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

FORM 10-Q

☒ **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 **001-40350**

FTC SOLAR, INC.
(Exact name of registrant as specified in its charter)

Delaware	**81-4816270**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10900 Stonelake Blvd, Suite 100, Quarry Oaks II Building, Austin, Texas	**78759**
(Address of principal executive offices)	(Zip Code)

(512) 481-4271
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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, $0.0001 par value	FTCI	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 Act). ☐ Yes ☒ No

As of October 30, 2026, 18,293,783 shares of the registrant's common stock were outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q ("Quarterly Report") contains forward-looking statements. All statements other than statements of historical or current facts contained in this Quarterly Report may be forward-looking statements. Statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including, among others, liquidity, growth and profitability strategies and factors and trends affecting our business are forward-looking statements. Forward-looking statements can be identified in some cases by the use of words such as “believe,” “can,” “could,” “potential,” “plan,” “predict,” “goals,” “seek,” “should,” “may,” “may have,” “would,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” the negative of these words, other similar expressions or by discussions of strategy, plans or intentions.

The forward-looking statements in this Quarterly Report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties, and other important factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We believe that these factors include, but are not limited to, the factors set forth under Part II, Item 1A. "Risk Factors" of this Quarterly Report, and more comprehensively in Part I, Item 1A "Risk Factors" included in our Annual Report on Form 10-K, as amended, for the year ended December 31, 2025 ("2025 Annual Report"). Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.

You should read this Quarterly Report with the understanding that our actual future results may be materially different from what we expect. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements.

These forward-looking statements speak only as of the date of this Quarterly Report. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Quarterly Report, whether as a result of any new information, future events or otherwise.

ITEM 1. FINANCIAL STATEMENTS

FTC Solar, Inc.
Condensed Consolidated Balance Sheets
(unaudited)

(in thousands, except shares and per share data)	September 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 5,076	$ 21,105
Restricted cash	11,608	—
Accounts receivable, net of allowance for credit losses of $3,086 and $3,069 at September 30, 2026 and December 31, 2025, respectively	57,730	55,743
Inventories	8,139	9,627
Prepaid and other current assets	21,025	11,294
Total current assets	103,578	97,769
Operating lease right-of-use assets	1,506	983
Finance lease right-of-use assets	435	—
Property and equipment, net	3,550	3,793
Goodwill	7,748	7,444
Other assets	2,227	1,823
Total assets	$ 119,044	$ 111,812
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 16,162	$ 13,247
Short-term debt	24,780	12,681
Accrued expenses	56,725	23,770
Income taxes payable	748	630
Deferred revenue	8,672	7,172
Other current liabilities	13,396	10,725
Total current liabilities	120,483	68,225
Long-term debt	—	9,921
Operating lease liability, net of current portion	947	553
Finance lease liability, net of current portion	334	—
Deferred income taxes	229	—
Warrant liability	13,157	74,515
Other non-current liabilities	1,309	1,556
Total liabilities	136,459	154,770
Commitments and contingencies (Note 12)		
Stockholders' deficit		
Preferred stock par value of $0.0001 per share, 10,000,000 shares authorized; none issued as of September 30, 2026 and December 31, 2025	—	—
Common stock par value of $0.0001 per share, 850,000,000 shares authorized; 18,152,140 and 15,537,344 shares issued and outstanding as of September 30, 2026 and December 31, 2025	2	2
Treasury stock, at cost; 1,076,257 shares as of September 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	397,686	384,648
Accumulated other comprehensive gain (loss)	38	(290)
Accumulated deficit	(415,141)	(427,318)
Total stockholders' deficit	(17,415)	(42,958)
Total liabilities and stockholders' deficit	$ 119,044	$ 111,812

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

FTC Solar, Inc.
Condensed Consolidated Statements of Comprehensive Results of Operations
(unaudited)

(in thousands, except shares and per share data)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Revenue:				
Product	$ 32,185	$ 20,061	$ 66,352	$ 54,130
Service	628	5,969	9,883	12,696
Total revenue	32,813	26,030	76,235	66,826
Cost of revenue:				
Product	31,397	18,550	69,810	57,537
Service	(485)	5,886	7,985	15,061
Total cost of revenue	30,912	24,436	77,795	72,598
Gross profit (loss)	1,901	1,594	(1,560)	(5,772)
Operating expenses				
Research and development	930	1,228	3,257	3,281
Selling and marketing	2,248	1,672	6,028	4,099
General and administrative	7,263	6,399	23,480	16,612
Total operating expenses	10,441	9,299	32,765	23,992
Loss from operations	(8,540)	(7,705)	(34,325)	(29,764)
Interest expense	(4,292)	(1,988)	(12,521)	(3,430)
Interest income	99	6	109	17
Gain from disposal of investment in unconsolidated subsidiary	—	—	—	3,204
Gain on sale of Atlas	—	90	26	140
Gain (loss) from change in fair value of warrant liability	19,480	(16,066)	59,335	(14,298)
Loss on extinguishment of debt	—	(173)	—	(173)
Other income, net	165	35	175	110
Income from unconsolidated subsidiary	—	1,907	—	1,344
Income (loss) before income taxes	6,912	(23,894)	12,799	(42,850)
Provision for income taxes	(210)	(44)	(622)	(337)
Net income (loss)	6,702	(23,938)	12,177	(43,187)
Other comprehensive income:				
Foreign currency translation adjustments	110	37	328	146
Comprehensive income (loss)	$ 6,812	$ (23,901)	$ 12,505	$ (43,041)
Net income (loss) per share:				
Basic	$ 0.39	$ (1.61)	$ 0.75	$ (3.17)
Diluted	$ (0.54)	$ (1.61)	$ (2.06)	$ (3.17)
Weighted-average common shares outstanding:				
Basic	17,084,491	14,899,638	16,239,464	13,626,800
Diluted	23,473,081	14,899,638	22,919,497	13,626,800

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

FTC Solar, Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit)
(unaudited)

For the three and nine months ended September 30, 2026:

	Preferred stock		Common stock		Treasury stock					
(in thousands, except shares)	Shares	Amount	Shares	Amount	Shares	Amount	Additional paid-In capital	Accumulated other comprehensive gain (loss)	Accumulated deficit	Total stockholders' deficit
Balance as of December 31, 2025	—	$ —	15,537,344	$ 2	1,076,257	$ —	$ 384,648	$ (290)	$ (427,318)	$ (42,958)
Shares issued during the period for vested restricted stock awards	—	—	112,286	—	—	—	—	—	—	—
Sale of shares	—	—	168,700	—	—	—	805	—	—	805
Stock offering costs	—	—	—	—	—	—	(31)	—	—	(31)
Stock-based compensation	—	—	—	—	—	—	3,337	—	—	3,337
Net income	—	—	—	—	—	—	—	—	32,599	32,599
Other comprehensive gain	—	—	—	—	—	—	—	99	—	99
Balance as of March 31, 2026	—	—	15,818,330	2	1,076,257	—	388,759	(191)	(394,719)	(6,149)
Shares issued during the period for vested restricted stock awards	—	—	455,969	—	—	—	—	—	—	—
Sale of shares	—	—	181,452	—	—	—	667	—	—	667
Stock offering costs	—	—	—	—	—	—	(25)	—	—	(25)
Stock-based compensation	—	—	—	—	—	—	2,166	—	—	2,166
Net loss	—	—	—	—	—	—	—	—	(27,124)	(27,124)
Other comprehensive gain	—	—	—	—	—	—	—	119	—	119
Balance as of June 30, 2026	—	—	16,455,751	2	1,076,257	—	391,567	(72)	(421,843)	(30,346)
Shares issued during the period for vested restricted stock awards	—	—	74,052	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	17,117	—	—	—	—	—	—	—
Issuance of common stock upon exercise of warrants	—	—	685,885	—	—	—	2,023	—	—	2,023
Commitment shares issued for equity line of credit	—	—	60,145	—	—	—	171	—	—	171
Sale of shares	—	—	859,190	—	—	—	1,863	—	—	1,863
Stock offering costs	—	—	—	—	—	—	(39)	—	—	(39)
Stock-based compensation	—	—	—	—	—	—	2,101	—	—	2,101
Net income	—	—	—	—	—	—	—	—	6,702	6,702
Other comprehensive gain	—	—	—	—	—	—	—	110	—	110
Balance as of September 30, 2026	—	$ —	18,152,140	$ 2	1,076,257	$ —	$ 397,686	$ 38	$ (415,141)	$ (17,415)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

FTC Solar, Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit) (Continued)
(unaudited)

For the three and nine months ended September 30, 2025:

	Preferred stock		Common stock		Treasury stock					
(in thousands, except shares)	Shares	Amount	Shares	Amount	Shares	Amount	Additional paid-In capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity (deficit)
Balance as of December 31, 2024	—	$ —	12,853,823	$ 1	1,076,257	$ —	$ 367,318	$ (542)	$ (347,741)	$ 19,036
Shares issued during the period for vested restricted stock awards	—	—	209,486	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	5,000	—	—	—	3	—	—	3
Stock-based compensation	—	—	—	—	—	—	280	—	—	280
Net loss	—	—	—	—	—	—	—	—	(3,819)	(3,819)
Other comprehensive gain	—	—	—	—	—	—	—	28	—	28
Balance as of March 31, 2025	—	—	13,068,309	1	1,076,257	—	367,601	(514)	(351,560)	15,528
Shares issued during the period for vested restricted stock awards	—	—	53,708	—	—	—	—	—	—	—
Exercise of warrants	—	—	1,750,000	—	—	—	7,927	—	—	7,927
Stock-based compensation	—	—	—	—	—	—	936	—	—	936
Net loss	—	—	—	—	—	—	—	—	(15,430)	(15,430)
Other comprehensive gain	—	—	—	—	—	—	—	81	—	81
Balance as of June 30, 2025	—	—	14,872,017	1	1,076,257	—	376,464	(433)	(366,990)	9,042
Shares issued during the period for vested restricted stock awards	—	—	65,818	—	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	1,127	—	—	1,127
Net loss	—	—	—	—	—	—	—	—	(23,938)	(23,938)
Other comprehensive gain	—	—	—	—	—	—	—	37	—	37
Balance as of September 30, 2025	—	$ —	14,937,835	$ 1	1,076,257	$ —	$ 377,591	$ (396)	$ (390,928)	$ (13,732)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

FTC Solar, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)

(in thousands)	Nine months ended September 30, 2026	2025
Cash flows from operating activities		
Net income (loss)	$ 12,177	$ (43,187)
Adjustments to reconcile net income (loss) to cash provided by (used in) operating activities:		
Stock-based compensation	7,604	2,343
Depreciation and amortization	1,249	897
(Gain) loss from change in fair value of warrant liability	(59,335)	14,298
Amortization of debt discount and issue costs	7,155	1,385
Paid-in-kind non-cash interest	3,267	1,567
Provision for obsolete and slow-moving inventory	1,467	—
Income from unconsolidated subsidiary	—	(1,344)
Gain from disposal of investment in unconsolidated subsidiary	—	(3,204)
Gain on sale of Atlas	(26)	(140)
Loss on extinguishment of debt	—	173
Warranties issued and remediation added	2,235	2,073
Warranty recoverable from manufacturer	60	271
Credit loss provisions (credits)	16	566
Deferred income taxes	229	425
Lease expense	784	884
Impact on cash from changes in operating assets and liabilities:		
Accounts receivable	(2,003)	(9,875)
Inventories	21	2,489
Prepaid and other current assets	(9,850)	(399)
Other assets	(191)	(344)
Accounts payable	2,823	3,150
Accruals and other current liabilities	33,763	5,696
Deferred revenue	1,500	(898)
Other non-current liabilities	(1,021)	(1,208)
Lease payments and other, net	(847)	(1,034)
Net cash provided by (used in) operations	1,077	(25,416)
Cash flows from investing activities:		
Purchases of property and equipment	(885)	(793)
Proceeds from sale of Atlas software platform	26	140
Proceeds from sale of property and equipment	—	6
Proceeds from disposal of investment in unconsolidated subsidiary	—	3,204
Net cash (used in) provided by investing activities	(859)	2,557
Cash flows from financing activities:		
Proceeds from borrowings	—	35,955
Repayments of borrowings	(7,406)	—
Proceeds from sale of common stock	3,335	—
Stock offering costs paid	(78)	—
Financing costs paid	(465)	(58)
Finance lease principal payments	(24)	—
Proceeds from stock option exercises	—	3
Net cash (used in) provided by financing activities	(4,638)	35,900
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1)	81
Increase (decrease) in cash, cash equivalents and restricted cash	(4,421)	13,122
Cash and cash equivalents at beginning of period	21,105	11,247
Cash, cash equivalents and restricted cash at end of period	$ 16,684	$ 24,369
Supplemental disclosures of cash flow information:		
Purchases of property and equipment included in ending accounts payable and accruals	$ 100	$ 167
Fair value of common stock issued for warrant exercise and equity line of credit commitment	$ 2,023	$ 7,927
Right-of-use asset and lease liability recognition for new operating and finance leases	$ 1,380	$ 526
Paid-in-kind and exit fee non-cash interest added to debt	$ 3,267	$ 1,567
Cash paid during the period for interest	$ 2,268	$ 263
Cash paid during the period for taxes, net of refunds	$ 189	$ 12

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

FTC Solar, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Description of business

FTC Solar, Inc. (the “Company”, “we”, “our”, or “us”) was founded in 2017 and is incorporated in the state of Delaware. In April 2021, we completed an initial public offering ("IPO"), and our common stock currently trades on the Nasdaq Capital Market ("Nasdaq") under the symbol “FTCI”.

We are a global provider of solar tracker systems, supported by proprietary software and value-added engineering services. Solar tracker systems move solar panels throughout the day to maintain an optimal orientation relative to the sun, thereby increasing the amount of solar energy produced at a solar installation. Our one module-in-portrait ("1P") solar tracker system is marketed under the Pioneer brand name ("Pioneer"), and our original two modules-in-portrait ("2P") solar tracker system is marketed under the Voyager brand name (“Voyager”). We also have a mounting solution to support the installation and use of U.S.-manufactured thin-film modules. Our primary software offerings include SUNPATH, which helps customers optimize solar tracking for increased energy production, and our SUNOPS real-time operations management platform. In addition, we have a team of renewable energy professionals available to assist our U.S. and worldwide clients in site layout, structural design, pile testing and other needs across the solar project development and construction cycle. Our products and services provide tracker solutions for large utility-scale solar and distributed generation projects around the world. Our customers are primarily engineering, procurement and construction companies ("EPCs") and we also contract with developers and owners. The Company is headquartered in Austin, Texas, and has international subsidiaries in Australia, China, India, South Africa and Spain.

We are an emerging growth company, as defined in the Jumpstart Our Business Startups (JOBS) Act. Under the JOBS Act, we elected to use the allowed extended transition period to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

2. Summary of significant accounting policies

Basis of presentation and principles of consolidation

The accompanying unaudited Condensed Consolidated Financial Statements include the results of the Company and its wholly owned subsidiaries and have been prepared based on the assumption that the Company will continue as a going concern and are in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial statements and pursuant to Form 10-Q and Article 10 of Regulation S-X. As discussed further in "Liquidity and Going Concern" below, given the Company's current cash balances, subject to (i) a required reduction in the principal amount of our outstanding debt on March 31, 2027, and (ii) required compliance with certain financial covenants applicable to us beginning in 2027, as well as recurring operating losses and cash outflows from operations, management has concluded that there is substantial doubt about the Company's ability to continue as a going concern during the next year.

In the opinion of management, all adjustments of a normal recurring nature have been made that are considered necessary for a fair statement of our financial position as of September 30, 2026 and December 31, 2025, and our results of operations for the three and nine months ended September 30, 2026 and cash flows for the nine months ended September 30, 2026 and 2025. The Condensed Consolidated Balance Sheet as of December 31, 2025 has been derived from the Company’s audited Consolidated Financial Statements but does not include all disclosures required by U.S. GAAP. 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. Intercompany balances and transactions have been eliminated in consolidation.

Certain information and disclosures normally included in the notes to our annual Consolidated Financial Statements prepared in accordance with U.S. GAAP have been omitted from these interim Condensed Consolidated Financial Statements pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Therefore, these unaudited Condensed Consolidated Financial

Statements should be read in conjunction with the Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

We currently operate in one business segment, the manufacturing and servicing of solar tracker systems. See Note 18, "Segment information" below for further discussion.

Liquidity and going concern

We have incurred cumulative operating losses since inception and have had a history of cash outflows from operations in most periods. As of September 30, 2026, we had unrestricted cash on hand of $5.1 million, a working capital deficit of $16.9 million and a stockholders' deficit of $17.4 million.

Third Amendment and Limited Waiver to the Credit Agreement

As described further in Note 11, "Debt", on September 30, 2026, we entered into a Third Amendment and Limited Waiver to our Credit Agreement (the "Third Amendment") pursuant to which the Lenders provided a waiver relating to our failure to timely pay during the third quarter of 2026, the remaining obligations under the Acquisition Notes arising from our purchase of the remaining ownership interest in Alpha Steel. The Third Amendment also (i) deferred the $5.0 million principal reduction to our Credit Agreement, previously due on September 30, 2026, to March 31, 2027; (ii) eliminated the existing financial covenants for the remainder of calendar year 2026, and (iii) established new applicable dates and amounts for the following financial covenants:

- Minimum Unrestricted Cash. The minimum unrestricted cash covenant will not apply until January 4, 2027, at which time we will be required to maintain unrestricted cash balances of $15,000,000 at all times.
- Minimum Revenue. The minimum revenue covenant will not apply until the fiscal quarter ending March 31, 2027 at which time it will be no less than $60,000,000, and at least $75,000,000 for each fiscal quarter thereafter.
- Minimum Consolidated EBITDA. The Consolidated EBITDA covenant will not apply until the fiscal quarter ending March 31, 2027, at which time it will be no less than $2,000,000. Thereafter, we will be required to have at least $25,000,000 of Consolidated EBITDA for the 12 months ending December 31, 2027, and as of the last day of each fiscal year thereafter.
- Minimum Direct Tracker Margin and Purchase Order Amounts. We will also be required to meet minimum specified direct tracker margin and new purchase order amount covenants no earlier than the fiscal quarter ending March 31, 2027, and for each fiscal quarter thereafter.

Equity Line of Credit

As described further in Note 13, "ELOC and ATM programs" below, effective August 4, 2026, we entered into a purchase agreement with Lincoln Park Capital Fund, LLC ("Lincoln Park") to establish an equity line of credit ("ELOC"). Pursuant to the ELOC, we have the right, but not the obligation, in our sole discretion to direct Lincoln Park to purchase shares of our common stock from time to time over a period of up to 24 months for aggregate gross proceeds of up to $20.0 million, subject to the terms, conditions and limitations set forth in the purchase agreement establishing the ELOC. Lincoln Park has no right to require us to sell any shares but is obligated to make purchases of our common stock as directed by us. We also entered into a registration rights agreement with Lincoln Park pursuant to which we filed a registration statement with the U.S. Securities and Exchange Commission ("SEC") covering the resale by Lincoln Park of the shares of common stock that have been and may be issued and sold to Lincoln Park under the ELOC. The registration statement was declared effective on August 18, 2026.

Through September 30, 2026, we sold 859,190 shares of common stock under the ELOC receiving proceeds of approximately $1.9 million.

