



August 11, 2021

Second Quarter 2021

Earnings Results





Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this presentation, including statements regarding the Company's strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," or "would," or the negative of these terms, or other comparable terminology are intended to identify forward looking statements, although not all forward-looking statements contain these identifying words. The Company may not actually achieve the plans, intentions or expectations disclosed in these forward-looking statements, and you should not place undue reliance on these forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in these forward-looking statements. In addition, the forward-looking statements included in this presentation represent the Company's views as of the date of this presentation. The Company anticipates that subsequent events and developments will cause its views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk. Although the Company believes that the consulted third party sources are reliable, the Company cannot guarantee the accuracy or completeness of this information, and has not independently verified this information. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for the Company to predict those events or how they may affect the Company. If any of these trends, risks or uncertainties actually occurs or continues, the Company's business, revenue and financial results could be harmed, the trading prices of its securities could decline and you could lose all or part of your investment. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this cautionary statement.

This presentation contains non-GAAP financial measures relating to our performance. You can find the reconciliation of these measures to the most directly comparable GAAP financial measure in the Appendix at the end of this presentation. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, the financial measures prepared in accordance with GAAP. Please refer to the notes to reconciliation of non-GAAP financial measures in FTC Solar's quarterly earnings release for a detailed explanation of the adjustments made to the comparable GAAP measures, the ways management uses the non-GAAP measures, and the reasons why management believes the non-GAAP measures provide investors with useful supplemental information.



Second Quarter Highlights

2Q revenue of \$50.1 million, above high-end of guidance range. 1H revenue up 39% y/y

Added \$419 million to executed contracts and awarded orders YTD*, including \$203 million since June 1

Continuing to win new customers, including another top 5 EPC firm

Recognized first revenue for our new SunPath performance enhancement software product

Sold stake in minority investment for \$22 million (\$20.6 million profit)

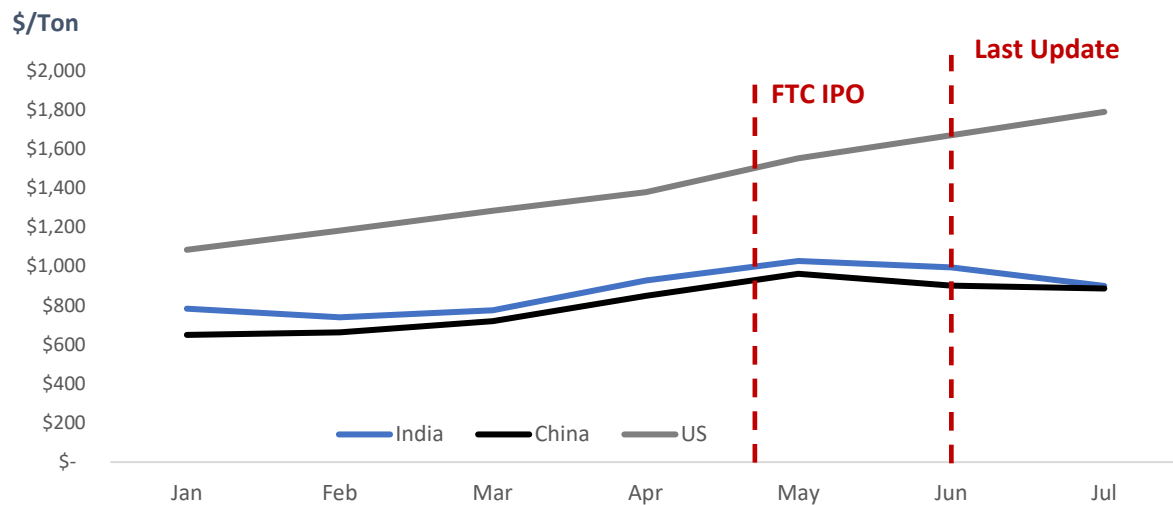
Targeting significant 2H'21 revenue growth vs. 1H, with significant progress toward profitability in 4Q

* Through August 1, 2021 - Includes amounts included in first half reported revenue. Subtracting the amount included in first half revenue, the new balance is \$478 million for delivery in 2021 and 2022.

