December 31, 2024

(2) Volume sold from January 1, 2025, to March 31, 2025

(3) Net-bookings from January 1, 2025, to March 31, 2025

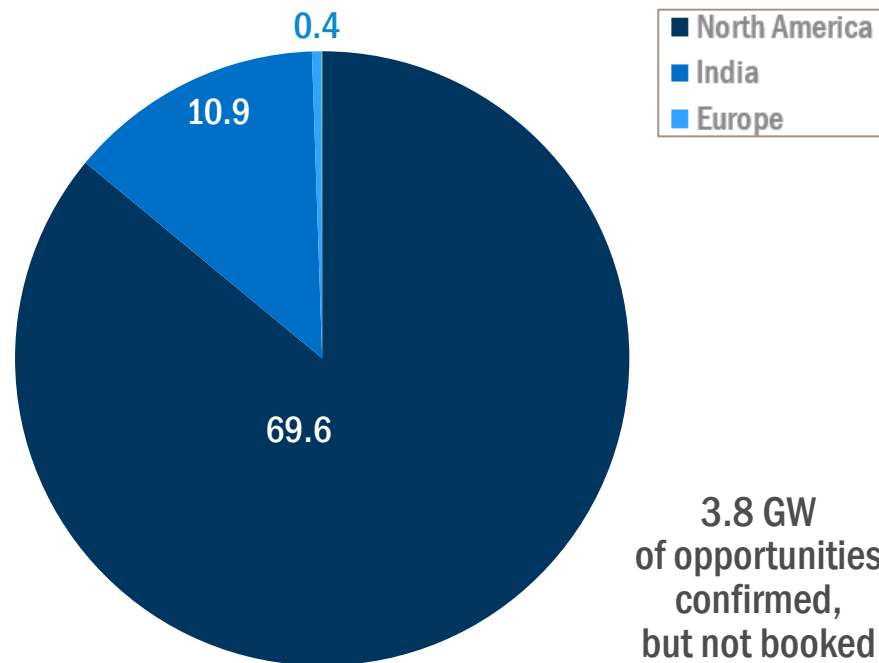
(4) Backlog as of March 31, 2025

(5) Net-bookings from April 1, 2025, to April 29, 2025

(6) Backlog as of March 31, 2025, and net-bookings through April 29, 2025. Volume sold from April 1, 2025, to April 29, 2025, not deducted

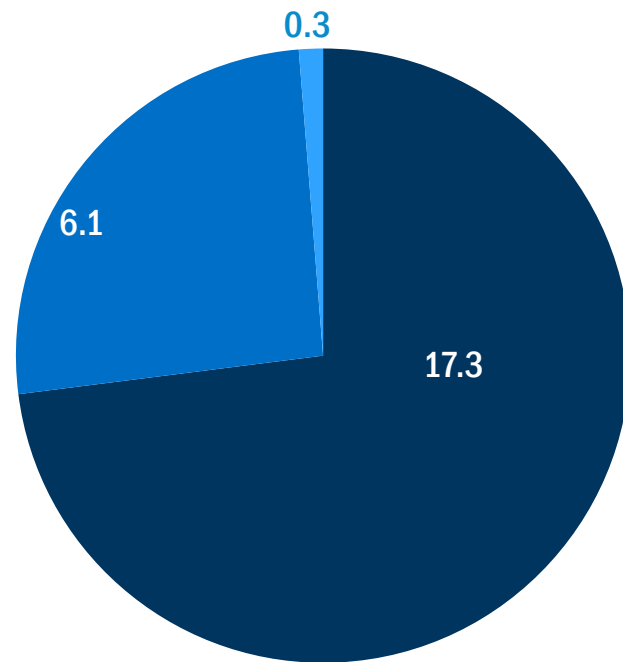
Potential Booking Opportunities

Total booking opportunities



81.0 GW Opportunity

Mid-to-Late stage opportunities



23.7 GW Opportunity

3.8 GW
of opportunities
confirmed,
but not booked

Income Statement Highlights

(In millions, except per share amounts)⁽¹⁾

	Q1 2025A	Q4 2024A	Q1 2024A	QoQ Change	YoY Change
Net sales	\$845	\$1,514	\$794	\$(669)	\$51
<i>Gross profit %</i>	<i>40.8%</i>	<i>37.5%</i>	<i>43.6%</i>	<i>3.3%</i>	<i>(2.8)%</i>
Selling, general and administrative	53	50	46	3	7
Research and development	52	46	43	6	9
Production start-up	18	15	15	3	3
Operating income	221	457	243	(236)	(22)
Income tax expense	8	53	19	(45)	(11)
Net income	210	393	237	(183)	(27)
Net income per share - diluted	1.95	3.65	2.20	(1.70)	(0.25)