Conclusion of substantial doubt

Although we have no financial covenants under our Credit Agreement, as amended, for the remainder of calendar year 2026, we do have certain financial covenants that become effective in the first quarter of 2027, some of which are in amounts that exceed our current financial balances and results of operations. In addition, we will be required to make a $5.0 million principal reduction of our outstanding debt on March 31, 2027, while still maintaining a minimum required unrestricted cash balance. In view of our history of operating losses, cash outflows, past failure to meet certain covenants under our financing arrangements and uncertainty as to our ability to fully meet all

financial covenants during the twelve-month period following issuance of our condensed consolidated financial statements, we believe these factors create substantial doubt as to our ability to continue as a going concern. However, the Company is continuing to take steps to increase demand for our products and services, control costs, improve our financial results and to seek additional sources of financing, including fully utilizing our remaining capacity to sell shares of our common stock under the ELOC and obtaining additional financing under the Credit Agreement in the form of Second Delayed Draw Term Loans or through other third-party sources.

Additionally, as a result of the uncertainty as to our ability to fully meet all future financial covenants during the twelve-month period following the date of our condensed consolidated financial statements included in this Quarterly Report, we have classified all outstanding debt under our Credit Agreement as a current obligation at September 30, 2026.

Use of estimates

Preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the period. Estimates are used for calculating the measure of progress of our solar tracker projects and deriving the standalone selling prices of the individual performance obligations when determining amounts to recognize for revenue, estimating allowances for credit losses and slow-moving and obsolete inventory, determining useful lives of long-lived assets and the estimated fair value of those assets for impairment assessments, and estimating the fair value of assets and liabilities acquired in business combinations, investments, warrants, stock compensation awards, warranty liabilities and federal and state taxes, including tax valuation allowances, as well as other contingencies. We base our estimates on historical experience and anticipated results, trends, and various other assumptions that we believe are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from those estimates due to risks and uncertainties.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentration of credit risk are primarily cash and accounts receivable.

We regularly maintain cash balances with various financial institutions that exceed federally insured amounts, but we have experienced no losses associated with these amounts to date. We periodically evaluate the financial health of the financial institutions we use and may take action in future periods, similar to past actions, to reallocate cash balances between financial institutions based on our evaluation.

We extend credit to customers in the normal course of business, often without requiring collateral. We also perform credit analyses and monitor the financial health of our customers to reduce credit risk.

The Company’s accounts receivables are derived from revenue earned from customers primarily located in the United States and Australia. For the periods included in this Quarterly Report, no company locations other than in the United States and Australia accounted for more than 10% of our consolidated revenue. Most of our customers are project developers, solar asset owners and EPC contractors that design and build solar energy projects. We typically rely on a small number of customers that account for a large portion of our revenue each period and our outstanding receivables at each period end.

Cash and cash equivalents

We consider all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Certain of our cash equivalents at times include deposits in money market funds that invest primarily in short-term securities issued or guaranteed by the U.S. government or its agencies or instrumentalities and contain no restrictions on immediate redemption. These deposits totaled over $0.5 million at December 31, 2025 (none at September 30, 2026). Interest earned on cash equivalents is included in interest income in our Condensed Consolidated Statements of Comprehensive Results of Operations.

Restricted cash

We periodically are contractually required to provide cash deposits as collateral for third-party issuance of performance surety bonds relating to specific customer projects. These deposits will be maintained at certain specified levels until released upon completion of all performance obligations under applicable customer contracts. We classify such deposits, and other cash balances which contain restrictions as to their use, as restricted cash in our Condensed Consolidated Balance Sheets.

Accounts receivable, net

Trade receivables are recorded at invoiced amounts, net of allowances for credit losses, and do not bear interest. We generally do not require collateral from our customers; however, in certain circumstances, we may require letters of credit, other collateral, additional guarantees or advance payments.

The allowance for credit losses is based on the lifetime expected credit loss of our customer accounts. To assess the lifetime expected credit loss, we utilize a loss rate method that takes into consideration historical experience and certain other factors, as appropriate, such as credit quality, current economic or other conditions and changes in project status that may affect a customer's ability to pay. Provisions for credit losses are included as a component of our selling and marketing expenses.

Receivables arising from revenue recognized in excess of billings represent our unconditional right to consideration before customers are invoiced due to the level of progress obtained as of period end on our contracts to procure and deliver tracker systems and related equipment. Further information may be found below in our revenue recognition policy.

Inventories

Inventories are stated at the lower of cost or net realizable value, with costs computed on a first-in, first-out basis. The Company periodically reviews its inventories for excess and obsolete items and adjusts carrying costs to estimated net realizable values when they are determined to be less than cost.

Impairment

We review our long-lived assets that are held for use for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable or that its useful life may be shorter than previously expected. If such impairment indicators are present or other factors exist that indicate the carrying amount of the asset may not be recoverable, we determine whether an impairment has occurred through the use of an undiscounted cash flow analysis of the asset at the lowest level for which identifiable cash flows exist. If an impairment has occurred, we recognize a loss for the difference between the carrying amount and the fair value of the asset, which in most cases is estimated based upon Level 3 unobservable inputs. If the asset is determined to have a remaining useful life shorter than previously expected, an adjustment for the shorter remaining life will be made for purposes of recognizing future depreciation expense. Assets are classified as held for sale when we have a plan, approved by the appropriate levels of management, for disposal of such assets, as well as other considerations, and those assets are stated at the lower of carrying value or estimated fair value less estimated costs to sell.

Goodwill

We recognize goodwill as the excess of the purchase price over the estimated fair value of the identified assets and liabilities acquired in a business combination accounted for using the acquisition method. Goodwill is not amortized but is subject to a periodic assessment for impairment at least annually, or whenever events and circumstances indicate an impairment may exist. Our assessments may include qualitative factors such as current or expected industry and market conditions, our overall financial performance, share price trends, market capitalization and other company-specific events.

We operate in one segment, being the consolidated entity, which we have also determined is the reporting unit for goodwill impairment.

No impairment of goodwill was recognized as of September 30, 2026 or during 2025.

Deferred debt discount and issue costs

Legal, consulting, accounting and other fees that are incremental and directly related to issuances of long-term debt, including any discounts on the debt, are capitalized and reflected as a reduction to the principal amount of our outstanding debt. These costs are amortized to interest expense over the term of the debt using the interest method.

Warrants

Warrants issued for the purchase of our common stock are evaluated for liability or equity classification and recorded at fair value upon issuance. Fair value may be determined using a Black-Scholes model or other valuation technique depending on the terms of the warrants, based primarily on Level 2 inputs. Warrants containing clauses that could require settlement in cash or with other assets are reflected as liabilities whereas warrants that may only be settled with the issuance of our common stock are reflected as a component of our equity. Warrants classified as liabilities are adjusted to current fair value at the end of each reporting period with changes reflected in our results of operations. Legal, consulting, accounting and other fees that are incremental and directly related to the issuance of warrants are expensed as incurred for warrants classified as liabilities or shown as a reduction to the value of our warrants as reflected in our equity.

Warranty

Typically, the sale of solar tracker projects includes parts warranties to customers as part of the overall price of the product. We provide standard assurance type warranties for our products for periods generally ranging from five to ten years. We also accrue for costs relating to remediation efforts involving product issues we believe require correction. We record a provision for estimated warranty and remediation expenses in cost of sales, net of amounts recoverable from manufacturers under their warranty obligations to us. When historical claims information relating to our equipment is not sufficient, we will base our estimates on industry studies involving the nature and frequency of product failure rates for similar parts used by our competitors, as well as other related businesses. We do not maintain general or unspecified reserves; all warranty reserves are related to specific projects. All actual or estimated material costs incurred for warranty or remediation services in subsequent periods are charged to those established reserves.

While we periodically monitor our warranty activities and claims, if actual costs incurred were to be different from our estimates, we would recognize adjustments to our warranty reserves in the period in which those differences arise or are identified.

Stock-based compensation

We recognize compensation expense for all share-based payment awards made, including stock options and restricted stock units ("RSUs"), based on the estimated fair value of the award on the grant date. We calculate the fair value of stock options using the Black-Scholes option pricing model for awards with service-based vesting or through use of a lattice model or a Monte Carlo simulation for stock options and RSU awards with market conditions. The fair value of RSUs with only service or performance-based vesting is based on the estimated fair value of the Company's common stock on the date of grant. We consider the closing price of our stock, as reported on Nasdaq, to be the fair value of our stock on the grant date.

Forfeitures are accounted for as they occur. For service-based awards, stock-based compensation is recognized using the straight-line attribution approach over the requisite service period. For performance-based awards, stock-based compensation is recognized based on graded vesting over the requisite service period when the performance condition is probable of being achieved. Stock compensation expense for market-based awards is recognized over the derived service period determined in the valuation model, inclusive of any vesting conditions.

Revenue recognition

Product revenue is derived from the sale of solar tracker systems and customized components for those systems, individual part sales for certain specific transactions and the sale of term-based software licenses. Term-based licensed software is deployed on the customers' own servers and has significant standalone functionality.

Service revenue includes revenue from shipping and handling services, engineering consulting and pile testing services, our subscription-based enterprise licensing model and maintenance and support services in connection with the term-based software licenses. Our subscription-based enterprise licensing model typically has contract terms ranging from one to two years and consists of subscription fees from the licensing of subscription services. Our hosted on-demand service arrangements do not provide customers with the right to take possession of the software supporting the hosted services. Support services include ongoing security updates, upgrades, bug fixes, and maintenance.

We recognize revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which we expect to be entitled to in exchange for those goods or services by following a five-step process: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to

the performance obligations in the contract, and (5) recognize revenue when or as the Company satisfies a performance obligation, as further described below.

Identify the contract with a customer: A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the products and services to be transferred and identifies the payment terms related to these products and services, (ii) the contract has commercial substance, and (iii) the Company determines that collection of substantially all consideration for products and services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. In assessing the recognition of revenue, we also evaluate whether two or more contracts should be combined and accounted for as one contract and if the combined or single contract should be accounted for as multiple performance obligations which could change the amount of revenue and profit (loss) recorded in a period. Change orders may include changes in specifications or design, manner of performance, equipment, materials, scope of work, and/or the period of completion of the project. We analyze change orders to determine if they should be accounted for as a modification to an existing contract or a new stand-alone contract.

Contracts we enter into with our customers for sale of solar tracker systems are generally under two different types of arrangements: (1) purchase agreements and equipment supply contracts ("Purchase Agreements"), and (2) sale of individual parts for those systems.

Change orders from our customers that are deemed to be modifications to existing contracts are included in the total estimated contract revenue when it is probable that the change order will result in additional value that can be reliably estimated and realized.

Identify the performance obligations in the contract: We enter into contracts that can include various combinations of products and services, which are either capable of being distinct and accounted for as separate performance obligations or as one performance obligation since the majority of tasks and services are part of a single project or capability. However, determining whether products or services are considered distinct performance obligations that should be accounted for separately versus together may sometimes require significant judgment.

Our Purchase Agreements typically include two performance obligations: 1) our solar tracker systems or customized components of those systems, and 2) shipping and handling services. The deliverables included as part of our solar tracker systems are predominantly accounted for as one performance obligation, as these deliverables are part of a combined promise to deliver a project.

The revenue for shipping and handling services will be recognized over time based on progress in meeting shipping terms of the arrangements, as this faithfully depicts the Company's performance in transferring control. Revenue for stand-alone engineering consulting and pile testing services is recognized at a point in time upon completion of the services performed.

Sales of individual parts of our solar tracker systems for certain specific transactions include multiple performance obligations consisting of individual parts of those systems. Revenue is recognized for parts sales at a point in time when the obligations under the terms of the contract with our customer are satisfied. Generally, this occurs with the transfer of control of the asset, which is in line with shipping terms.

Determine the transaction price: The transaction price is determined based on the consideration to which we will be entitled in exchange for transferring services to the customer. Such amounts are typically stated in the customer contract, and to the extent that we identify variable consideration, we will estimate the variable consideration at the onset of the arrangement as long as it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Other than with respect to the impact of changes in tariff rates, the majority of our contracts do not contain variable consideration provisions as a continuation of the original contract. None of our contracts contain a significant financing component. Taxes collected from customers and remitted to governmental authorities are not included in revenue.

Allocate the transaction price to performance obligations in the contract: Once we have determined the transaction price, we allocate the total transaction price to each performance obligation in a manner depicting the amount of consideration to which we expect to be entitled in exchange for transferring the good(s) or service(s) to the customer. We allocate the transaction price to each performance obligation identified in the contract on a relative standalone selling price basis.

We use the expected cost-plus margin approach based on hardware, labor, and related overhead cost to estimate the standalone selling price of our solar tracker systems, customized components of those systems, and individual parts for certain specific transactions. We also use the expected cost-plus margin approach based on expected third-party shipping and transportation costs to estimate the standalone

selling price of our shipping, handling and logistics performance obligations. We use the adjusted market assessment approach for all other performance obligations.

Recognize revenue when or as the Company satisfies a performance obligation: For each performance obligation identified, we determine at contract inception whether we satisfy the performance obligation over time or at a point in time. The performance obligations in the contracts for our solar tracker systems and customized components of those systems are satisfied over time as work progresses, utilizing an input measure of progress determined by cost-to-cost measures on these projects as this faithfully depicts our performance in transferring control. Additionally, our performance does not create an asset with an alternative use, due to the highly customized nature of the product, and we have an enforceable right to payment for performance completed to date. Our performance obligations for individual part sales for certain specific transactions are recognized at a point in time as and when control transfers based on the terms for the contract. Our performance obligations for engineering consulting and pile testing services are recognized at a point in time upon completion of the services. Our performance obligations for term-based software licenses are recognized at a point in time as and when control transfers, either upon delivery to the customer or the software license start date, whichever is later. Our performance obligations for shipping and handling services are satisfied over time as the services are delivered over the term of the contract. We recognize revenue for subscription and other services on a straight-line basis over the contract period. With regard to support revenue, a time-elapsed method is used to measure progress because we transfer control evenly over the contractual period. Accordingly, the fixed consideration related to support revenue is generally recognized on a straight-line basis over the contract term.

Impact of changes in tariffs on our revenue recognition: In cases where our existing contracts have legally enforceable terms that allow us to pass the increased cost of tariffs to our customers automatically, any change in the transaction price will be accounted for as a change in our estimate of variable consideration and allocated to our performance obligations on the same basis as our initial allocation at contract inception. Where price changes resulting from tariffs need to be separately negotiated and agreed to with our customers, we will apply contract modification guidance once the modification is enforceable. We will also take into account tariff rates in effect at each period end in measuring our progress toward satisfaction of our performance obligations in recognizing revenue.

Contract assets and liabilities: The timing of revenue recognition, billing, and cash collection results in the recognition of accounts receivable, unbilled receivables for revenue recognized in excess of billings, and deferred revenue in the Condensed Consolidated Balance Sheets. We have elected to use the practical expedient of expensing incremental costs of obtaining a contract for our contracts of less than one year in duration. We may receive advances or deposits from our customers before revenue is recognized, resulting in contract liabilities, which are reflected as “deferred revenue” in our Condensed Consolidated Balance Sheets. Customer deposits are short term as the related performance obligations are typically fulfilled within 12 months. Changes in deferred revenue relate to fluctuations in the timing of customer deposits and completion of performance obligations. Approximately $0.1 million and $5.1 million of revenue was recognized during the three and nine months ended September 30, 2026, respectively, from amounts included in deferred revenue at December 31, 2025, which totaled approximately $7.2 million. Approximately $5.3 million of revenue was recognized during the nine months ended September 30, 2025 (none for the three months ended September 30, 2025) from amounts included in deferred revenue at December 31, 2024, which totaled $5.3 million.

Cost of revenue consists primarily of costs related to raw materials, equipment manufacturing activities, net of incentives earned, freight and delivery, tariffs, product warranty, remediation and personnel costs (salaries, bonuses, benefits, and stock-based compensation). Personnel costs in cost of revenue include both direct labor costs, as well as costs attributable to any individuals whose activities relate to the procurement, installment and delivery of the finished product and services. Cost of revenue owed but not yet paid is recorded as accrued cost of revenue in the accompanying Condensed Consolidated Balance Sheets. Deferred cost of revenue, a component of our prepaid and other current assets, results from the timing differences between the costs incurred in advance of the satisfaction of all revenue recognition criteria consistent with our revenue recognition policy.

Customs duty refunds

During 2026, the United States Supreme Court determined that tariffs paid under the International Emergency Economic Powers Act ("IEEPA") were not authorized and therefore invalid. As a result, and in consideration of other rulings by the United States Court of International Trade ("CIT"), United States Customs and Border Protection ("CBP") began a process of refunding tariffs previously paid. We account for refund claims submissions made when recovery is considered probable and reasonably estimable. Refunds of tariffs previously paid are accounted for as receivables and a reduction in our cost of revenue upon recognition. Depending on contractual terms with our customers, certain refunds may also be reflected as a liability, with an offsetting impact on project revenue recognized.

Inflation Reduction Act of 2022 (“IRA”)

The IRA was enacted into law on August 16, 2022, and provides for various clean energy credits, including Advanced Manufacturing Production Credits under Section 45X (“45X Credits”) for eligible parts, including torque tubes and structural fasteners. We receive the benefit of the 45X Credits earned by our wholly owned subsidiary Alpha Steel as products are manufactured. Utilizing guidance in IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, we recognize the benefits of these reductions as they are earned during the manufacturing process and reflect them as other receivables, as we frequently monetize the amounts due, and as a reduction in our cost of revenue.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act, which accelerated the phase-out and termination of various eligible federal tax credits enacted as part of the IRA.

Accounting standards adopted in current period

Effective January 1, 2026, we adopted on a prospective basis Accounting Standards Update ("ASU") 2025-05, Financial Instruments - Credit Losses (Topic 326). In connection with the adoption of this new standard, we elected to utilize the practical expedient to assume that current conditions as of the balance sheet date will persist through a reasonable and supportable forecast period when adjusting historical data to be used in the estimation of credit losses. There was no material impact on the Company's financial condition or results of operations upon adoption.

Recent accounting pronouncements not yet adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-09 - Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 requires companies to disclose (i) additional categories of information about federal, state and foreign income taxes above a quantitative threshold in their rate reconciliation table and (ii) income taxes paid, net of refunds, disaggregated by federal, state and foreign taxes for annual periods, as well as other disclosure changes. As an emerging growth company, we are not required to adopt ASU 2023-09 prior to our annual reporting for the year ending December 31, 2026, although earlier adoption is permitted. We are currently evaluating the impact of ASU 2023-09 on our existing income tax disclosures and the method of adoption.

In November 2024, the FASB issued ASU 2024-03 - Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-04). ASU 2024-03 requires companies to disclose additional specific information including, among other things, (a) purchases of inventory, (b) employee compensation, (c) depreciation, and (d) intangible asset amortization included in each of its expense captions disclosed on the face of its results of operations statement, as well as total selling expenses. As clarified in ASU 2025-01, we are currently required to adopt ASU 2024-03 for our annual reporting effective December 31, 2027 and in our quarterly reporting beginning in 2028.

In May 2025, the FASB issued ASU 2025-04, Compensation - Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606). This new guidance applies to all entities that issue share-based consideration to a customer that is within the scope of Topic 606. The guidance revises the definition of a performance condition to include conditions based on a customer's purchases and eliminates the policy election allowing grantors to account for forfeitures of customer awards as they occur. It also clarifies that the guidance on constraining estimates of variable consideration does not apply to share-based consideration payable to a customer. We are currently required to adopt this new standard on either a modified retrospective or a retrospective basis beginning in the first quarter of 2027. We are evaluating the impact, if any, on the Company upon adoption and have made no determination at this time regarding the method of adoption to be used.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832) ("ASU 2025-10"). This new guidance establishes the accounting for a government grant received by a business entity, including guidance for (i) a grant related to an asset and (ii) a grant related to income. The standard is effective for public business entities for annual reporting periods beginning after December 15, 2028 and, for other than public business entities, for annual reporting periods beginning after December 15, 2029. We are currently evaluating this standard in relation to our current accounting treatment of 45X Credits described above and are assessing the available transition methods for adopting this new standard.