- Steel pricing remains elevated
- Global logistics environment has continued to deteriorate

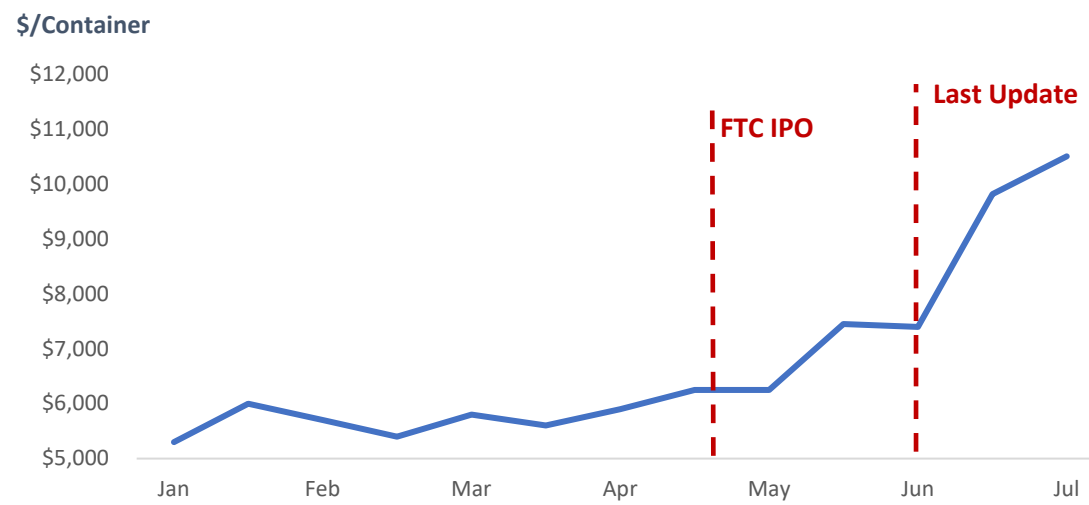
Steel

Hot Rolled Coil by Export Port



Freight

Baltic Index China/East Asia - NAMR East Coast



Source: Fastmarkets.com, Freightos



Balance Sheet

- Added \$181 million cash from IPO
- Added \$22 million from sale of minority investment
- Debt-free

Commodities & Logistics

- Shared some logistics increase with customer
- Transitioning to alternative logistics methods in Q4
 - Provides customers with price certainty
 - Reduces cost structure
 - Eliminates unexpected price escalations
- Expanded supplier base covering steel needs
- Securing steel at time of customer contract

Software Revenue

- Opportunity to expand SunPath software product sales
- High-margin software business, increases project profitability for customers
- Recognized first revenue in Q2

Product Cost Roadmap

- Cost roadmap remains on-track
 - Design to Value (DTV) component cost reductions
 - Procurement initiatives to reduce manufacturing costs
 - High volume manufacturing - procurement leverage



Q2 Financial Performance

(in thousands, except per share data and percentages)

	GAAP		Non-GAAP	
	Three Months Ended June 30,			
	2021	2020	2021	2020
Revenue	\$ 50,108	\$ 51,157	\$ 50,108	\$ 51,157
Gross margin	-32.04%	-2.70%	-16.82%	-2.54%
Operating expense	\$ 59,906	\$ 4,576	\$ 8,325	\$ 4,179
Operating loss	\$ (75,963)	\$ (5,958)	\$ (16,746)	\$ (5,479)
Net loss	\$ (55,841)	\$ (6,776)	\$ (16,971)	\$ (5,623)
Diluted EPS	\$ (0.70)	\$ (0.09)	\$ (0.21)	\$ (0.08)

See reconciliations of all non-GAAP to GAAP measures in the appendix to this presentation.

Third Quarter

\$ mil.	2Q'21 Actual	3Q'21
Revenue	\$50.1	\$56.0- \$62.0
Non-GAAP Operating Expenses	\$8.3	\$8.7 - \$9.7
Adjusted EBITDA	(\$16.7)	(\$19.7 – \$14.7)

Fourth Quarter

- Expect significant increase in revenue relative to third quarter.
- With implementation of new logistics methods beginning to take effect in quarter, as well as cost reduction initiatives, targeting significant progress toward profitability on Adjusted EBITDA basis.

Full year 2021

- Expect revenue to exceed \$310 million.
- This outlook would result in full-year revenue growth in excess of 65%, outpacing the overall market



Q&A

Appendix



Reconciliation of Non-GAAP Gross Margin and Operating Expense

Summary Financial Performance: Q2 2021 and Q2 2020 (in thousands, except per share data and percentages)

	GAAP		Non-GAAP	
	Three Months Ended June 30,			
	2021	2020	2021	2020
Revenue	\$ 50,108	\$ 51,157	\$ 50,108	\$ 51,157
Gross margin	-32.04%	-2.70%	-16.82%	-2.54%
Operating expense	\$ 59,906	\$ 4,576	\$ 8,325	\$ 4,179
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Net loss	\$ (55,841)	\$ (6,776)	\$ (16,971)	\$ (5,623)
Diluted EPS	\$ (0.70)	\$ (0.09)	\$ (0.21)	\$ (0.08)