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

Balance Sheet Highlights

	Q1 2025A				
(In millions) ⁽¹⁾	Q1 2025A	Q4 2024A	Q1 2024A	QoQ Change	YoY Change
Cash and marketable securities ⁽²⁾	\$897	\$1,810	\$2,011	\$(913)	\$(1,114)
Accounts receivable - current and noncurrent	1,606	1,355	670	251	936
Inventories - current and noncurrent	1,563	1,360	1,236	203	327
Government grants receivable - current and noncurrent	645	561	533	84	112
Property, plant and equipment, net	5,638	5,414	4,916	224	722
Total assets	12,117	12,124	10,761	(7)	1,356
Deferred revenue - current and noncurrent	1,901	2,040	2,068	(139)	(167)
Debt - current and noncurrent	525	610	620	(85)	(95)
Total liabilities	3,929	4,147	3,858	(218)	71
Total stockholders' equity	8,187	7,978	6,903	209	1,284

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

2025 Guidance Assumptions as of April 29, 2025

	Prior	Current
Policy	<ul style="list-style-type: none"> Risks of policy uncertainty in Europe, India and the United States Especially with regards to tariffs, and the ongoing budget reconciliation process and its related potential impacts on the IRA 	<ul style="list-style-type: none"> Risks of policy uncertainty in Europe, India and the United States, especially relating to the budget reconciliation process and IRA, remain Policy impact and uncertainty relating to tariffs has increased significantly
Tariff impact on guidance range	<ul style="list-style-type: none"> Section 232 tariffs on aluminum and steel imports into the U.S. at a rate of 25% 	<ul style="list-style-type: none"> Upper end: Assumes impacts from the tariff policy in place as of today's call remaining through at least the end of 2025 Lower end: Assumes the above, with the addition of including the impacts from the assumption that "reciprocal" tariffs take effect as of July 9th, 2025
Tariff cost impacts to full year guidance	<ul style="list-style-type: none"> Section 232 tariffs approx. \$15M to \$30M 	<ul style="list-style-type: none"> Volume and ASP changes approx. \$100M to \$375M Import duties on finished goods approx. \$90M to \$70M Raw material imports approx. \$25M to \$55M Period costs (sales freight, warehousing, ramp, underutilization, and other) approx. \$65M to \$270M Temporary idling of production in Malaysia and Vietnam provides optionality pending tariff, budget reconciliation, IRA updates

2025 Guidance as of April 29, 2025 ⁽¹⁾

	Prior	Current
Net Sales	\$5.3B to \$5.8B	\$4.5B to \$5.5B
Gross Margin (\$) ⁽²⁾	\$2.45B to \$2.75B	\$1.96B to \$2.47B
Operating Expenses ⁽³⁾	\$470M to \$510M	Unchanged
Operating Income ⁽⁴⁾	\$1.95B to \$2.30B	\$1.45B to \$2.00B
Earnings Per Diluted Share	\$17.00 to \$20.00	\$12.50 to \$17.50
Net Cash Balance ⁽⁵⁾	\$0.7B to \$1.2B	\$0.4B to \$0.9B
Capital Expenditures	\$1.3B to \$1.5B	\$1.0B to \$1.5B
Volume Sold	18.0GW to 20.0GW	15.5GW to 19.3GW

Expected Earnings Cadence

“From a second quarter earnings cadence perspective, we anticipate our module sales to be between 3.0 and 3.9 GW. We forecast our advanced manufacturing production tax credit available to us under Section 45X of the Internal Revenue Code (“Section 45X tax credit”), to be between \$310 million and \$350 million in the second quarter.

These factors result in forecasted second quarter earnings per diluted share between \$2.00 and \$3.00.”

¹ The guidance figures presented are forward-looking statements that are subject to a variety of assumptions and estimates, including with respect to tariffs or other trade remedies and certain factors related to the Inflation Reduction Act of 2022

² Assumes \$95 to \$220 million of ramp and underutilization costs and \$1.65 to \$1.7 billion of Section 45X tax credits

³ Assumes \$60 to \$70 million of production start-up expense

⁴ Assumes \$155 to \$290 million of production start-up expense, ramp and underutilization costs and \$1.65 to \$1.7 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 2025

Summary and Highlights



Demand

- 0.6 GW of net bookings since previous earnings call
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Manufacturing and Technology

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