Other standards that have been issued but not yet adopted as of September 30, 2026, are either not applicable to us or are not expected to have any material impact upon adoption.

3. Accounts receivable, net

Accounts receivable consisted of the following:

(in thousands)	September 30, 2026	December 31, 2025
Trade receivables	$ 13,976	$ 22,722
Revenue recognized in excess of billings	39,487	30,889
Other receivables	7,353	5,201
Total	60,816	58,812
Allowance for credit losses	(3,086)	(3,069)
Accounts receivable, net	$ 57,730	$ 55,743

Other receivables at September 30, 2026 and December 31, 2025 primarily relate to 45X Credits earned in connection with manufacturing activity by our wholly owned subsidiary, Alpha Steel.

Approximately $12.3 million of net accounts receivable at September 30, 2026 are related to certain large projects that have been deferred or are in dispute and have been outstanding for more than a year ($15.5 million at December 31, 2025). We are continuing to seek resolution with our customers to collect the amounts owed to us and have taken into consideration what we ultimately expect to recover in our estimate of the allowance for credit losses. Actual results could differ from our estimates.

Activity in the allowance for credit losses during the three and nine months ended September 30, 2026 and 2025 was as follows:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2026	2025	2026	2025
Balance at beginning of period	$ 3,031	$ 1,909	$ 3,069	$ 1,717
Amounts charged to earnings during the period	54	374	16	566
Translation	1	—	1	—
Balance at end of period	$ 3,086	$ 2,283	$ 3,086	$ 2,283

4. Inventories

Inventories consisted of the following:

(in thousands)	September 30, 2026	December 31, 2025
Raw materials	$ 950	$ 452
Work in process	—	227
Finished goods	8,622	9,443
Allowance for slow-moving and obsolete inventory	(1,433)	(495)
Total	$ 8,139	$ 9,627

Activity in the allowance for slow-moving and obsolete inventory during the nine months ended September 30, 2026 was as follows:

	Nine months ended September 30,	
(in thousands)	2026	2025
Balance at beginning of period	$ 495	$ 516
Additions charged to earnings	1,467	—
Write-offs of obsolete inventory	(529)	—
Balance at end of period	$ 1,433	$ 516

5. Prepaid and other current assets

Prepaid and other current assets consisted of the following:

(in thousands)	September 30, 2026	December 31, 2025
Vendor deposits	$ 16,064	$ 6,393
Prepaid expenses	721	656
Prepaid taxes	1,095	789
Deferred cost of revenue	354	360
Other current assets	2,791	3,096
Total	$ 21,025	$ 11,294

At September 30, 2026 and December 31, 2025, other current assets included $2.0 million for a non-interest-bearing customer advance related to pre-project construction financing activities. This advance is secured by certain customer assets and is currently due.

6. Leases

Operating leases

We lease office and warehouse space in various locations, including in the United States, India and Australia. Additionally, we lease space for research and development facilities in both Seguin, Texas and India. We also sub-lease the Alpha Steel facility. Apart from Alpha Steel, the remainder of our manufacturing is outsourced to contract manufacturing partners, and we currently do not own or lease any of those outsourced manufacturing facilities. These leases are accounted for as operating leases.

Our expense for our operating leases consisted of the following:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2026	2025	2026	2025
Operating lease cost	$ 256	$ 290	$ 784	$ 884
Short-term lease cost	282	70	852	218
Total operating lease cost	$ 538	$ 360	$ 1,636	$ 1,102
Reported in:				
Cost of revenue	$ 332	$ 191	$ 1,193	$ 562
Research and development	42	25	98	58
Selling and marketing	28	21	59	68
General and administrative	136	123	286	414
Total operating lease cost	$ 538	$ 360	$ 1,636	$ 1,102

Finance lease

During 2026, we entered into a five-year lease for certain equipment for our Alpha Steel manufacturing facility. The lease agreement provides for a $1 cash purchase option at the end of the lease term. We have accounted for this lease as a financing lease. At September 30, 2026, the unamortized portion of our finance right-of-use asset and the remaining portion of our finance lease liability totaled approximately $0.4 million each. Right-of-use lease amortization and interest on the finance lease liability were not material for the three and nine months ended September 30, 2026.

Future remaining operating and finance lease payment obligations were as follows:

(in thousands)	As of September 30, 2026	
	Operating leases	Finance lease
Remainder of 2026	$ 189	$ 26
2027	731	105
2028	351	105
2029	322	105
2030	299	104
Thereafter	69	43
Total lease payments	1,961	488
Less: imputed interest	(463)	(49)
Present value of lease liabilities	$ 1,498	$ 439
Current portion of lease liability	$ 551	$ 105
Noncurrent lease liability	947	334
Present value of lease liabilities	$ 1,498	$ 439

7. Property and equipment, net

Property and equipment consisted of the following:

(in thousands)	September 30, 2026	December 31, 2025
Leasehold improvements	$ 1,017	$ 696
Plant and field equipment	2,598	2,600
Information technology equipment	1,042	876
Tooling	2,800	2,347
Capitalized software	1,332	1,301
Total	8,789	7,820
Accumulated depreciation	(5,239)	(4,027)
Property and equipment, net	$ 3,550	$ 3,793

Depreciation expense for the three and nine months ended September 30, 2026, totaled $0.4 million and $1.2 million, respectively. Depreciation expense for the three and nine months ended September 30, 2025, totaled $0.3 million and $0.9 million, respectively.

8. Goodwill

During the nine months ended September 30, 2026 and 2025, activity in our goodwill balance was as follows:

(in thousands)	Nine months ended September 30,	
	2026	2025
Balance at beginning of period	$ 7,444	$ 7,139
Translation	304	173
Balance at end of period	$ 7,748	$ 7,312

9. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	September 30, 2026	December 31, 2025
Accrued cost of revenue	$ 49,974	$ 16,156
Accrued compensation	3,227	2,699
Accrued interest	216	399
Other accrued expenses	3,308	4,516
Total accrued expenses	$ 56,725	$ 23,770
Warranty reserves	$ 11,049	$ 10,357
Current portion of operating lease liability	551	404
Current portion of finance lease liability	105	—
Non-federal tax obligations (collections), net	1,691	(36)
Total other current liabilities	$ 13,396	$ 10,725

Other accrued expenses primarily include amounts due for (i) customs duties owed to CBP, (ii) legal costs associated with outstanding corporate or legal matters and (iii) other professional services.

Activity by period in the Company's warranty accruals was as follows:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2026	2025	2026	2025
Balance at beginning of period	$ 11,607	$ 11,810	$ 11,913	$ 11,904
Warranties issued and remediation added during the period	1,128	459	2,235	2,073
Settlements made during the period	(378)	(616)	(1,508)	(1,857)
Changes in liability for pre-existing warranties	1	(160)	(282)	(627)
Balance at end of period	$ 12,358	$ 11,493	$ 12,358	$ 11,493

	As of	
	September 30, 2026	September 30, 2025
Warranty accruals are reported in:		
Other current liabilities	$ 11,049	$ 9,728
Other non-current liabilities	1,309	1,765
Balance at end of period	$ 12,358	$ 11,493

10. Income taxes

For the three and nine months ended September 30, 2026, we recorded income tax expense of $0.21 million and $0.62 million, respectively. For the three and nine months ended September 30, 2025, we recorded income tax expense of $0.04 million and $0.34 million, respectively. These amounts for each period were lower than the statutory rate of 21%, primarily due to a valuation allowance established against the U.S. deferred tax assets.

We have had no material change in our unrecognized tax benefits since December 31, 2025. We recognize accrued interest and penalties related to unrecognized tax benefits as a component of income tax expense. As of September 30, 2026, and December 31, 2025, we had no accrued interest or penalties related to unrecognized tax benefits.

11. Debt

(in thousands)	September 30, 2026	December 31, 2025
Acquisition notes	$ —	$ 2,681
Principal amount of term loans and A&R promissory note	52,979	55,171
Accrued exit fee	427	—
Less: discount and deferred loan costs	(28,626)	(35,250)
Total debt, net	24,780	22,602
Less: short-term debt	(24,780)	(12,681)
Long-term debt, net	$ —	$ 9,921

Acquisition Notes

The Acquisition Notes incurred in connection with our acquisition of 100% of the Membership Interests in Alpha Steel in November 2025, were paid in full during 2026, including accrued but unpaid interest at a rate of 3.64% per annum.

Credit Agreement and New Warrants

We entered into a Credit Agreement, effective July 2, 2025 (the "Original Credit Agreement:"), with various lenders (the "Lenders") and Acquiom Agency Services LLC, as Administrative Agent.

On November 11, 2025 we entered into a First Amendment to Credit Agreement to amend certain of the financial covenants applicable to us and in connection with our agreement to acquire 100% of the membership interests in Alpha Steel. On March 23, 2026, we entered into the Second Amendment pursuant to which the Lenders provided a waiver relating to our breach of the purchase order covenant for the fiscal quarter ended December 31, 2025 and agreed to amend certain then existing financial covenants under the Credit Agreement. Additionally, in connection with the Second Amendment, we agreed to repay a portion of the principal amount outstanding under the Credit Agreement in various installments, including a $5.0 million principal payment due on September 30, 2026.

On September 30, 2026, we entered into a Third Amendment and Limited Waiver to our Credit Agreement (the “Third Amendment”) pursuant to which the Lenders provided a waiver relating to our failure to timely pay during the third quarter of 2026, the remaining obligations under the Acquisition Notes arising from our purchase of the remaining ownership interest in Alpha Steel. The Third Amendment also (i) deferred the $5.0 million principal reduction to our Credit Agreement, previously due on September 30, 2026, to March 31, 2027; (ii) eliminated the existing financial covenants for the remainder of calendar year 2026, and (iii) established new applicable dates and amounts for the following financial covenants:

- Minimum Unrestricted Cash. The minimum unrestricted cash covenant will not apply until January 4, 2027, at which time we will be required to maintain unrestricted cash balances of $15,000,000 at all times.
- Minimum Revenue. The minimum revenue covenant will not apply until the fiscal quarter ending March 31, 2027 at which time it will be no less than $60,000,000, and at least $75,000,000 for each fiscal quarter thereafter.
- Minimum Consolidated EBITDA. The Consolidated EBITDA covenant will not apply until the fiscal quarter ending March 31, 2027, at which time it will be no less than $2,000,000. Thereafter, we will be required to have at least $25,000,000 of Consolidated EBITDA for the 12 months ending December 31, 2027, and as of the last day of each fiscal year thereafter.
- Minimum Direct Tracker Margin and Purchase Order Amounts. We will also be required to meet minimum specified direct tracker margin and new purchase order amount covenants no earlier than the fiscal quarter ending March 31, 2027, and for each fiscal quarter thereafter.

The Original Credit Agreement, as amended, is referred to throughout as the "Credit Agreement".

The Credit Agreement provides for a senior secured term facility of up to $75 million, consisting of (i) Initial Term Loans and First Delayed Draw Term Loans (both as defined in the Credit Agreement) that were funded during 2025 in an aggregate principal amount of $37.5 million, and (ii) up to $37.5 million principal amount of Second Delayed Draw Term Loans (as defined in the Credit Agreement) that may be requested by the Company and approved by the Lenders in their sole discretion (collectively, with the Initial Term Loans and the First Delayed Draw Term Loans, the "Term Loans"). The Term Loans currently outstanding are scheduled to mature on July 2, 2029.

Upon entering into the Credit Agreement, we also issued warrants (the "New Warrants") to the Lenders for an aggregate 6,836,237 shares of our common stock. The New Warrants are (i) exercisable at any time through July 2, 2035, at an exercise price of $0.01 per share, and (ii) accounted for as a long-term liability, based on terms that could require cash settlement upon the occurrence of a contingent change in control event. On August 5, 2026, certain holders exercised 688,121 warrants under a net settlement option with respect to the exercise price, receiving 685,885 shares of our common stock in return. Warrants for 6,148,116 shares of our common stock remain outstanding as of September 30, 2026.

In the event of a change of control of the Company, a holder of the New Warrants may, at its option, elect to exercise its New Warrants or exercise a repurchase option that requires the Company to repurchase its New Warrants upon the consummation of the change of control for a cash amount equal to the Black Scholes Value (as defined in the New Warrants). Additionally, the New Warrants provide each holder with a pro rata purchase right (based on the total number of shares of common stock held by a holder and the number of shares issuable upon exercise of the New Warrants) in the event the Company issues any equity securities, convertible securities or rights, options or warrants to purchase equity securities, subject to customary exceptions and conditions. The New Warrants include other customary terms and provisions, including adjustment provisions relating to stock splits, stock dividends, reclassifications and other recapitalization events.

Key terms

The Term Loans bear interest at 12.00% per annum. A portion of the interest equal to 7.00% per annum is being capitalized and added as paid-in-kind interest and will increase the outstanding principal amount of the Term Loans. The remainder of the interest will be paid in cash at the end of each fiscal quarter. Upon the occurrence and during the continuation of certain events of default under the Credit Agreement ("Events of Default") or upon the election of certain required Lenders during the occurrence and continuation of any Event of Default, the interest rate applicable to the Term Loans will be increased by a 7.00% default interest rate, which would be capitalized and added to the principal amount of the debt.

In addition to the required principal payment under the Third Amendment, the Credit Agreement also provides for the mandatory prepayment of the indebtedness and other obligations outstanding under the Credit Agreement and other applicable loan documents upon the occurrence of certain events (including in connection with a change in control of the Company) and upon acceleration following an Event of Default (an "Exit Fee Event"). If an Exit Fee Event occurs, the Company shall pay an exit fee (the "Exit Fee") equal to (x) the aggregate amount of all Term Loans extended by the Lenders under the Credit Agreement, multiplied by (y) the Exit Fee Percentage, minus (z) the amount of interest paid in cash by the Company prior to the Exit Fee Event, where the "Exit Fee Percentage" equals 25% in connection with a change of control transaction, or otherwise equals 50%.

As a result of the principal payment required on March 31, 2027 under the terms of the Third Amendment, we now estimate an Exit Fee of approximately $2.3 million will be owed upon the originally stated maturity of the debt, in addition to the repayment upon originally stated maturity of any outstanding principal under the Term Loans, plus accrued and unpaid interest. We are accreting each period, as additional interest expense using the interest method, an amount for the expected exit fee obligation that we estimate will be due on July 2, 2029. The amount accrued as of September 30, 2026 for the exit fee obligation is reflected as a component of our total debt balance.

The Credit Agreement includes customary repayment and prepayment terms, affirmative and negative covenants and representations and warranties, including restrictions on payment of dividends and other covenants.

The Company and certain of its subsidiaries from time-to-time party thereto guarantee the obligations under the Credit Agreement and other Loan Documents. In addition, such obligations are secured by a first priority lien on substantially all tangible and intangible property of the Company and the guarantors and pledges of the equity of certain Company subsidiaries, in each case subject to certain exceptions, limitations and exclusions for the collateral.

Financial covenants

The financial covenants pursuant to the Third Amendment are described above under the section "Credit Agreement and New Warrants".

At September 30, 2026, there were no applicable financial covenants under the Credit Agreement that the Company was required to be in compliance with.

As a result of factors that are outside of our control in terms of timing of customer project activity and new awards, including the resulting revenue and cash flows, there is currently uncertainty as to our ability to fully meet all financial covenants during the twelve-month period following the date of the consolidated financial statements included in this Quarterly Report. Accordingly, we have classified all outstanding debt under our Credit Agreement as a current obligation as of September 30, 2026. Should future actual results, including near-term operating and capital raising activities prove to be sufficient, we will reconsider the classification of our debt when appropriate.

Senior Notes and Original Warrants

On December 4, 2024, we entered into a Securities Purchase Agreement with an institutional investor as the purchaser under the Securities Purchase Agreement (the "Investor"). Pursuant to the Securities Purchase Agreement, we sold, and the Investor purchased, $15.0 million in principal amount of senior secured promissory notes (the "Senior Notes") and warrants exercisable for 1,750,000 shares of our common stock (the " Original Warrants") (the "Offering").

Pursuant to the terms of the Senior Notes, we elected to increase the outstanding principal amount of the Senior Notes by an amount of interest at a rate of 13% per annum ("paid-in-kind" interest) capitalized semiannually on the final business day in June and December of each year. As a result, our outstanding principal balance of the Senior Notes was approximately $16.1 million as of July 2, 2025. The Senior Notes were initially secured by substantially all of our assets.

The Original Warrants issued in the Offering were exercised on June 30, 2025 at an exercise price of $0.10 per share, in return for the issuance of 1,750,000 shares of our common stock. We had previously determined liability classification for the Original Warrants was required based on terms that could require cash settlement upon the occurrence of a contingent change in control event.

Changes in the number and value of our Original and New Warrants were as follows:

	Nine months ended September 30,			
	2026		2025	
	Number of warrants	Value ($000's)	Number of warrants	Value ($000's)
Beginning balance	6,836,237	$ 74,515	1,750,000	$ 9,520
Exercise of Original Warrants	—	—	(1,750,000)	(7,752)
Issuance of New Warrants under the Credit Agreement	—	—	6,836,237	32,061
Exercise of New Warrants	(688,121)	(2,023)	—	—
Change in fair value of warrant liability	N/A	(59,335)	N/A	14,298
Ending balance	6,148,116	$ 13,157	6,836,237	$ 48,127

Amendment to the Securities Purchase Agreement and Senior Notes

In connection with the Credit Agreement, the Investor entered into a Subordination Agreement, dated July 2, 2025 (the "Subordination Agreement"). Pursuant to the Subordination Agreement, the Investor agreed to the subordination of all indebtedness owed by the Company to the Investor, including under the Senior Notes issued by the Company to the Investor on December 4, 2024, to the indebtedness and obligations owed under the Credit Agreement and the other applicable loan documents.

Also, in connection with the Credit Agreement and the Subordination Agreement, the Company and Investor entered into an Amended and Restated Promissory Note, dated July 2, 2025 (the "A&R Promissory Note"). The A&R Promissory Note amends and restates the original Senior Notes to remove the seniority terms of those notes, conform the original Senior Notes to the terms of the Credit Agreement and the Subordination Agreement, amend certain prepayment and make-whole terms under the original Senior Notes, delete certain covenants and event of default terms, reduce the interest rate under the original Senior Notes to 5% per annum paid in cash and 7% per annum paid in kind, both on the final business day of June and December in each year, and to delete the financial covenants set forth in the original Senior Notes. As a result of an amendment to the Securities Purchase Agreement entered into on July 2, 2025 (the "Securities Purchase Agreement Amendment"), among other things, the Investor agreed to release all liens and guarantees securing the obligations under the Senior Notes, the Securities Purchase Agreement, and the A&R Promissory Note. The A&R Promissory Note also (i) provides for additional interest to be capitalized and added to the principal amount of the debt at a rate of 5% per annum upon the occurrence and continuation of certain events of default and (ii) was originally scheduled to mature on January 2, 2030.

Interest

Total interest expense recognized during the three and nine months ended September 30, 2026 was $4.3 million and $12.5 million, respectively. Total interest expense recognized during the three and nine months ended September 30, 2025 was $2.0 million and $3.4 million, respectively. The effective interest rate for our debt, including accretion of the exit fee obligation and amortization of the discount and deferred loan costs, is approximately 31%.

12. Commitments and contingencies

We may become involved in various claims, lawsuits, investigations, and other proceedings arising in the normal course of business. We accrue a liability when information available prior to the issuance of our Condensed Consolidated Financial Statements indicates it is probable that a loss has been incurred as of the date of the Condensed Consolidated Financial Statements, and the amount of loss can be reasonably estimated. If the reasonable estimate of the probable loss is a range, we record an accrual for the most likely estimate of the loss, or the low end of the range if there is no one best estimate. We adjust our accruals to reflect the impact of negotiation, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case. Legal costs are expensed as incurred.