Reconciliation of Non-GAAP Operating Income

The following table reconciles GAAP Operating Loss to Non-GAAP Operating Loss for the three and six months ended June 30, 2021 and 2020, respectively:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
GAAP Operating loss	\$ (75,963)	\$ (5,958)	\$ (83,982)	\$ (3,062)
Depreciation expense	33	4	42	7
Amortization of intangibles	-	-	-	33
Stock-based compensation	56,192	475	56,641	933
Other costs	2,992	\$ -	3,889	\$ -
Non-GAAP Operating loss	<u>\$ (16,746)</u>	<u>\$ (5,479)</u>	<u>\$ (23,410)</u>	<u>\$ (2,089)</u>



Reconciliation of Non-GAAP Net Income

The following table reconciles Net Loss to Adjusted Non-GAAP Net Loss and Adjusted EPS for the three and six months ended June 30, 2021 and 2020, respectively. All shares and per share amounts have been adjusted for a 8.25-for-1 share forward stock split which took effect on April 27, 2021:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2021	2020	2021	2020
(in thousands, except per share data)				
Net loss	\$ (55,841)	\$ (6,776)	\$ (63,283)	\$ (3,356)
Amortization of intangibles	—	—	—	33
Amortization of debt issuance costs	115	—	115	—
Stock-based compensation	56,192	475	56,641	933
(Gain) loss on extinguishment of debt	—	41	(790)	41
(Gain) from disposal of equity investment	(20,619)	—	(20,619)	—
Non-routine legal fees	775	—	775	—
Severance	295	—	295	—
Other costs	1,968	—	2,865	—
Loss from unconsolidated subsidiary	136	637	354	159
Income tax expense of adjustments (a)	8	—	—	(3)
Adjusted Non-GAAP net loss	<u>\$ (16,971)</u>	<u>\$ (5,623)</u>	<u>\$ (23,647)</u>	<u>\$ (2,193)</u>
Adjusted Non-GAAP net loss per share				
<i>(Adjusted EPS)</i>				
Basic	\$ (0.21)	\$ (0.08)	\$ (0.32)	\$ (0.03)
Diluted	\$ (0.21)	\$ (0.08)	\$ (0.32)	\$ (0.03)
Weighted-average Non-GAAP common shares				
outstanding:				
Basic	79,229,174	74,612,811	73,106,935	70,994,078
Diluted	79,229,174	74,612,811	73,106,935	70,994,078

(a) Represents incremental tax expense of adjustments made to reconcile Net Loss to Adjusted Non-GAAP Net Loss driven from loss from unconsolidated subsidiary.



Notes to Reconciliations of Non-GAAP Financial Measures to Nearest Comparable GAAP Measures

We present Adjusted EBITDA, Adjusted Non-GAAP Net Loss and Adjusted EPS as supplemental measures of our performance. We define Adjusted EBITDA as net loss plus (i) income tax (benefit) or expense, (ii) interest expense, (iii) depreciation expense, (iv) amortization of intangibles, (v) amortization of debt issuance costs, (vi) stock-based compensation (vii) gain on extinguishment of debt, (viii) gain from disposal in equity investment, (ix) non-routine legal fees, (x) severance, (xi) other costs and (xii) loss from unconsolidated subsidiary. We define Adjusted Net Loss as net loss plus (i) amortization of intangibles, (ii) amortization of debt issuance costs (iii) stock-based compensation, (iv) gain on extinguishment of debt, (v) gain from disposal in equity investment, (vi) non-routine legal fees, (vii) severance, (viii) other costs, (ix) loss from unconsolidated subsidiary and (x) income tax expense of adjustments. Adjusted EPS is defined as Adjusted Non-GAAP Net Loss Per Share using the weighted average basic and diluted shares outstanding.

Adjusted EBITDA, Adjusted Non-GAAP Net Loss and Adjusted EPS are intended as supplemental measures of performance that are neither required by, nor presented in accordance with, U.S. generally accepted accounting principles (“GAAP”). We present Adjusted EBITDA, Adjusted Non-GAAP Net Loss and Adjusted EPS because we believe they assist investors and analysts in comparing our performance across reporting periods on an ongoing basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we use Adjusted EBITDA, Adjusted Non-GAAP Net Loss and Adjusted EPS to evaluate the effectiveness of our business strategies.