United States Customs and Border Protection assessment

In March of 2023, United States Customs and Border Protection ("CBP") issued notices of tariff assessment that indicated an action taken at the Import Specialist (i.e., the port) level with respect to merchandise imported from Thailand under entry number 004-1058562-5 (the “625 Assessment”) and entry number 004-1063793-9 (the “Original 939 Assessment”, and collectively with the 625 Assessment, the “Original CBP Assessments”). The Original CBP Assessments related to certain torque beams that are used in our Voyager+ product that were imported in 2022. In the Original CBP Assessments, CBP asserted that Section 301 China tariffs, Section 232 steel and aluminum tariffs, and antidumping and countervailing duties applied to the merchandise. Based on correspondence received to date from CBP, including a recent partial acceptance by CBP of our protest on the 625 Assessment as described below, and our calculations based on applicable duty and tariff rates, the 625 Assessment is currently estimated at approximately $0.07 million. In September of 2023, CBP informed us that the amount owed under the Original 939 Assessment was being revised downward to approximately $2.01 million (the "Revised 939 Assessment", and together with the 625 Assessment, the "Revised CBP Assessments"). In particular, CBP accepted our position that the Section 301 tariffs of 25% or 7.5% of the value of the merchandise, depending on tariff classification, as well as the antidumping and countervailing duties, previously assessed under the Original 939 Assessment are not applicable as they are only applicable to articles that are products of China and that, in this case, the finished goods are products of Thailand.

CBP legally finalized both Revised CBP Assessments. We filed a formal protest for the 625 Assessment in September of 2023 and for the Revised 939 Assessment in March of 2024. On February 11, 2026, CBP partially approved our protest of the 625 Assessment, which resulted in a $131,000 refund of duties and fees. We were notified on March 18, 2026, that CBP had denied our protest of the Revised 939 Assessment. Based on the denial by CBP, we accrued approximately $2.7 million, inclusive of interest, in our consolidated financial results for the year ended December 31, 2025. Through September 30, 2026, we had tendered approximately $1.5 million of the claimed liability to CBP and currently are operating under an informal arrangement with CBP to make weekly payments of at least $50,000 through the end of the first quarter of 2027, with a final payment due afterwards to fully settle the remaining obligation.

Customer litigation

On June 11, 2025, FTC Solar, Inc. filed a lawsuit against BayWa r.e. Power Solutions, Inc. ("BayWa") in the United States District Court for the Western District of Texas (Civil Action No. 25-cv-00905-DAE). The complaint alleges breach of contract arising from BayWa’s purported cancellation of a large equipment supply agreement and purchase order for custom solar tracking systems intended for a Texas-based solar energy project. The parties engaged in a formal dispute resolution process, including pre-suit mediation without success. On August 25, 2025, BayWa filed an answer to FTC's complaint and asserted certain counterclaims against FTC. On September 15, 2025, FTC filed a response to BayWa's counterclaims. Discovery is now complete. While FTC believes it has meritorious claims and intends to vigorously pursue recovery, the outcome of litigation is inherently uncertain, and it is unclear at this time whether FTC or BayWa will recover the amounts sought in their respective claims or whether the outcome would materially affect FTC's financial condition or results of operations.

Pending arbitration

On or about April 3, 2026, FTC Solar, Inc. was named as one of several respondents in an arbitration pending before the American Arbitration Association commenced by CO Buffalo Flats, LLC and GC Solar TE 2020 Holdings LLC (the "Claimants") relating to a utility-scale solar project (the "Project"). The proceeding was originally brought against the Project's engineering, procurement and construction contractor, Depcom Power, Inc., and its surety, Travelers Casualty and Surety Company of America; the Claimants subsequently added claims against FTC, which supplied tracker systems for the Project, and against the Project's module supplier, HT Solar Enerji Anonim Sirketi. The Claimants allege that defects in the Project's solar arrays resulted in damage to photovoltaic ("PV") modules and structural failure of tracker systems and seek damages from the respondents collectively in excess of $30 million. The Claimants have not allocated the alleged damages among the respondents.

FTC disputes that its products were defective or caused the alleged damage, believes it has meritorious defenses, and intends to defend the matter vigorously. The proceeding is at an early stage, and FTC is unable at this time to estimate the amount or range of any reasonably possible loss.

13. ELOC and ATM programs

Equity line of credit (ELOC)

On August 4, 2026, we entered into a purchase agreement with Lincoln Park to establish an ELOC. Pursuant to the ELOC, we have the right, but not the obligation, in our sole discretion to direct Lincoln Park to purchase shares of our common stock from time to time over a period of up to 24 months for aggregate gross proceeds of up to $20.0 million, subject to the terms, conditions and limitations set forth in the purchase agreement. Lincoln Park has no right to require us to sell any shares but is obligated to make purchases of our common stock as directed by us. As consideration for Lincoln Park's commitment to purchase shares, we issued to Lincoln Park 60,145 fully earned shares of our common stock at no cost (the "Commitment Shares").

The purchase price per share we receive will generally be equal to 97% of the lower of (i) the lowest sale price of our common stock on the applicable purchase date and (ii) the average of the three lowest closing sale prices of our common stock during the ten consecutive business days immediately preceding the applicable purchase date. Pursuant to the terms of the ELOC, purchases of our common stock may be effected as frequently as each business day, subject to certain limitations on the number of shares to be purchased, providing the closing price of our common stock on Nasdaq is not less than $1.00 per share We are currently limited to being able to sell up to 3,290,604 shares of our common stock (or approximately 19.99% of our outstanding shares immediately prior to entering into the ELOC), unless stockholder approval is obtained to exceed that amount, as required by Nasdaq listing rules.

We determined the ELOC is an equity-linked arrangement that provides us with the ability to issue shares of our common stock in the future at our option. As the ELOC does not require net cash settlement, we account for the proceeds received from sales of our common stock as equity issuances based on the value of the proceeds received. The fair value of the Commitment Shares issued to Lincoln Park to establish the ELOC have been reflected as a deferred stock issuance cost which is being amortized to additional paid-in-capital in a ratio equal to the amount of proceeds received from the individual sales of our common stock divided by the $20.0 million original available capacity.

Through September 30, 2026, we sold 859,190 shares of common stock under the ELOC receiving proceeds of approximately $1.9 million. We are utilizing the net proceeds received from sales of our common stock for general corporate purposes, including working capital and operating expenses.

ATM program

On May 16, 2025, we filed an amendment to replace an existing Form S-3 shelf registration statement relating to (a) the issuance and sale from time to time in one or more transactions, of up to $65 million in aggregate of our common stock, preferred stock, debt securities and warrants and (b) an at the market ("ATM") offering prospectus covering the offering, issuance and sale of up to a maximum aggregate offering price of approximately $13.75 million of our common stock that may be sold under our ATM program.

On May 1, 2025, we entered into a sale agreement with H.C. Wainwright & Co. LLC (the "Sale Agreement") relating to the sale from time to time of shares of our common stock in accordance with the terms of the Sale Agreement having an aggregate offering price that does not exceed the number or dollar amount of shares of common stock that we may register from time to time for the ATM program, or approximately $13.75 million.

Sales of newly issued shares of our common stock under the ATM program were as follows:

	Nine months ended September 30, 2026		Nine months ended September 30, 2025	
	Number of shares	Amount ($000's)	Number of shares	Amount ($000's)
Sales of newly issued shares of common stock	350,152	$ 1,472	—	$ —
Less: fees incurred	—	(39)	—	—
Total	350,152	$ 1,433	—	$ —

We utilized the net proceeds received from offerings under the ATM program for general corporate purposes, including working capital and operating expenses.

At September 30, 2026, approximately $7.6 million remained available for sale under the existing Sale Agreement and prospectus for the ATM program, however, we have no current plans to continue to utilize the capacity remaining available under the ATM program.

There can be no assurance regarding the price at which we will be able to sell shares of our common stock in the future, whether under the ELOC or other securities offerings, and any sales of our common stock may be at prices that result in additional dilution to our existing stockholders

14. Stock-based compensation

Stock-based compensation expense for each period was as follows:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2026	2025	2026	2025
Cost of revenue	$ 286	$ 247	$ 1,578	$ 738
Research and development	63	58	350	176
Selling and marketing	43	37	212	87
General and administrative	1,709	785	5,464	1,342
Total stock compensation expense	$ 2,101	$ 1,127	$ 7,604	$ 2,343

15. Reduction in force

During the three months ended September 30, 2026, in order to align headcount with the Company's strategic focus to adjust our overhead costs and activities to better address current customer needs and to take advantage of continued process efficiencies, we reduced our headcount by 17 employees, or approximately 7% of our then existing workforce.

At September 30, 2026, we had an accrual for remaining unpaid termination benefits totaling approximately $0.1 million.

Additionally, during the three months ended March 31, 2025, we incurred similar costs primarily relating to restructuring efforts involving headcount which began in late 2024.

In connection with our realignment and restructuring efforts, we recognized severance and termination-related costs as follows:

(in thousands)	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Cost of revenue	$ 196	$ —	$ 196	$ 34
Research and development	68	—	68	—
Selling and marketing	167	—	167	141
General and administrative	44	—	44	—
Total	$ 475	$ —	$ 475	$ 175

16. Related party transactions

On November 11, 2025, we entered into a Membership Interest Purchase Agreement with the Selling Members of Alpha Steel pursuant to which we agreed to acquire all of their membership interests, effective November 12, 2025. Prior to November 12, 2025, we held a 45% interest in Alpha Steel, which was accounted for under the equity method of accounting and during which time Alpha Steel was considered a related party.

As of September 30, 2026 and December 31, 2025, Alpha Steel was consolidated into our financial results as a wholly owned subsidiary and all intercompany balances as of those dates had been eliminated in consolidation, including Alpha Steel's intercompany results of operations for the three and nine months ended September 30, 2026.

During the three and nine months ended September 30, 2025, we received invoices from Alpha Steel for purchases totaling $5.0 million and $12.6 million, respectively.

17. Net income (loss) per share

($ in thousands)	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Net income (loss) for basic calculation	$ 6,702	$ (23,938)	$ 12,177	$ (43,187)
Less: decrease in fair value of warrants	(19,480)	—	(59,335)	—
Net loss for diluted calculation	$ (12,778)	$ (23,938)	$ (47,158)	$ (43,187)
Weighted average shares outstanding for calculating basic income (loss) per share	17,084,491	14,899,638	16,239,464	13,626,800
Add: Assumed exercise of warrants	6,388,590	—	6,680,033	—
Weighted average shares outstanding for calculating diluted loss per share	23,473,081	14,899,638	22,919,497	13,626,800
Basic income (loss) per share	$ 0.39	$ (1.61)	$ 0.75	$ (3.17)
Diluted loss per share	$ (0.54)	$ (1.61)	$ (2.06)	$ (3.17)

For purposes of computing diluted loss per share, weighted average common shares outstanding do not include potentially dilutive securities that are anti-dilutive, as shown below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Anti-dilutive securities excluded from calculating dilutive loss per share:				
Shares of common stock issuable under stock option plans outstanding	180,664	206,405	201,905	206,405
Shares of common stock issuable upon vesting of RSUs	2,877,101	1,997,547	3,127,760	1,997,547
Shares of common stock issuable upon exercise of outstanding warrants	—	6,836,237	—	6,836,237
Potential common shares excluded from diluted net loss per share calculation	3,057,765	9,040,189	3,329,665	9,040,189

18. Segment information

We currently operate in one business segment, the manufacturing and servicing of solar tracker systems. We consider our segment results to be the same as our consolidated results and our segment accounting policies to be the same as those described in Note 2, "Summary of significant accounting policies" above.

We report our revenue based on the products and services we provide. Product revenue is derived from the sale of solar tracker systems and customized components for those systems, individual part sales for certain specific transactions and the sale of term-based software licenses. Service revenue includes revenue from shipping and handling services, engineering consulting and pile testing services, our subscription-based enterprise licensing model and maintenance and support services in connection with the term-based software licenses.

Based on certain significant period cost information regularly provided to our Chief Operating Decision Maker, following is a reconciliation of such costs to our consolidated net income (loss) for the three and nine months ended September 30, 2026 and 2025:

	Three months ended September 30,		Nine months ended September 30,	
($ in thousands)	**2026**	**2025**	**2026**	**2025**
Revenue:				
Product	$ 32,185	$ 20,061	$ 66,352	$ 54,130
Service	628	5,969	9,883	12,696
Total revenue	32,813	26,030	76,235	66,826
Cost of revenue				
Product	31,397	18,550	69,810	57,537
Service	(485)	5,886	7,985	15,061
Total cost of revenue	30,912	24,436	77,795	72,598
Gross profit (loss)	1,901	1,594	(1,560)	(5,772)
Less: significant segment period costs:				
Stock-based compensation expense	(1,815)	(880)	(6,026)	(1,605)
Personnel costs (excluding stock-based compensation)	(4,391)	(3,663)	(13,528)	(11,489)
Credit loss credits (provisions)	(54)	(374)	(16)	(566)
Other segment expenses[(1)]	(4,181)	(4,382)	(13,195)	(10,332)
Interest expense	(4,292)	(1,988)	(12,521)	(3,430)
Interest income	99	6	109	17
Gain from disposal of investment in unconsolidated subsidiary	—	—	—	3,204
Gain on sale of Atlas	—	90	26	140
Gain (loss) from change in fair value of warrant liability	19,480	(16,066)	59,335	(14,298)
Loss on extinguishment of debt	—	(173)	—	(173)
Other income, net	165	35	175	110
Income from unconsolidated subsidiary	—	1,907	—	1,344
Provision for income taxes	(210)	(44)	(622)	(337)
Net income (loss)	$ 6,702	$ (23,938)	$ 12,177	$ (43,187)
Supplemental information:				
Indirect personnel costs (excluding stock-based compensation) in cost of revenue	$ 2,024	$ 2,464	$ 7,185	$ 7,422
Total depreciation and amortization expense	$ 430	$ 289	$ 1,249	$ 897
Capital expenditures	$ 14	$ 525	$ 885	$ 793
Total assets at period end	$ 119,044	$ 111,525	$ 119,044	$ 111,525

(1) Other segment expenses include research and development material and lab expenditures, professional services, marketing, employee travel, facility, insurance, depreciation and amortization and certain other period costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements and related notes included in Item 1 of this Form 10-Q and along with information included in our 2025 Annual Report. In addition to historical financial information, the following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from such forward-looking statements. Factors that could cause or contribute to those differences include, but are not limited to, those identified below and those discussed in Part I, Item 1A. "Risk Factors" included in our 2025 Annual Report. Additionally, our historical results are not necessarily indicative of the results that may be expected in any future period.

This discussion and analysis of our financial condition and results of operations contains the presentation of Adjusted EBITDA, Adjusted Net Loss and Adjusted EPS, which are not presented in accordance with U.S. GAAP. Adjusted EBITDA, Adjusted Net Loss and Adjusted EPS are being presented because they provide the Company and readers of this Form 10-Q with additional insight into our operational performance relative to earlier periods and relative to our competitors. We do not intend Adjusted EBITDA, Adjusted Net Loss and Adjusted EPS to be substitutes for any U.S. GAAP financial information. Readers of this Form 10-Q should use Adjusted EBITDA, Adjusted Net Loss and Adjusted EPS only in conjunction with Net Income (Loss) and Net Income (Loss) per Share, the most comparable U.S. GAAP financial measures. Reconciliations of Adjusted EBITDA, Adjusted Net Loss and Adjusted EPS to Net Income (Loss) and Net Income (Loss) per Share, the most comparable U.S. GAAP measures, are provided in "Non-GAAP Financial Measures" below.

Overview

FTC Solar, Inc. (the "Company", "we", "our", or "us") was founded in 2017 and is incorporated in the state of Delaware. In April 2021, we completed an initial public offering ("IPO"), and our common stock currently trades on the Nasdaq Capital Market ("Nasdaq") under the symbol "FTCI".

We are a global provider of solar tracker systems, supported by proprietary software and value-added engineering services. Solar tracker systems move solar panels throughout the day to maintain an optimal orientation relative to the sun, thereby increasing the amount of solar energy produced at a solar installation. Our one module-in-portrait ("1P") solar tracker system is marketed under the Pioneer brand name ("Pioneer"), and our original two modules-in-portrait ("2P") solar tracker system is marketed under the Voyager brand name ("Voyager"). We also have a mounting solution to support the installation and use of U.S.-manufactured thin-film modules. Our primary software offerings include SUNPATH, which helps customers optimize solar tracking for increased energy production, and our SUNOPS real-time operations management platform. In addition, we have a team of renewable energy professionals available to assist our U.S. and worldwide clients in site layout, structural design, pile testing and other needs across the solar project development and construction cycle. Our products and services provide tracker solutions for large utility-scale solar and distributed generation projects around the world. Our customers are primarily engineering, procurement and construction companies ("EPCs") and we also contract with developers and owners. The Company is headquartered in Austin, Texas, and has international subsidiaries in Australia, China, India, South Africa and Spain.

We are an emerging growth company, as defined in the Jumpstart Our Business Startups (JOBS) Act. Under the JOBS Act, we elected to use the allowed extended transition period to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

Key Factors Affecting Our Performance

Project Timing. Our level of manufacturing and logistics activity, and thus our revenue, can be significantly impacted by delays or changes in the expected timing of customer project development activity. In recent periods our customers have encountered delays in beginning or continuing project development caused by interconnection issues, including permit delays, equipment shortages, obtaining project financing at acceptable levels and addressing uncertainty in changes in government regulations, as described further below. Due to our limited number of large customers, such delays in project development activity can have a material impact on our quarterly and annual consolidated financial results.

Government Regulations. Changes in the U.S. trade environment, including the imposition of import tariffs, antidumping and countervailing duties ("AD/CVD") investigations and the Uyghur Forced Labor Prevention Act ("UFLPA"), which became effective in June 2022, can have an impact on the timing of developer projects. The UFLPA resulted in new rules for module importers and reviews by U.S. Customs and Border Protection ("CBP"). There continues to be challenges in achieving full compliance with UFLPA, whether related

to sufficient traceability of materials or other factors. Escalating trade tensions, particularly between the United States and China, have led to increased tariffs and trade restrictions, including tariffs applicable to certain raw materials and components for our products. We have taken measures with the intention of mitigating the effect of tariffs and the impact of AD/CVD and UFLPA on our business by reducing our reliance on China and enhancing our U.S.-based supply chain, including through our acquisition of Alpha Steel.

In 2019, 90% of our supply chain was sourced from China. As of September 30, 2026, we have qualified suppliers outside of China for certain of our commodities and we continue to work to have second-source capability for all Chinese-manufactured components to help reduce the extent to which our supply chain for U.S.-based projects is subject to existing tariffs and to be able to quickly address potential future regulatory and governmental policy changes. We have entered into partnerships with manufacturers based in the United States, India, South Africa, Spain, Turkey, Thailand and Vietnam to diversify our supply chain and optimize costs.

On June 6, 2022, President Biden issued an Executive Order allowing U.S. solar deployers to import solar modules and cells from Cambodia, Malaysia, Thailand and Vietnam free from certain duties for 24 months, along with other incentives designed to accelerate U.S. domestic production of clean energy technologies. This moratorium ended in June 2024. The U.S. International Trade Administration and the U.S. International Trade Commission completed a sunset review in October 2024 and decided to continue existing AD/CVD orders on CSPV cells/modules from China resulting in longstanding China tariffs remaining in force. In April 2025, the U.S. Department of Commerce issued final determinations concluding that producers and exporters in Cambodia, Malaysia, Thailand and Vietnam were dumping and/or receiving countervailing subsidies resulting in high tariff rates now applying to many Chinese-owned manufacturers operating in these countries. Also, on September 11, 2026, the U.S. Department of Commerce issued final affirmative determinations in the "Solar IV" investigation covering crystalline silicon photovoltaic cells from India, Indonesia, and Laos imposing very high duty rates on solar imports from those countries.

Additionally, on June 3, 2026, President Trump signed an Executive Order, "Strengthening Customs Enforcement" (Executive Order 14411) which directs the U.S. Department of Homeland Security and CBP to take steps to tighten oversight of importers, increase penalties for violations, strengthen anti-fraud measures, and improve duty collection. It is currently uncertain what impact this Executive Order may have, if any, on our ability to import materials needed for our products.

On April 5, 2025, the United States imposed a universal 10% "reciprocal" tariff on most imports into the United States, excluding certain products and certain qualifying imports from Canada and Mexico. Throughout 2025, tariff rates continued to change and fluctuate as negotiations continued between the United States and various countries. As an example, the United States increased the reciprocal tariff rate on China from 10% to 125%, in addition to other tariffs of 20% imposed on China earlier in 2025 and the Section 301 tariffs imposed on many Chinese-origin products during the first Trump Administration, and China imposed a retaliatory 125% tariff on goods imported from the United States in response. In May 2025, the U.S. and China agreed to a 90-day rollback whereby the United States cut the Chinese levies from 145% to 30% and China lowered the duties on U.S. goods from 125% to 10%, effective May 14, 2025. This rollback period was subsequently extended through November 10, 2026. New reciprocal tariffs were also announced on selected countries that were well above the universal 10% tariff rate. On February 20, 2026, the U.S. Supreme Court rejected the Trump Administration's use of IEEPA as a basis for the imposition of tariffs and, as a result of that ruling, the U.S. government implemented mechanisms allowing importers to seek recovery of tariffs previously imposed under IEEPA authorities and has begun making refunds. Following the ruling by the U.S. Supreme Court, the Trump Administration announced it would utilize authority under Section 122 of the Trade Act of 1974 to implement tariffs of up to 15% for a limited period of time without U.S. Congressional approval and may ultimately replace such tariffs with longer-lasting authority under Section 301 of the Trade Act. On May 7, 2026, the U.S. Court of International Trade (the "CIT") held that Proclamation 11012, which imposed the Section 122 tariffs, was invalid. The U.S. government appealed the decision and on June 11, 2026, the Federal Court stayed the CIT decision pending appeal, allowing for CBP to continue to collect the tariffs. On August 6, 2026, the Trump Administration announced the results of a Section 232 investigation into polysilicon and solar products, concluding that dependence on imported polysilicon and downstream solar components posed a national security concern. It was announced a 15% tariff will apply to imported solar wafers, cells and modules, regardless of country of origin, beginning December 4, 2026. As of the filing of this Quarterly Report, matters involving tariffs continue to evolve and change. Depending on the terms of our existing contracts with customers, we may not in all cases be able to fully recover the increased cost for delivery of tracker systems currently being manufactured for our customers by our international vendors due to higher tariffs currently in place or that may be imposed in the future, which has and may continue to impact our expected profitability under certain contracts. Imposition of new or higher tariffs could also adversely affect the amount or timing of our future revenue, results of operations or cash flows.

The most notable incentive program impacting our U.S. business has historically been the ITC for solar energy projects, which allows taxpayers to offset their U.S. federal income tax liability by a certain percentage of their cost basis in solar energy systems placed in service for commercial use, subject to compliance with applicable prevailing wage and apprenticeship requirements. The Inflation Reduction Act of 2022 ("IRA"), passed by the U.S. Congress and signed into law by then-President Biden on August 16, 2022, expanded and extended the tax credits and other tax benefits available to solar energy projects and the solar energy supply chain. U.S. manufacturers of specific solar components also became eligible to claim production tax credits under Section 45X of the Internal Revenue Code of 1986, as amended, which was established as part of the IRA and is a per-unit tax credit earned for each clean energy component manufactured domestically and sold by a manufacturer. Our acquisition of Alpha Steel allows us to continue for a longer period of time to obtain benefits of lower product costs as a result of the production tax credit program.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act, which accelerated the phase-out and termination of various eligible federal tax credits enacted as part of the IRA.

The reduction, elimination or expiration of government incentives for, or regulations mandating the use of, as well as corporate commitments to the use of renewable energy and solar energy specifically, could reduce demand for solar energy systems and harm our business, financial condition and results of operations.

Disruptions in Transportation and Supply Chain. Our costs are affected by the costs of certain components and materials, such as steel, motors and microchips, as well as transportation costs. Capacity constraints, particularly with regard to U.S. manufactured steel output, current market conditions, extreme adverse weather events and international conflicts may constrain the supply of materials and disrupt the flow of materials from international vendors, which could impact the cost of our products and services, along with overall rates of inflation in the global economy. For example, the war with Iran has led to recent increases in the price of oil which can affect transportation costs we are required to pay for delivery of materials to our customers that we may not be able to recover under the terms of our contracts. While inflation rates and certain costs have moderated in recent years, the overall level of various other costs, including fuel costs, continues to fluctuate and be elevated. Although we don't believe inflation has had a material impact on our results as presented in this report, such cost increases and decreases could impact our future operating margins, if material.

We have taken steps to expand and diversify our manufacturing partnerships and have adjusted our modes of transportation to mitigate the impact of headwinds that might arise in the global supply chain and logistics markets. We continue to monitor the logistics markets and will continue to evaluate our use of various modes of transportation when warranted to optimize our transportation costs. We also intend to maintain our focus on our design-to-value initiative to continue to improve margins by reducing the manufacturing and material costs of our products.

Megawatts ("MW") Produced and MW Shipped and Average Selling Price ("ASP"). The primary operating metrics we use to evaluate our sales performance and to track market acceptance of our products are the change in quantity of MW produced and MW shipped from period to period. MW are measured for each individual project and are calculated based on the expected output of that project once installed and fully operational. We also utilize metrics related to price and cost of goods sold per watt, including the change in ASP from period to period and cost per watt. ASP is calculated by dividing product and service revenue by total watts produced or shipped and product and service cost per watt is calculated by dividing product or service costs of revenue by total watts produced or shipped. These metrics enable us to evaluate trends in pricing, manufacturing and logistics costs and profitability. Events such as the COVID-19 pandemic, global inflation rates, high interest rates and international conflicts have in the past impacted and may continue to impact the U.S. economy, global supply chains, and our business. These impacts can cause significant project development and shipping delays and cost increases, as well as offsetting ASP increases, and also raise the price of inputs like steel and logistics, affecting our cost per watt. Competitive tracker pricing pressures can also impact our ASP, and thus our profitability, by limiting our ability to raise prices to offset cost increases.

Investment in Technology and Personnel. We invest in both the people and technology behind our products. We intend to continue making investments in the technology for our products and expansion of our patent portfolio to attract and retain customers, expand the capabilities and scope of our products, and enhance user experience. As an example, during 2025, we (i) introduced a dual row configuration for our 1P Pioneer tracker for improved slope tolerance and working with complex project landscapes, (ii) released our Pioneer+ High Wind tracker, which is engineered to withstand wind speeds up to 150 miles per hour, and (iii) launched an automated 80° high angle stow capability in our Pioneer trackers to provide improved protection in hail-prone regions.

In addition, we intend over time to make additional investments to attract and retain employees in key positions, including sales leads, engineers, software developers, quality assurance personnel, supply chain personnel, product management, and operations personnel, to help us drive further efficiencies across our marketplace and, in the case of sales leads, to continue to enhance and diversify our sales capabilities, including international expansion.

Impact of Climate Change. Climate change has primarily impacted our business operations by increasing demand for solar power generation and, as a result, for use of our products. The U.S. Energy Information Administration, in its October 2026 Short-Term Energy Outlook, indicates that solar remains one of the fastest-growing generation sources in the U.S. power mix and estimates that solar generation, as a percent of total U.S. electricity generation, will continue to increase during 2026 and 2027, in relation to prior years.

While climate change has not resulted in any material negative impact to our operations to date, we recognize the risk of disruptions to our supply chain due to extreme weather events. This, among other things, has led us to expand the diversity of our supplier base and to partner with more local suppliers to reduce shipping and transportation needs. We are also increasingly partnering with larger scale steel producers rather than smaller suppliers to facilitate scaling of our operations while remaining conscious of the environmental impacts of steel manufacturing as the regulatory landscape around these high-emitting industries evolves. An example of this strategy is our acquisition of Alpha Steel.

We also attempt to mitigate the climate-related risks from the use of our products by designing our equipment and systems to have a high-slope tolerance and wind mitigation capabilities, while at the same time reducing the required foundation/pile count needed. This allows our trackers to be installed in increasingly hostile environments with minimal disturbance to the surrounding land.

Liquidity. See "Liquidity and Capital Resources" below for a discussion of the impact of the items above on our liquidity position.

Key Components of Our Results of Operations

The following discussion describes certain line items in our Condensed Consolidated Statements of Comprehensive Results of Operations.

Revenue

Revenue from the sale of our solar tracker systems and customized components of those systems is recognized over time, as work progresses, utilizing an input measure of progress determined by cost incurred to date relative to total expected cost on these projects to correlate with our performance in transferring control over the tracker systems and their components. Revenue from the sale of individual parts is recognized at a point in time as and when control transfers based on the terms of the contract. Revenue from sale of term-based software licenses is recognized upon transfer of control to the customer. Revenue for shipping and handling services is recognized over time based on progress in meeting shipping terms of the arrangements. Revenue for stand-alone engineering consulting and pile testing services is recognized at a point in time upon completion of the services performed. Subscription revenue, which is derived from our subscription-based enterprise licensing model, and support revenue, which is derived from ongoing security updates and maintenance, are generally recognized on a straight-line basis over the term of the contract.

Our customers include project developers, solar asset owners and EPCs that design and build solar energy projects. For each individual solar project, we enter into a contract with our customers covering the price, specifications, delivery dates and warranty for the products being purchased, among other things. Our contractual delivery period for our solar tracker systems and related parts can vary depending on the size of the project and availability of vessels and other means of delivery. Contracts can range in value from tens of thousands to tens of millions of dollars.

Our revenue is affected by changes in the volume and ASP of our solar tracking systems purchased by our customers and volume of sales of software products and engineering services, among other things. The ASP of our solar tracker systems and volume of sales is driven by the supply of, and demand for, our products, changes in product mix, geographic mix of our customers, strength of competitors' product offerings, import tariffs and other import restrictions, supply chain issues and availability of government incentives to the end-users of our products. Additionally, our revenue may be impacted by seasonality due to cold weather, which can cause variability in site construction activity.

For the periods included in this Quarterly Report, no company locations other than in the United States and Australia accounted for more than 10% of our consolidated revenue. Our revenue growth is dependent on continued growth in the number of solar tracker projects and engineering services we win in competitive bidding processes and growth in our software sales each year, as well as our ability to increase our market share in each of the geographies in which we currently compete, expand our global footprint to new emerging markets, grow our production capabilities to meet demand and continue to develop and introduce new and innovative products that address the changing technology and performance requirements of our customers, among other things.

Cost of revenue and gross profit (loss)

In certain cases, we subcontract with third-party manufacturers to manufacture and deliver our products directly to our customers, although with our acquisition of Alpha Steel, we now have the ability to manufacture and deliver certain products to our domestic customers seeking U.S.-based content. Our product costs are affected by the underlying cost of raw materials procured by Alpha Steel and our other contract manufacturing partners, including steel and aluminum; component costs, including electric motors and gearboxes; technological innovation in manufacturing processes; and our ability to achieve economies of scale resulting in lower component costs. We do not currently hedge against changes in the price of raw materials, but we continue to explore opportunities to mitigate the risks of foreign currency and commodity fluctuations through the use of hedges and foreign exchange lines of credit. Some of these costs, primarily personnel, are not directly affected by sales volume.

During the three and nine months ended September 30, 2026 and 2025, we added new employees in certain areas in response to current project activity levels. Certain of our headcount changes also reflect a shift of our employee base to more cost-effective markets with exceptional talent. Our gross profit may vary period-to-period due to changes in our headcount, ASP, product costs, product versus service mix, customer mix, geographical mix, shipping methods, warranty costs and seasonality.

Operating expenses

Operating expenses consist of research and development expenses, selling and marketing expenses and general and administrative expenses. Personnel-related costs are the most significant component of our operating expenses and include salaries, benefits, bonuses, commissions and stock-based compensation expenses.

Our operating costs have been impacted by (i) changes in headcount as described above, (ii) our level of research activities to originate, develop and enhance our products, (iii) our sales and marketing efforts as we expand our outreach to existing customers and seek to identify new opportunities domestically and internationally, (iv) changes in our estimates of credit losses relating to certain specific customers, and (v) variations in legal and professional fees, compliance costs, insurance, facility costs and other costs associated with strategic changes in response to changing market conditions and other matters.

Results of Operations - Three Months Ended September 30, 2026 Compared to Three Months Ended September 30, 2025

	Three months ended September 30,			
	2026		2025	
(in thousands, except percentages)	Amounts	Percentage of revenue	Amounts	Percentage of revenue
Revenue:				
Product	$ 32,185	98.1%	$ 20,061	77.1%
Service	628	1.9%	5,969	22.9%
Total revenue	32,813	100.0%	26,030	100.0%
Cost of revenue:				
Product	31,397	95.7%	18,550	71.3%
Service	(485)	(1.5%)	5,886	22.6%
Total cost of revenue	30,912	94.2%	24,436	93.9%
Gross profit	1,901	5.8%	1,594	6.1%
Operating expenses				
Research and development	930	2.8%	1,228	4.7%
Selling and marketing	2,248	6.9%	1,672	6.4%
General and administrative	7,263	22.1%	6,399	24.6%
Total operating expenses	10,441	31.8%	9,299	35.7%
Loss from operations	(8,540)	(26.0%)	(7,705)	(29.6%)
Interest expense	(4,292)	(13.1%)	(1,988)	(7.6%)
Interest income	99	0.3%	6	0.0%
Gain on sale of Atlas	—	0.0%	90	0.3%
Gain (loss) from change in fair value of warrant liability	19,480	59.4%	(16,066)	(61.7%)
Loss on extinguishment of debt	—	0.0%	(173)	(0.7%)
Other income, net	165	0.5%	35	0.1%
Income from unconsolidated subsidiary	—	0.0%	1,907	7.3%
Income (loss) before income taxes	6,912	21.1%	(23,894)	(91.8%)
Provision for income taxes	(210)	(0.6%)	(44)	(0.2%)
Net income (loss)	$ 6,702	20.4%	$ (23,938)	(92.0%)

Revenue

We generate our revenue in two streams – Product revenue and Service revenue. Product revenue is derived from the sale of solar tracker systems and customized components for those systems, individual part sales for certain specific transactions and the sale of term-based software licenses. Service revenue includes revenue from shipping and handling services, engineering consulting and pile testing services, our subscription-based enterprise licensing model and maintenance and support services in connection with the term-based software licenses.

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Product	$ 32,185	$ 20,061	$ 12,124	60.4%
Service	628	5,969	(5,341)	(89.5)%
Total revenue	$ 32,813	$ 26,030	$ 6,783	26.1%

Product revenue

The increase in product revenue for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, was primarily due to an increase of 107% in the amount of MW produced due mainly to project size and timing, including a large new project underway during 2026 in Australia. This was partially offset by a decrease of 22% in ASP for the three months ended September 30, 2026, resulting from project mix changes as compared to the three months ended September 30, 2025.

Service revenue

The decrease in service revenue for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily resulted from (i) a decrease of 76% in logistics activity levels due to timing of shipments and (ii) the impact of IEEPA refunds contractually due to customers.

Cost of revenue and gross profit

Cost of revenue consists primarily of costs related to raw materials, equipment manufacturing activities, net of incentives earned, freight and delivery, tariffs, product warranty, remediation and personnel costs (salaries, bonuses, benefits, and stock-based compensation). Personnel costs in cost of revenue include both direct labor costs, as well as costs attributable to any individuals whose activities relate to the procurement, installment and delivery of the finished product and services.

Gross profit may vary from period-to-period and is primarily affected by our ASP, product costs, timing of tracker production and delivery, customer mix, geographical mix, shipping method, logistics costs, warranty costs, indirect cost control efforts and seasonality.

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Product	$ 31,397	$ 18,550	$ 12,847	69.3%
Service	(485)	5,886	(6,371)	(108.2)%
Total cost of revenue	$ 30,912	$ 24,436	$ 6,476	26.5%
Gross profit	$ 1,901	$ 1,594	$ 307	19.3%
Gross profit percentage of revenue	5.8%	6.1%		

The increase in total cost of revenue for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, was primarily driven by an increase of 107% in MW produced and the inclusion of additional costs for Alpha Steel as Alpha Steel is now a wholly owned subsidiary. This was partially offset by (i) a decrease of 76% in logistics activity levels, (ii) lower tariffs and (iii) the collection of IEEPA refunds relating to payment of past tariffs and customs duties, which resulted in a credit in service cost of revenue for the three months ended September 30, 2026.

Our gross margin percentage of revenue for the three months ended September 30, 2026 was a positive 5.8%, compared to a positive 6.1% for the three months ended September 30, 2025.

We had positive gross margin for the three months ended September 30, 2026 due mainly to product revenue margins and the impact of IEEPA refunds, partially offset by additional provisions for slow-moving and obsolete inventory.

We had positive gross margin for the three months ended September 30, 2025 due mainly to product revenue margins, whereas service margins were mostly flat.

Research and development

Research and development expenses consist primarily of salaries, employee benefits, stock-based compensation expense and travel expense related to our engineers performing research and development activities to originate, develop and enhance our products. Additional expenses include consulting charges, component purchases and other costs for performing research and development on our software products.

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Research and development	$ 930	$ 1,228	$ (298)	(24.3%)

The decrease in research and development expenses for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, was almost entirely due to lower costs for certification and testing based on timing relating to such activities. Research and development expenses as a percentage of revenue were 2.8% for the three months ended September 30, 2026, as compared to 4.7% for the three months ended September 30, 2025.

Selling and marketing

Selling and marketing expenses consist primarily of salaries, employee benefits, stock-based compensation expense and travel expense related to our sales and marketing and business development personnel. Additionally, selling and marketing expenses include costs associated with professional fees and support charges for software subscriptions and licenses, trade shows and conventions.

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Selling and marketing	$ 2,248	$ 1,672	$ 576	34.4%

The increase in selling and marketing expenses for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, was primarily attributable to (i) higher payroll costs of $0.7 million due to higher average headcount levels, higher commissions and costs associated with a reduction in force, and (ii) higher legal fees of $0.2 million. This was partially offset by lower credit loss provisions of $0.3 million. Selling and marketing costs as a percentage of revenue were 6.9% for the three months ended September 30, 2026, compared to 6.4% for the three months ended September 30, 2025.

General and administrative

General and administrative expenses consist primarily of salaries, employee benefits, stock-based compensation expense and travel expense related to our executives, finance team, and administrative employees. It also consists of legal, consulting, and professional fees, rent and lease expense pertaining to our headquarters and international offices, business insurance costs and certain other costs.

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
General and administrative	$ 7,263	$ 6,399	$ 864	13.5%

The increase in general and administrative expenses for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, was primarily attributable to (i) higher stock-based compensation expense of $0.9 million as a result of new award grants during the fourth quarter of 2025, and (ii) higher facility and office costs of $0.2 million. This was partially offset by lower professional service costs of $0.3 million, largely attributable to reduced legal and consulting fees. General and administrative expenses as a percentage of revenue were 22.1% for the three months ended September 30, 2026, compared to 24.6% for the three months ended September 30, 2025.

Interest expense

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Interest expense	$ 4,292	$ 1,988	$ 2,304	115.9%

Interest expense is related mainly to our outstanding debt and consisted of the following:

	Three Months Ended September 30,	
	2026	2025
Amortization of debt discount and issue costs	$ 2,457	$ 958
Paid-in-kind and exit fee non-cash interest added to debt	1,123	566
Interest paid in cash during the period	482	248
Change in accrued interest from the beginning of the period	216	212
Interest on finance lease obligation	7	—
Interest included in accounts payable and other at period end	7	4
Total interest expense	$ 4,292	$ 1,988

Gain (loss) from change in fair value of warrant liability

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Gain (loss) from change in fair value of warrant liability	$ 19,480	$ (16,066)	$ 35,546	(221.2%)

The New Warrants issued in connection with the Credit Agreement, as described further in Note 11, "Debt" in our Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, are classified as a long-term liability. Due largely to a decrease in the price of our common stock during the three months ended September 30, 2026, and the exercise of 688,121 warrants valued at $2.0 million, the fair value of the New Warrants decreased from $34.7 million at June 30, 2026 to $13.2 million as of September 30, 2026, resulting in recognition of a non-cash gain during the three months ended September 30, 2026.

Income from unconsolidated subsidiary

	Three months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Income from unconsolidated subsidiary	$ —	$ 1,907	$ (1,907)	(100.0%)

On November 11, 2025, we entered into a Membership Interest Purchase Agreement with the other equity holders of Alpha Steel pursuant to which we acquired 100% of the membership interests in Alpha Steel, effective November 12, 2025. As a result, Alpha Steel is now our wholly owned subsidiary and the financial results of Alpha Steel since November 12, 2025 have been included in our consolidated results. Prior to November 12, 2025, we held a 45% interest in Alpha Steel, which we accounted for under the equity method of accounting. The income from unconsolidated subsidiary for the three months ended September 30, 2025 represented our share of the net operating results of Alpha Steel during that period.

Results of Operations - Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

	Nine months ended September 30,			
	2026		2025	
(in thousands, except percentages)	Amounts	Percentage of revenue	Amounts	Percentage of revenue
Revenue:				
Product	$ 66,352	87.0%	$ 54,130	81.0%
Service	9,883	13.0%	12,696	19.0%
Total revenue	76,235	100.0%	66,826	100.0%
Cost of revenue:				
Product	69,810	91.6%	57,537	86.1%
Service	7,985	10.5%	15,061	22.5%
Total cost of revenue	77,795	102.0%	72,598	108.6%
Gross loss	(1,560)	(2.0%)	(5,772)	(8.6%)
Operating expenses				
Research and development	3,257	4.3%	3,281	4.9%
Selling and marketing	6,028	7.9%	4,099	6.1%
General and administrative	23,480	30.8%	16,612	24.9%
Total operating expenses	32,765	43.0%	23,992	35.9%
Loss from operations	(34,325)	(45.0%)	(29,764)	(44.5%)
Interest expense	(12,521)	(16.4%)	(3,430)	(5.1%)
Interest income	109	0.1%	17	0.0%
Gain from disposal of investment in unconsolidated subsidiary	—	0.0%	3,204	4.8%
Gain on sale of Atlas	26	0.0%	140	0.2%
Gain (loss) from change in fair value of warrant liability	59,335	77.8%	(14,298)	(21.4%)
Loss on extinguishment of debt	—	0.0%	(173)	(0.3%)
Other income, net	175	0.2%	110	0.2%
Income from unconsolidated subsidiary	—	0.0%	1,344	2.0%
Income (loss) before income taxes	12,799	16.8%	(42,850)	(64.1%)
Provision for income taxes	(622)	(0.8%)	(337)	(0.5%)
Net income (loss)	$ 12,177	16.0%	$ (43,187)	(64.6%)

Revenue

(in thousands)	Nine months ended September 30, 2026	2025	$ Change	% Change
Product	$ 66,352	$ 54,130	$ 12,222	22.6%
Service	9,883	12,696	(2,813)	(22.2)%
Total revenue	$ 76,235	$ 66,826	$ 9,409	14.1%

Product revenue

The increase in product revenue for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was primarily due to an increase of 32% in the amount of MW produced, mainly related to project size and timing, including a large new project underway during 2026 in Australia. This was partially offset by a decrease of 7% in ASP.

Service revenue

The decrease in service revenue for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily resulted from (i) a decrease of 31% in logistics activity levels due to timing of shipments and (ii) the impact of IEEPA tariff and duty refunds contractually due to customers. This was partially offset by an increase in ASP.

Cost of revenue and gross loss

Gross loss may vary from period-to-period and is primarily affected by our ASP, product costs, timing of tracker production and delivery, customer mix, geographical mix, shipping method, logistics costs, warranty costs, indirect cost control efforts and seasonality.

(in thousands)	Nine months ended September 30, 2026	2025	$ Change	% Change
Product	$ 69,810	$ 57,537	$ 12,273	21.3%
Service	7,985	15,061	(7,076)	(47.0)%
Total cost of revenue	$ 77,795	$ 72,598	$ 5,197	7.2%
Gross loss	$ (1,560)	$ (5,772)	$ 4,212	73.0%
Gross loss percentage of revenue	(2.0%)	(8.6%)		

The increase in cost of revenue for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was primarily driven by (i) an increase of 32% in the amount of MW produced and (ii) the inclusion of additional costs for Alpha Steel as Alpha Steel is now a wholly owned subsidiary and (iii) higher warranty and remediation expense. This impact was partially offset by a decrease of 31% in logistics activity levels, the impact of IEEPA tariff and duty refunds and the absence of additional costs incurred during the nine months ended September 30, 2025 associated with specified minimum purchase commitments with Alpha Steel that did not reoccur during the nine months ended September 30, 2026.

Our gross margin percentage of revenue for the nine months ended September 30, 2026 was a negative 2.0%, compared to a negative 8.6% for the nine months ended September 30, 2025.

We had negative gross margin for the nine months ended September 30, 2026 due mainly to the addition of Alpha Steel costs as Alpha Steel was a wholly owned subsidiary during the nine months ended September 30, 2026 and additional provisions for slow-moving and obsolete inventory.

The negative gross margin for the nine months ended September 30, 2025 was largely attributable to the recognition of a specified minimum purchase commitment with Alpha Steel, prior to obtaining control of this entity, as well as revenue levels that were not sufficient to fully cover tariffs and certain other indirect costs.

Research and development

(in thousands)	Nine months ended September 30, 2026	2025	$ Change	% Change
Research and development	$ 3,257	$ 3,281	$ (24)	(0.7%)

The decrease in research and development expenses for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was primarily attributable to lower payroll-related costs of $0.2 million, mainly related to lower bonus expense, which were mostly offset by higher stock-based compensation costs of approximately $0.2 million due to recent grants of new awards. Research and development expenses as a percentage of revenue were 4.3% for the nine months ended September 30, 2026, as compared to 4.9% for the nine months ended September 30, 2025.

Selling and marketing

	Nine months ended September 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Selling and marketing	$ 6,028	$ 4,099	$ 1,929	47.1%

The increase in selling and marketing expenses for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was primarily attributable to (i) higher payroll costs of $1.6 million due mainly to higher average headcount levels and higher commission expense, (ii) higher travel costs of $0.4 million, and (iii) higher professional services expense of $0.4 million. This was partially offset by lower credit loss provisions of $0.5 million. Selling and marketing costs as a percentage of revenue were 7.9% for the nine months ended September 30, 2026, compared to 6.1% for the nine months ended September 30, 2025.

General and administrative

	Nine months ended September 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
General and administrative	$ 23,480	$ 16,612	$ 6,868	41.3%

The increase in general and administrative expenses for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was primarily attributable to (i) higher stock-based compensation expense of $4.1 million as a result of (a) new award grants, including as a result of our CEO transition in April 2026, and (b) the impact of certain executive award forfeitures during the nine months ended September 30, 2025, (ii) higher professional service costs of $1.2 million, largely attributable to increased legal fees, (iii) higher payroll-related costs of $0.6 million, mainly related to CEO transition costs in April 2026, and (iv) costs associated with our consolidated subsidiary, Alpha Steel, as well as higher travel costs. General and administrative expenses as a percentage of revenue were 30.8% for the nine months ended September 30, 2026, compared to 24.9% for the nine months ended September 30, 2025.

Interest expense

	Nine months ended September 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Interest expense	$ 12,521	$ 3,430	$ 9,091	265.0%

Interest expense is related mainly to our outstanding debt and consisted of the following:

	Nine Months Ended September 30,	
	2026	**2025**
Amortization of debt discount and issue costs	$ 7,155	$ 1,385
Paid-in-kind and exit fee non-cash interest added to debt	3,267	1,567
Interest paid in cash during the period	2,268	263
Change in accrued interest from the beginning of the period	(183)	212
Interest on finance lease obligation	7	—
Interest included in accounts payable and other at period end	7	3
Total interest expense	$ 12,521	$ 3,430

Gain from disposal of investment in unconsolidated subsidiary

	Nine months ended September 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Gain from disposal of investment in unconsolidated subsidiary	$ —	$ 3,204	$ (3,204)	(100.0%)

We sold our 23% equity interest in our unconsolidated subsidiary, Dimension Energy LLC ("Dimension"), on June 24, 2021. Dimension is a community solar developer based in Atlanta, Georgia that provides renewable energy solutions for local communities in the United States.

The sales agreement with Dimension included an earnout provision which provided for the potential to receive additional contingent consideration, based on Dimension achieving certain performance milestones, and additional contingent consideration in the form of a projects escrow release based on Dimension's completion of certain construction projects in progress at the time of the sale.

During the nine months ended September 30, 2025, we received a final earnout payment of $3.2 million that was recognized in accordance with our policy election of recording such gains when realized.

Gain (loss) from change in fair value of warrant liability

	Nine months ended September 30,			
(in thousands)	2026	2025	$ Change	% Change
Gain (loss) from change in fair value of warrant liability	$ 59,335	$ (14,298)	$ 73,633	(515.0%)

The New Warrants issued in connection with the Credit Agreement, as described further in Note 11, "Debt" in our Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, are classified as a long-term liability. Due largely to a decrease in the price of our common stock during the nine months ended September 30, 2026, and the exercise of 688,121 warrants valued at $2.0 million, the fair value of the New Warrants decreased from $74.5 million at December 31, 2025 to $13.2 million as of September 30, 2026, resulting in recognition of a non-cash gain during the nine months ended September 30, 2026.

Income from unconsolidated subsidiary

	Nine months ended September 30,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Income from unconsolidated subsidiary	$ —	$ 1,344	$ (1,344)	(100.0%)

On November 11, 2025, we entered into a Membership Interest Purchase Agreement with the other equity holders of Alpha Steel pursuant to which we acquired 100% of the membership interests in Alpha Steel, effective November 12, 2025. As a result, Alpha Steel is now our wholly owned subsidiary and the financial results of Alpha Steel since November 12, 2025 have been included in our consolidated results. Prior to November 12, 2025, we held a 45% interest in Alpha Steel, which we accounted for under the equity method of accounting. The income from unconsolidated subsidiary for the nine months ended September 30, 2025 represented our share of the net operating results of Alpha Steel during that period.

Liquidity and Capital Resources

Liquidity and going concern

Since our inception, we have financed our operations primarily through sales of shares of common stock, issuance of debt and payments from our customers and others. Our ability to generate positive cash flow from operations is dependent on our level of production, contract payment terms, timely collections from our customers and the strength of our gross margins.

We have incurred cumulative operating losses since inception and have had a history of cash outflows from operations in most periods. As of September 30, 2026, we had unrestricted cash on hand of $5.1 million, a working capital deficit of $16.9 million and a stockholders' deficit of $17.4 million.

Third Amendment and Limited Waiver to the Credit Agreement

As described further in Note 11, "Debt" in our Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report, on September 30, 2026, we entered into a Third Amendment to our Credit Agreement pursuant to which the Lenders provided a waiver relating to our failure to timely pay during the third quarter of 2026, the remaining obligations under the Acquisition Notes arising from our purchase of the remaining ownership interest in Alpha Steel. The Third Amendment also (i) deferred the $5.0 million principal reduction to our Credit Agreement, previously due on September 30, 2026, to March 31, 2027; (ii) eliminated the existing financial

covenants for the remainder of calendar year 2026, and (iii) established new applicable dates and amounts for the following financial covenants:

- Minimum Unrestricted Cash. The minimum unrestricted cash covenant will not apply until January 4, 2027, at which time we will be required to maintain unrestricted cash balances of $15,000,000 at all times.
- Minimum Revenue. The minimum revenue covenant will not apply until the fiscal quarter ending March 31, 2027 at which time it will be no less than $60,000,000, and at least $75,000,000 for each fiscal quarter thereafter.
- Minimum Consolidated EBITDA. The Consolidated EBITDA covenant will not apply until the fiscal quarter ending March 31, 2027, at which time it will be no less than $2,000,000. Thereafter, we will be required to have at least $25,000,000 of Consolidated EBITDA for the 12 months ending December 31, 2027, and as of the last day of each fiscal year thereafter.
- Minimum Direct Tracker Margin and Purchase Order Amounts. We will also be required to meet minimum specified direct tracker margin and new purchase order amount covenants no earlier than the fiscal quarter ending March 31, 2027, and for each fiscal quarter thereafter.

Equity Line of Credit ("ELOC")

On August 4, 2026, we entered into a purchase agreement with Lincoln Park to establish an ELOC. Pursuant to the ELOC, we have the right, but not the obligation, in our sole discretion to direct Lincoln Park to purchase shares of our common stock from time to time over a period of up to 24 months for aggregate gross proceeds of up to $20.0 million, subject to the terms, conditions and limitations set forth in the purchase agreement. Lincoln Park has no right to require us to sell any shares but is obligated to make purchases of our common stock as directed by us. As consideration for Lincoln Park's commitment to purchase shares, we issued to Lincoln Park 60,145 fully earned shares of our common stock at no cost.

The purchase price per share we receive will generally be equal to 97% of the lower of (i) the lowest sale price of our common stock on the applicable purchase date and (ii) the average of the three lowest closing sale prices of our common stock during the ten consecutive business days immediately preceding the applicable purchase date. Pursuant to the terms of the ELOC, purchases of our common stock may be effected as frequently as each business day, subject to certain limitations on the number of shares to be purchased, providing the closing price of our common stock on Nasdaq is not less than $1.00 per share We are currently limited to being able to sell up to 3,290,604 shares of our common stock (or approximately 19.99% of our outstanding shares immediately prior to entering into the ELOC), unless stockholder approval is obtained to exceed that amount, as required by Nasdaq listing rules.

Through September 30, 2026, we sold 859,190 shares of common stock under the ELOC receiving proceeds of approximately $1.9 million. We are utilizing the net proceeds received from sales of our common stock for general corporate purposes, including working capital and operating expenses.

Conclusion of substantial doubt

Although we have no financial covenants under our Credit Agreement, as amended, for the remainder of calendar year 2026, we do have certain financial covenants that become effective in the first quarter of 2027, some of which are in amounts that exceed our current financial balances and results of operations. In addition, we will be required to make a $5.0 million principal reduction of our outstanding debt on March 31, 2027, while still maintaining a minimum required unrestricted cash balance. In view of our history of operating losses, cash outflows, past failure to meet certain covenants under our financing arrangements and uncertainty as to our ability to fully meet all financial covenants during the twelve-month period following issuance of our condensed consolidated financial statements, we believe these factors create substantial doubt as to our ability to continue as a going concern. However, the Company is continuing to take steps to increase demand for our products and services, control costs, improve our financial results and to seek additional sources of financing, including fully utilizing our remaining capacity to sell shares of our common stock under the ELOC and obtaining additional financing under the Credit Agreement in the form of Second Delayed Draw Term Loans or through other third-party sources.

Additionally, as a result of the uncertainty as to our ability to fully meet all future financial covenants during the twelve-month period following the date of our condensed consolidated financial statements included in this Quarterly Report, we have classified all outstanding debt under our Credit Agreement as a current obligation at September 30, 2026.

Outstanding debt and warrants

Credit Agreement and New Warrants

We entered into the Original Credit Agreement, effective July 2, 2025, with various lenders (the "Lenders") and Acquiom Agency Services LLC, as Administrative Agent.

On November 11, 2025 we entered into a First Amendment to Credit Agreement to amend certain of the financial covenants applicable to us and in connection with our agreement to acquire 100% of the membership interests in Alpha Steel. On March 23, 2026, we entered into the Second Amendment pursuant to which the Lenders provided a waiver relating to our breach of the purchase order covenant for the fiscal quarter ended December 31, 2025 and agreed to amend certain then existing financial covenants under the Credit Agreement. Additionally, in connection with the Second Amendment, we agreed to repay a portion of the principal amount outstanding under the Credit Agreement in various installments, including a $5.0 million principal payment due on September 30, 2026.

As described above under the section "Liquidity and going concern", on September 30, 2026, we entered into a Third Amendment and Limited Waiver to our Credit Agreement which modified various financial covenants and deferred the principal payment due on September 30, 2026, as specified by the Second Amendment, to March 31, 2027.

The Original Credit Agreement, as amended, is referred to throughout as the "Credit Agreement".

Upon entering into the Credit Agreement, we also issued warrants (the "New Warrants") to the Lenders for an aggregate 6,836,237 shares of our common stock. The New Warrants are (i) exercisable at any time through July 2, 2035, at an exercise price of $0.01 per share, and (ii) accounted for as a long-term liability, based on terms that could require cash settlement upon the occurrence of a contingent change in control event. On August 5, 2026, certain holders exercised 688,121 warrants under a net settlement option with respect to the exercise price, receiving 685,885 shares of our common stock in return. Warrants for 6,148,116 shares of our common stock remain outstanding as of September 30, 2026.

Key terms

The Term Loans bear interest at 12.00% per annum. A portion of the interest equal to 7.00% per annum is being capitalized and added as paid-in-kind interest and will increase the outstanding principal amount of the Term Loans. The remainder of the interest will be paid in cash at the end of each fiscal quarter. Upon the occurrence and during the continuation of certain events of default under the Credit Agreement ("Events of Default") or upon the election of certain required Lenders during the occurrence and continuation of any Event of Default, the interest rate applicable to the Term Loans will be increased by a 7.00% default interest rate, which would be capitalized and added to the principal amount of the debt.

In addition to the required principal payment under the Third Amendment, the Credit Agreement also provides for the mandatory prepayment of the indebtedness and other obligations outstanding under the Credit Agreement and other applicable loan documents upon the occurrence of certain events (including in connection with a change in control of the Company) and upon acceleration following an Event of Default (an "Exit Fee Event"). If an Exit Fee Event occurs, the Company shall pay an exit fee (the "Exit Fee") equal to (x) the aggregate amount of all Term Loans extended by the Lenders under the Credit Agreement, multiplied by (y) the Exit Fee Percentage, minus (z) the amount of interest paid in cash by the Company prior to the Exit Fee Event, where the "Exit Fee Percentage" equals 25% in connection with a change of control transaction, or otherwise equals 50%.

As a result of the principal payment required on March 31, 2027 under the terms of the Third Amendment, we now estimate an Exit Fee of approximately $2.3 million will be owed upon the originally stated maturity of the debt, in addition to the repayment upon originally stated maturity of any outstanding principal under the Term Loans, plus accrued and unpaid interest. We are accreting each period, as additional interest expense using the interest method, an amount for the expected exit fee obligation that we estimate will be due on July 2, 2029. The amount accrued as of September 30, 2026 for the exit fee obligation is reflected as a component of our total debt balance as shown in Note 11, "Debt", included in Part I, Item 1 of this Quarterly Report.

Financial covenants

The financial covenants pursuant to the Third Amendment are described above under the section "Liquidity and going concern".

As noted above, at September 30, 2026, there were no applicable financial covenants under the Credit Agreement that the Company was required to be in compliance with.

Senior Notes and Original Warrants

On December 4, 2024, we entered into a Securities Purchase Agreement with an institutional investor as the purchaser under the Securities Purchase Agreement (the “Investor”). Pursuant to the Securities Purchase Agreement, we sold, and the Investor purchased, $15.0 million in principal amount of senior secured promissory notes (the “Senior Notes”) and warrants exercisable for 1,750,000 shares of our common stock (the “ Original Warrants”) (the “Offering”).

Pursuant to the terms of the Senior Notes, we elected to increase the outstanding principal amount of the Senior Notes by an amount of interest at a rate of 13% per annum ("paid-in-kind" interest) capitalized semiannually on the final business day in June and December of each year. As a result, our outstanding principal balance of the Senior Notes was approximately $16.1 million as of July 2, 2025. The Senior Notes were initially secured by substantially all of our assets.

The Original Warrants issued in the Offering were exercised on June 30, 2025 at an exercise price of $0.10 per share, in return for the issuance of 1,750,000 shares of our common stock. We had previously determined liability classification for the Original Warrants was required based on terms that could require cash settlement upon the occurrence of a contingent change in control event.

Changes in the number and value of our Original and New Warrants were as follows:

	Nine months ended September 30,			
	2026		2025	
	Number of warrants	Value ($000's)	Number of warrants	Value ($000's)
Beginning balance	6,836,237	$ 74,515	1,750,000	$ 9,520
Exercise of Original Warrants	—	—	(1,750,000)	(7,752)
Issuance of New Warrants under the Credit Agreement	—	—	6,836,237	32,061
Exercise of New Warrants	(688,121)	(2,023)	—	—
Change in fair value of warrant liability	N/A	(59,335)	N/A	14,298
Ending balance	6,148,116	$ 13,157	6,836,237	$ 48,127

Amendment to the Securities Purchase Agreement and Senior Notes

In connection with the Credit Agreement, the Investor entered into a Subordination Agreement, dated July 2, 2025 (the “Subordination Agreement”). Pursuant to the Subordination Agreement, the Investor agreed to the subordination of all indebtedness owed by the Company to the Investor, including under the Senior Notes issued by the Company to the Investor on December 4, 2024, to the indebtedness and obligations owed under the Credit Agreement and the other applicable loan documents.

Also, in connection with the Credit Agreement and the Subordination Agreement, the Company and Investor entered into an Amended and Restated Promissory Note, dated July 2, 2025 (the “A&R Promissory Note”). The A&R Promissory Note amends and restates the original Senior Notes to remove the seniority terms of those notes, conform the original Senior Notes to the terms of the Credit Agreement and the Subordination Agreement, amend certain prepayment and make-whole terms under the original Senior Notes, delete certain covenants and event of default terms, reduce the interest rate under the original Senior Notes to 5% per annum paid in cash and 7% per annum paid in kind, both on the final business day of June and December in each year, and to delete the financial covenants set forth in the original Senior Notes. As a result of an amendment to the Securities Purchase Agreement entered into on July 2, 2025 (the "Securities Purchase Agreement Amendment"), among other things, the Investor agreed to release all liens and guarantees securing the obligations under the Senior Notes, the Securities Purchase Agreement, and the A&R Promissory Note. The A&R Promissory Note also (i) provides

for additional interest to be capitalized and added to the principal amount of the debt at a rate of 5% per annum upon the occurrence and continuation of certain events of default and (ii) was originally scheduled to mature on January 2, 2030.

At September 30, 2026, the outstanding principal balance of our Term Loans and the A&R Promissory Note totaled approximately $53.0 million, including accrued paid-in-kind interest to date. As noted above, $5.0 million of principal with respect to the Term Loans is required to be paid in March 2027.

Statements of cash flows

The following table shows our cash flows from operating activities, investing activities and financing activities for the stated periods:

	Nine months ended September 30,	
(in thousands)	**2026**	**2025**
Net cash provided by (used in) operations	$ 1,077	$ (25,416)
Net cash (used in) provided by investing activities	(859)	2,557
Net cash (used in) provided by financing activities	(4,638)	35,900
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1)	81
Increase (decrease) in cash, cash equivalents and restricted cash	$ (4,421)	$ 13,122

Operating activities

During the nine months ended September 30, 2026, we used approximately $23.1 million of cash to fund a portion of our current period expenditures for personnel and facilities, legal and professional fees, insurance, research and development and various other operating activities. This compares to approximately $23.0 million used during the nine months ended September 30, 2025, also to fund a portion of our prior period expenditures for various operating activities as described above.

During the nine months ended September 30, 2026, we generated approximately $24.2 million of cash primarily from changes in working capital, mainly related to the impact of changes in activity levels, particularly in connection with an increase in accrued cost of revenue on new projects that were underway as of September 30, 2026. This compares to approximately $2.4 million of cash used from changes in working capital during the nine months ended September 30, 2025.

Our working capital decreased by approximately $46.4 million from over $29.5 million at December 31, 2025 to a deficit of $16.9 million at September 30, 2026. The decrease was largely attributable to (i) the reclassification of our outstanding debt to a current obligation, as described above, (ii) increased project accruals as of September 30, 2026, (iii) the use of cash for current period expenditures, and (iv) changes in other working capital balances due to activity levels during the nine months ended September 30, 2026.

Investing activities

During the nine months ended September 30, 2026, we had capital expenditures of approximately $0.9 million, primarily for tooling, leasehold improvements and new computer and IT equipment.

During the nine months ended September 30, 2025, we received $3.2 million of contingent earnout payments from our investment in Dimension that we sold in 2021. We also had capital expenditures of nearly $0.8 million, primarily for tooling.

Financing activities

During the nine months ended September 30, 2026, we made (i) principal payments of $7.4 million relating to required payments on our outstanding Term Loan and Acquisition Note debt, and (ii) payments for legal fees totaling $0.5 million incurred in connection with entering into the Second and Third Amendments to our Credit Agreement. We also sold 350,152 new shares of our common stock under our ATM program and 859,190 new shares of our common stock under our equity line of credit with Lincoln Park receiving gross proceeds of approximately $3.3 million.

Cash flows from other financing activities were minimal during both the nine months ended September 30, 2026 and 2025.

Critical Accounting Policies and Significant Management Estimates

Preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the period. Estimates are used for calculating the measure of progress of our solar tracker projects and deriving the standalone selling prices of the individual performance obligations when determining amounts to recognize for revenue, estimating allowances for credit losses and slow-moving and obsolete inventory, determining useful lives of long-lived assets and the estimated fair value of those assets for impairment assessments, and estimating the fair value of assets and liabilities acquired in business combinations, investments, warrants, stock compensation awards, warranty liabilities and federal and state taxes, including tax valuation allowances, as well as other contingencies. We base our estimates on historical experience and anticipated results, trends, and various other assumptions that we believe are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from those estimates due to risks and uncertainties.

To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates. Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and results of operations because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain.

We believe that the accounting policies described below involve a significant degree of judgment and complexity. Accordingly, we believe these are the most critical to aid in fully understanding and evaluating our condensed consolidated financial condition and results of operations.

Revenue recognition

Our accounting policy on revenue recognition may be found in Note 2, "Summary of significant accounting policies" in our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Judgments and assumptions

The timing and amounts of revenue and cost of revenue recognition, as well as recording of related receivables and deferred revenue, is highly dependent on our identification of performance obligations in each contract and our estimates by contract of total project cost and our progress toward project completion as of each period end. Certain estimates are subject to factors outside of our control that may impact our suppliers, our costs and the global supply chain. As an example, as described further in "Key Factors Affecting Our Performance" above, we are impacted by (i) changes in project timing by customers, (ii) government regulations, (iii) increases in tariffs, and (iv) disruptions in transportation and supply chains, including the impact of changes in the cost of transportation due to changes in fuel prices as a result of international conflicts or other market disruptions. We base our estimates on the best information available at each period end, but future events and their effects cannot be determined with certainty, and actual results could differ materially from our assumptions and estimates.

Accounts receivable, net

Our accounting policy relating to our accounts receivable and allowance for credit losses may be found in Note 2, "Summary of significant accounting policies" in our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Judgments and assumptions

The allowance for credit losses is based on the lifetime expected credit loss of our customer accounts. To assess the lifetime expected credit loss, we utilize a loss rate method that takes into consideration historical experience and certain other factors, as appropriate, such as credit quality, current economic or other conditions and changes in project status that may affect a customer's ability to pay. This method accelerates the recognition of expected credit losses as compared to the incurred loss model used prior to 2023 and may result in material differences between our estimates and actual collection results. We may also have greater fluctuations in our credit loss expense over time based on changes in our historical experience or changes in estimates of future conditions which may not adequately reflect future actual customer payment activity.

Adjustments to the allowance are largely dependent on historical experience involving amounts previously collected from our customers in recent years or based on specific changes in a customer's ability to pay. As an example, during the years ended December 31, 2025 and 2024, we recognized additional credit loss provisions of nearly $1.4 million and $2.1 million, respectively, related to our assessments in each year as to the ability by certain specific customers to fully pay contractual amounts owed us. Historical experience, when used in making such adjustments, may not reflect current actual experience.

Warranty

Our accounting policy relating to our warranty obligations may be found in Note 2, "Summary of significant accounting policies" in our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Judgments and assumptions

We base our estimated warranty obligations on available industry data relating to the nature and frequency of product failure rates and, where possible, on our historical experience, to make estimates of costs to address future claims. These estimates are inherently uncertain given our relatively short history of sales, and changes to our historical or projected warranty experience or fluctuations in available industry data may result in material changes to our warranty reserves in the future. Additionally, we make estimates of what costs we believe will be recoverable from the manufacturers of our products that we use to offset our obligations to our customers.

While we periodically monitor our warranty activities and claims, if actual costs incurred were to be different from our estimates, we would recognize adjustments to our warranty reserves in the period in which those differences arise or are identified. Such adjustments could be material to the cost of revenue in our results of operations in the period the adjustments are made.

Stock-based compensation and warrants

Our accounting policies relating to our stock-based compensation and our outstanding Warrants may be found in Note 2, "Summary of significant accounting policies" in our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Judgments and assumptions

The Black-Scholes model and Monte Carlo simulations rely on various assumptions, in addition to the exercise price of an option award or our Warrants and the value of our common stock on the date of grant. These assumptions include:

Expected Term: The expected term represents the period that the Company’s stock-based awards and warrants are expected to be outstanding and is calculated for option grants as the average of the option vesting and contractual terms, based on the simplified method, when we did not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term for options at the dates granted. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options. The contractual life of an option may be up to 10 years. Monte Carlo simulations, as described below, estimate the derived service period of awards with market conditions.

Expected Volatility: Since the Company did not have a trading history of its common stock prior to our IPO and since such trading history subsequent to our IPO may be less than the expected term of an award or our warrants, the expected volatility is derived from a weighted average of (i) our historical volatility over our entire trading history, with respect to certain more recent awards, and, if needed, (ii) the average historical stock volatilities of several public companies within the Company’s industry that it considers to be comparable to its business over a period equivalent to the expected term of the stock option grants, or awards granted with market conditions.

Risk-Free-Interest-Rate: The Company bases the risk-free interest rate on the implied yield available on U.S. Treasury zero-coupon issues with a remaining term equivalent to the expected term.

Expected Dividend Yield: The Company has not issued any dividends in its history and does not expect to issue dividends over the life of the options or warrants and, therefore, has estimated the dividend yield to be zero.

We use Monte Carlo simulations for certain awards granted with market conditions which provide an estimated average present value for each award based on a simulation assuming Geometric Brownian Motion in a risk-neutral framework using up to 250,000 simulation paths to determine the derived service and vesting periods.

Our use of the simplified method for estimating the expected outstanding term of our options may differ significantly from future actual exercise patterns of our option holders. Estimates of the outstanding terms of our options, which are less than the actual exercise patterns of our option holders, may result in lower recognized expense. Alternatively, our recognized expense may be higher if our option holders exercise their options sooner than our estimates project.

Similarly, our estimate of volatility is based on our historical stock volatility or the historical stock volatilities of a peer group of other public companies and may differ significantly from the actual future volatility of our stock over the term our Warrants and our options or awards with market conditions are held. Higher estimated volatility compared to future actual results may result in higher recognized expense or fair value of our Warrants and alternatively, lower expected volatility compared to future actual results may result in lower recognized expense or fair value of our Warrants.

Changes to any of our assumptions, but particularly our estimates of expected term or derived service period and volatility, could change the fair value of our Warrants, as well as our options or awards with market conditions which could impact the amount of stock-based compensation expense we report each period. Changes in the trading price of our common stock on Nasdaq could also have a significant impact on the fair value of our Warrants, as well as whether awards with market conditions are ultimately earned.

Impairment

Our accounting policies relating to impairment of our long-lived assets held for use and of goodwill may be found in Note 2, "Summary of significant accounting policies" in our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Judgments and assumptions

Key judgments and assumptions involving our assessment of impairment of our long-lived assets, as well as goodwill, may include:

- Determination of whether events or changes in circumstances indicate that the carrying value of our long-lived assets or goodwill might be impaired. Such factors to consider may include an evaluation of changes in the business or regulatory climate, market conditions or other events impacting our operations;
- Estimating future cash flows of our long-lived assets or asset groups, which may involve assumptions as to the lowest level of our assets at which cash flows are generated, including future growth and risk-adjusted discount rates, as well as a terminal growth rate or value and future market conditions;
- Estimates of assumptions a market participant would use in determining the fair value of the affected long-lived assets or asset groups; and
- Estimating the fair value of the consolidated company.

In estimating the fair value of the consolidated company, we used our market capitalization based on our closing stock price on the Nasdaq Capital Market at September 30, 2026. Our daily closing stock price is affected by numerous factors, some of which may not directly involve the operations of the company and, historically, has demonstrated high volatility.

We did not identify any impairments of our long-lived assets or goodwill during the nine months ended September 30, 2026 and 2025.

JOBS Act accounting election

We are an emerging growth company, as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We elected to use the allowed extended transition period for adopting new or revised accounting standards.

Non-GAAP Financial Measures

Adjusted EBITDA, adjusted net loss and adjusted earnings per share ("EPS")

We utilize Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS as supplemental measures of our performance. We define Adjusted EBITDA as net income (loss) plus (i) provision for (benefit from) income taxes, (ii) interest expense, less interest income, (iii)

depreciation expense, (iv) amortization expense, (v) stock-based compensation, (vi) loss from changes in the fair value of our warrant liability, and (vii) Chief Executive Officer ("CEO") transition costs, costs associated with our reverse stock split, severance and certain other costs (credits). We also deduct (i) the contingent gains arising from earnout payments and project escrow releases relating to the disposal of our investment in an unconsolidated subsidiary, and (ii) gains from changes in the fair value of our warrant liability from net income or loss in arriving at Adjusted EBITDA. We define Adjusted Net Loss as net income (loss) plus (i) amortization of debt discount and issue costs and intangibles, (ii) stock-based compensation, (iii) loss from changes in the fair value of our warrant liability, (iv) CEO transition costs, costs associated with our reverse stock split, severance and certain other costs (credits), and (v) the income tax expense (benefit) of those adjustments, if any. We also deduct (i) the contingent gains arising from earnout payments and project escrow releases relating to the disposal of our investment in an unconsolidated subsidiary, and (ii) gains from changes in the fair value of our warrant liability from net income (loss) in arriving at Adjusted Net Loss. Adjusted EPS is defined as Adjusted Net Loss on a per share basis using our weighted average diluted shares outstanding.

Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS are intended as supplemental measures of performance that are neither required by, nor presented in accordance with, U.S. GAAP. We present Adjusted EBITDA, Adjusted 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 Net Loss and Adjusted EPS to evaluate the effectiveness of our business strategies.

Among other limitations, Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS do not reflect (i) our cash expenditures, or future requirements, for capital additions or contractual commitments, and (ii) the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations. Further, the adjustments noted in Adjusted EBITDA do not reflect the impact of any income tax expense or benefit. Additionally, other companies in our industry may calculate Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS differently than we do, which limits its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS should not be considered in isolation or as substitutes for performance measures calculated in accordance with U.S. GAAP, and you should not rely on any single financial measure to evaluate our business. These non-GAAP financial measures, when presented, are reconciled to the most closely applicable U.S. GAAP measure as disclosed below for the three and nine months ended September 30, 2026 and 2025:

For the three months ended September 30, 2026 and 2025

(in thousands, except shares and per share data)	Three months ended September 30, 2026 Adjusted EBITDA	2026 Adjusted Net Loss	2025 Adjusted EBITDA	2025 Adjusted Net Loss
Net income (loss) per U.S. GAAP	$ 6,702	$ 6,702	$ (23,938)	$ (23,938)
Reconciling items -				
Provision for income taxes	210	—	44	—
Interest expense	4,292	—	1,988	—
Interest income	(99)	—	(6)	—
Amortization of debt discount and issue costs in interest expense	—	2,457	—	958
Depreciation expense	430	—	290	—
Amortization expense	24	24	—	—
Stock-based compensation	2,101	2,101	1,127	1,127
(Gain) loss from change in fair value of warrant liability[(a)]	(19,480)	(19,480)	16,066	16,066
Loss on extinguishment of debt[(b)]	—	—	173	173
CEO transition[(c)]	164	164	194	194
Severance costs[(d)]	475	475	—	—
Special stockholders' meeting[(e)]	—	—	100	100
Adjusted Non-GAAP amounts	$ (5,181)	$ (7,557)	$ (3,962)	$ (5,320)
U.S. GAAP net loss per share:				
Basic	N/A	$ 0.39	N/A	$ (1.61)
Diluted	N/A	$ (0.54)	N/A	$ (1.61)
Adjusted Non-GAAP net loss per share (Adjusted EPS):				
Basic	N/A	$ (0.44)	N/A	$ (0.36)
Diluted	N/A	$ (0.44)	N/A	$ (0.36)
Weighted-average common shares outstanding for adjusted net loss:				
Basic	N/A	17,084,491	N/A	14,899,638
Diluted	N/A	17,084,491	N/A	14,899,638

(a) We exclude non-cash changes in the fair value of our outstanding warrants as we do not consider such changes to impact or reflect changes in our core operating performance.
(b) We exclude the loss on extinguishment of debt arising from our July 2, 2025 Credit Agreement and related amendments to our existing debt as we do not consider such changes to impact or reflect changes in our core operating performance.
(c) In April 2026, we transitioned to a new CEO. We also agreed to pay an upfront sign-on bonus to our new CEO in two equal annual installments in April 2027 and April 2028. We are accruing the cost of these sign-on bonus payments over the service period of our new CEO. Upon hiring our former CEO in August 2024, we had agreed to upfront and incremental sign-on bonuses (collectively, the " former CEO sign-on bonuses"). These former CEO sign-on bonuses were expensed over the applicable service periods of our former CEO through April 2026. We do not view the sign-on bonuses to be paid to our new CEO or those paid to our former CEO as being part of their normal ongoing annual compensation arrangements.
(d) Involuntary severance costs were incurred during the third quarter of 2026, due to restructuring changes to align headcount with the Company's strategic focus to adjust our overhead costs and activities to better address customer needs and to take advantage of continued process efficiencies.
(e) We exclude the costs associated with a special stockholders' meeting held in September 2025 to approve, in accordance with Nasdaq Listing Rule 5635(d), the issuance of an aggregate 6,836,237 shares of our common stock issuable upon exercise of the New Warrants granted to the Lenders under the Credit Agreement we entered into on July 2, 2025, as we do not consider such costs to impact our ongoing core operating performance.

For the nine months ended September 30, 2026 and 2025

(in thousands, except shares and per share data)	Nine months ended September 30, 2026 Adjusted EBITDA	2026 Adjusted Net Loss	2025 Adjusted EBITDA	2025 Adjusted Net Loss
Net income (loss) per U.S. GAAP	$ 12,177	$ 12,177	$ (43,187)	$ (43,187)
Reconciling items -				
Provision for income taxes	622	—	337	—
Interest expense	12,521	—	3,430	—
Interest income	(109)	—	(17)	—
Amortization of debt discount and issue costs in interest expense	—	7,155	—	1,385
Depreciation expense	1,211	—	897	—
Amortization expense	38	38	—	—
Stock-based compensation	7,604	7,604	2,343	2,343
Gain from disposal of investment in unconsolidated subsidiary[(a)]	—	—	(3,204)	(3,204)
(Gain) loss from change in fair value of warrant liability[(b)]	(59,335)	(59,335)	14,298	14,298
Loss on extinguishment of debt[(c)]	—	—	173	173
CEO transition[(d)]	1,618	1,618	582	582
Reverse stock split[(e)]	—	—	1	1
Severance costs[(f)]	475	475	175	175
Special stockholders' meeting[(g)]	—	—	100	100
Adjusted Non-GAAP amounts	$ (23,178)	$ (30,268)	$ (24,072)	$ (27,334)
U.S. GAAP net loss per share:				
Basic	N/A	$ 0.75	N/A	$ (3.17)
Diluted	N/A	$ (2.06)	N/A	$ (3.17)
Adjusted Non-GAAP net loss per share (Adjusted EPS):				
Basic	N/A	$ (1.86)	N/A	$ (2.01)
Diluted	N/A	$ (1.86)	N/A	$ (2.01)
Weighted-average common shares outstanding for adjusted net loss:				
Basic	N/A	16,239,464	N/A	13,626,800
Diluted	N/A	16,239,464	N/A	13,626,800

(a) We exclude the gain from collections of contingent contractual amounts arising from the sale in 2021 of our investment in an unconsolidated subsidiary as these amounts are not considered part of our normal ongoing operations. The payment received in 2025 was the final contingent payment owed.
(b) We exclude non-cash changes in the fair value of our outstanding warrants as we do not consider such changes to impact or reflect changes in our core operating performance.
(c) We exclude the loss on extinguishment of debt arising from our July 2, 2025 Credit Agreement and related amendments to our existing debt as we do not consider such changes to impact or reflect changes in our core operating performance.
(d) In April 2026, we transitioned to a new CEO. As a result of that change, we recognized approximately $1.2 million in severance costs associated with our former CEO. We also agreed to pay an upfront sign-on bonus to our new CEO in two equal annual installments in April 2027 and April 2028. We are accruing the cost of these sign-on bonus payments over the service period of our new CEO. Upon hiring our former CEO in August 2024, we had agreed to upfront and incremental sign-on bonuses (collectively, the "former CEO sign-on bonuses"). These former CEO sign-on bonuses were expensed over the applicable service periods of our former CEO through April 2026. We do not view the sign-on bonuses to be paid to our new CEO or those paid to our former CEO as being part of their normal ongoing annual compensation arrangements.
(e) We incurred certain professional fees in 2025 to finalize various administrative tasks associated with the Reverse Stock Split that was consummated effective November 29, 2024. We do not consider these fees to be part of our normal ongoing operations.
(f) Involuntary severance costs were incurred during the third quarter of 2026 and the first quarter of 2025, due to restructuring changes to align headcount with the Company's strategic focus to adjust our overhead costs and activities to better address customer needs and to take advantage of continued process efficiencies.

(g) We exclude the costs associated with a special stockholders' meeting held in September 2025 to approve, in accordance with Nasdaq Listing Rule 5635(d), the issuance of an aggregate 6,836,237 shares of our common stock issuable upon exercise of the New Warrants granted to the Lenders under the Credit Agreement we entered into on July 2, 2025, as we do not consider such costs to impact our ongoing core operating performance.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of customer concentrations and fluctuations in steel, aluminum and logistics/transportation prices, as well as from fluctuations in the trading price of our common stock. We do not hold or issue financial instruments for trading purposes.

Fair value of financial instruments

Our financial instruments consist of cash, cash equivalents, accounts receivable, accounts payable, warrants and debt obligations. Cash, cash equivalents, accounts receivable and accounts payable are stated at their carrying value, which approximates fair value due to the short time to the expected receipt or payment date. We estimate the fair value of our warrants using a Black-Scholes model involving current assumptions at each reporting period of (i) the per-share value of our common stock, (ii) the expected holding period of the warrants before exercise, (iii) the estimated volatility of our stock over the expected holding period of the warrants, (iv) a risk-free interest rate over the expected holding period of the warrants and, (v) an estimated dividend yield on our common stock over the expected holding period of the warrants. Each of those assumptions are subject to change over time.

At September 30, 2026, we had $5.1 million of unrestricted cash and cash equivalents on hand, and $11.6 million of restricted cash. The majority of our cash and restricted cash was located in the United States, with a portion of the restricted cash in Australia. We regularly maintain cash balances with various financial institutions that exceed federally insured amounts, but we have experienced no losses associated with these amounts to date. We periodically evaluate the financial health of the financial institutions we use and may take action in future periods, similar to past actions, to reallocate cash balances between financial institutions based on our evaluation.

Certain of our cash equivalents at times include deposits in money market funds that invest primarily in short-term securities issued or guaranteed by the U.S. government or its agencies or instrumentalities and contain no restrictions on immediate redemption. The carrying value for these money market funds approximates fair value based on quoted prices in active markets for units held (Level 1 classification) and totaled over $0.5 million at December 31, 2025 (none at September 30, 2026).

At September 30, 2026, the outstanding principal balance, including accrued paid-in-kind interest, of our Term Loans and A&R Promissory Note totaled $53.0 million.

We also had New Warrants outstanding for 6,148,116 shares of our common stock at September 30, 2026. The New Warrants are exercisable at any time through July 2, 2035, at an exercise price of $0.01 per share.

The fair value of our debt is impacted by changes in interest and market rates for similar debt and the fair value of our New Warrants is largely impacted by changes in the trading price of our common stock, among other factors.

We have no other financial instruments as of September 30, 2026 or December 31, 2025, other than certain non-functional currency intercompany and third-party receivables and payables, which are subject to foreign exchange, interest rate or market risks.

Concentrations of major customers

Our customers include project developers, solar asset owners and EPCs that design and build solar energy projects. We extend credit to customers in the normal course of business, often without requiring collateral. We also perform credit analyses and monitor the financial health of our customers to reduce credit risk.

We typically rely on a small number of customers that account for a large portion of our revenue each period and our outstanding receivables at each period end.

Further, our accounts receivable are from companies within or serving the solar industry and, as such, we are exposed to normal industry credit risks. We continually evaluate our reserves for potential credit losses and establish initial reserves based on our expectation of lifetime expected credit losses.

Commodity price risk

As a result of our acquisition of Alpha Steel, we now have the ability to manufacture and deliver certain products to our domestic customers seeking U.S.-based content. As a result, we are directly exposed to the risk of fluctuating market prices, primarily related to steel and aluminum, that we may not be able to fully pass on to our customers under terms of our existing contracts.

We also subcontract to various contract manufacturers, who manufacture and deliver products directly to our customers. We, therefore in those cases, do not acquire raw materials and commodities directly, except for items added to our inventory. Furthermore, we are subject to indirect risk from fluctuating market prices of various commodity raw materials, including steel and aluminum, which are used in our products, through our contract manufacturers, as increases in these commodity prices would increase our cost of procuring subcontracting services.

Prices of the raw materials used in our products may be affected by supply restrictions or other market factors from time to time. Significant price increases for these raw materials could reduce our operating margins if we are unable to recover such increases in costs from our customers, and could harm our business, financial condition and results of operations.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act") as of the end of the period covered by this Quarterly Report. As allowed, management excluded from its assessment of disclosure controls and procedures and internal control over financial reporting the operations of Alpha Steel, which we obtained control of effective November 12, 2025. Based on our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of September 30, 2026, solely because of the material weakness described below.

In designing and evaluating our disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Identification of material weakness

Our process for determining revenue to be recognized over time involves multiple spreadsheets and inputs from various parties and sources. While this process is robust, it does require manual coordination and from time to time we identify isolated errors that are not material to our consolidated results. We promptly take action to correct such errors, as necessary, prior to including in our publicly reported financial results. These issues have not reflected a systemic concern with our revenue recognition methodology; rather they have arisen from a discrete fact pattern on a specific project. For example, we found during 2025 that (i) certain spreadsheets had not been updated with the most current cost information available in our general ledger relating to a particular project, (ii) a specific entry was recorded to an incorrect project in one case, and (iii) intercompany margin eliminations associated with Alpha Steel were not applied timely on certain projects. These errors had no material impact on the reported financial results included in this Quarterly Report.

Due to the significance of our accounting for revenue, we have concluded that the control deficiencies noted constitute a material weakness in our controls related to the recognition of revenue. As a result, we are actively working to implement enhancements to our internal accounting processes and management review controls to strengthen our ability to prevent and detect such errors on a more timely basis in the future. We are also evaluating opportunities to increase automation within the revenue process and reduce manual effort and improve overall control effectiveness.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may become involved in various claims, lawsuits, investigations, and other proceedings arising in the normal course of business.

United States Customs and Border Protection assessment

In March of 2023, CBP issued notices of tariff assessment that indicated an action taken at the Import Specialist (i.e., the port) level with respect to merchandise imported from Thailand under entry number 004-1058562-5 (the “625 Assessment”) and entry number 004-1063793-9 (the “Original 939 Assessment”, and collectively with the 625 Assessment, the “Original CBP Assessments”). The Original CBP Assessments related to certain torque beams that are used in our Voyager+ product that were imported in 2022. In the Original CBP Assessments, CBP asserted that Section 301 China tariffs, Section 232 steel and aluminum tariffs, and antidumping and countervailing duties applied to the merchandise. Based on correspondence received to date from CBP, including a recent partial acceptance by CBP of our protest on the 625 Assessment as described below, and our calculations based on applicable duty and tariff rates, the 625 Assessment is currently estimated at approximately $0.07 million. In September of 2023, CBP informed us that the amount owed under the Original 939 Assessment was being revised downward to approximately $2.01 million (the "Revised 939 Assessment", and together with the 625 Assessment, the "Revised CBP Assessments"). In particular, CBP accepted our position that the Section 301 tariffs of 25% or 7.5% of the value of the merchandise, depending on tariff classification, as well as the antidumping and countervailing duties, previously assessed under the Original 939 Assessment are not applicable as they are only applicable to articles that are products of China and that, in this case, the finished goods are products of Thailand.

CBP legally finalized both Revised CBP Assessments. We filed a formal protest for the 625 Assessment in September of 2023 and for the Revised 939 Assessment in March of 2024. On February 11, 2026, CBP partially approved our protest of the 625 Assessment, which resulted in a $131,000 refund of duties and fees. We were notified on March 18, 2026, that CBP had denied our protest of the Revised 939 Assessment. Based on the denial by CBP, we accrued approximately $2.7 million, inclusive of interest, in our consolidated financial results for the year ended December 31, 2025. Through September 30, 2026, we had tendered approximately $1.5 million of the claimed liability to CBP and currently are operating under an informal arrangement with CBP to make weekly payments of at least $50,000 through the end of the first quarter of 2027, with a final payment due afterwards to fully settle the remaining obligation.

Customer litigation

On June 11, 2025, FTC Solar, Inc. filed a lawsuit against BayWa r.e. Power Solutions, Inc. ("BayWa") in the United States District Court for the Western District of Texas (Civil Action No. 25-cv-00905-DAE). The complaint alleges breach of contract arising from BayWa’s purported cancellation of a large equipment supply agreement and purchase order for custom solar tracking systems intended for a Texas-based solar energy project. The parties engaged in a formal dispute resolution process, including pre-suit mediation without success. On August 25, 2025, BayWa filed an answer to FTC's complaint and asserted certain counterclaims against FTC. On September 15, 2025, FTC filed a response to BayWa's counterclaims. Discovery is now complete. While FTC believes it has meritorious claims and intends to vigorously pursue recovery, the outcome of litigation is inherently uncertain, and it is unclear at this time whether FTC or BayWa will recover the amounts sought in their respective claims or whether the outcome would materially affect FTC's financial condition or results of operations.

Pending arbitration

On or about April 3, 2026, FTC Solar, Inc. was named as one of several respondents in an arbitration pending before the American Arbitration Association commenced by CO Buffalo Flats, LLC and GC Solar TE 2020 Holdings LLC (the “Claimants”) relating to a utility-scale solar project (the “Project”). The proceeding was originally brought against the Project’s engineering, procurement and construction contractor, Depcom Power, Inc., and its surety, Travelers Casualty and Surety Company of America; the Claimants subsequently added claims against FTC, which supplied tracker systems for the Project, and against the Project’s module supplier, HT Solar Enerji Anonim Sirketi. The Claimants allege that defects in the Project’s solar arrays resulted in damage to photovoltaic ("PV") modules and structural failure of tracker systems and seek damages from the respondents collectively in excess of $30 million. The Claimants have not allocated the alleged damages among the respondents.

FTC disputes that its products were defective or caused the alleged damage, believes it has meritorious defenses, and intends to defend the matter vigorously. The proceeding is at an early stage, and FTC is unable at this time to estimate the amount or range of any reasonably possible loss.

ITEM 1A. RISK FACTORS

We are subject to a number of risks that in some cases have and moving forward if realized could further adversely affect our business, strategies, prospects, financial condition, results of operations and cash flows. Some of the more significant risks and uncertainties we face include those summarized below. In addition to the risk factors set forth below and the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors set forth in Item 1A. "Risk Factors" in our 2025 Annual Report, which could materially affect our business, financial condition, or future results. Please carefully consider all of the information in this Quarterly Report and our 2025 Annual Report, including the full set of risks set forth in Item 1A. "Risk Factors" of our 2025 Annual Report, and in our other filings with the SEC before making an investment decision regarding us. We have marked with an asterisk (*) and included in full below this summary those risk factors that were not included as separate risk factors in, or reflect changes from the similarly titled risk factors included in Part I, Item 1A, "Risk Factors" of our 2025 Annual Report which are summarized below.

- **Risks Related to Our Business and Our Industry**
  - We have a history of losses that may continue in the future, we were not in compliance with the minimum unrestricted cash and direct tracker margin covenants under our Credit Agreement as of June 30, 2026 (which the Lenders waived in August 2026) and we may not be able to maintain compliance with the financial covenants under the Third Amendment. As a result, we have determined there is substantial doubt about our ability to continue as a going concern and we have classified all outstanding debt under our Credit Agreement as a current obligation as of September 30, 2026. The demand for our products and related revenue depends on many factors beyond our control; we may not achieve profitability or generate positive cash flow; and we may not be able to obtain additional debt or equity financing on terms favorable to us.*
  - Our dependence on a limited number of customers, the payment terms we agree to with such customers and the expected timing of customer project development activity may impair our ability to operate profitably.
  - We may invest in or acquire other companies or technologies, which could divert our management’s attention, result in dilution to our stockholders, reduce our available cash that could be used for other purposes and otherwise disrupt our operations and harm our results of operations.
  - The market for our products and services is highly competitive and rapidly evolving, and we expect to face increased competition.
  - Defects or quality or performance problems in our products could result in loss of customers, reputational damage and decreased revenue, and we may face warranty, indemnity and product liability claims arising from defective products.
  - We invest significant time, resources and management attention to identifying and developing project leads that are subject to our sales and marketing focus, and if we are unsuccessful in converting such project leads (or awarded orders) into binding purchase orders, our business, financial condition or results of operations could be materially adversely affected.
  - Our success in providing panel agnostic versions of our solar tracker systems will depend in part upon our ability to continue to work closely with leading solar panel manufacturers.
  - We plan to continue expanding into additional international markets, which will expose us to additional regulatory, economic, political, reputational and competitive risks.
- **Risks Related to Our Capital Strategy, Our Credit Agreement and Ownership of Our Common Stock**
  - The terms and covenants, including the financial covenants, set forth in the Credit Agreement, as amended, restrict our business. In addition, our operations may not provide sufficient cash to meet the repayment obligations under the Credit Agreement or to satisfy future minimum cash, revenue, purchase order and other financial covenants that apply to the Company under the Credit Agreement. Defaults under the Credit Agreement, including breaches of the financial covenants, could adversely affect our financial condition and results of operations, and result in the Lenders' exercise of their rights under the Credit Agreement, including the requirement that the Company reasonably cooperate in good faith

with the Lenders to pursue alternative strategic transactions, in the case of a breach of the financial covenants or the Lenders' foreclosure on their first priority security interest in substantially all of our assets. As described above, due to uncertainty about our ability to fully meet all financial covenants during the twelve-month period following the date of the condensed consolidated financial statements included in this Quarterly Report, we have classified all outstanding debt under our Credit Agreement as a current obligation as of September 30, 2026.

- A substantial number of shares of our common stock are issuable under the New Warrants and, if the New Warrants are exercised, they will have a dilutive impact, which could cause the price of our common stock to decline.
- Certain provisions of the New Warrants and in our governing documents under Delaware law could discourage an acquisition of us by a third party.
- There may be future issuances of new shares of our common stock or other dilution of our equity, which may adversely affect the market price of our common stock.
- Our directors, executive officers, principal stockholders and holders of our New Warrants will continue to have significant influence over our company, which could limit your ability to influence the outcome of key transactions, including a change of control.

- **Risks Related to Government Regulations and Legal Compliance**
  - The reduction, elimination or expiration of government incentives for, or regulations mandating the use of, as well as corporate commitments to the use of, renewable energy and solar energy specifically could reduce demand for solar energy systems and harm our business.
  - Changes in the U.S. trade environment, including the further imposition of import tariffs, could adversely affect the amount or timing of our revenue, results of operations or cash flows.
  - The concentration of our sales in a limited number of specific markets increases risks associated with the reduction, elimination or expiration of governmental subsidies and economic incentives for solar energy products.
  - Actions addressing determinations of forced labor practices in China and legislation and policies adopted to address such practices may disrupt the global supply of solar panels and affect our business.

- **Risks Related to Manufacturing and Our Supply Chain**
  - We depend upon a limited number of outside contract manufacturers, and our operations could be disrupted if our relationships with these contract manufacturers are compromised.
  - We may experience delays, disruptions or quality control problems in our contract manufacturers' manufacturing operations, which could result in reputational damage and other liabilities to our customers.
  - We depend on a limited number of contract manufacturers for key components of our products to adequately meet anticipated demand. Due to the limited number of such contract manufacturers, any cessation of operations or production or any shortage, delay, price change, imposition of tariffs or duties or other limitation on our ability to obtain the components we use could result in sales delays, cancellations and loss of market share.
  - The interruption of the flow of components from international contract manufacturers could disrupt our supply chain, including as a result of the imposition of additional laws, duties, tariffs and other charges on imports and exports.

- **Risks Related to Intellectual Property**
  - If we fail, in whole or in part, to obtain, maintain, protect, defend or enforce our intellectual property and other proprietary rights, our business and results of operations could be materially harmed.
  - We may need to defend ourselves against third-party claims that we are infringing, misappropriating or otherwise violating third-party intellectual property rights, which could divert management's attention, cause us to incur significant costs and prevent us from selling or using the products, services or technologies to which such rights relate.

- **Risks Related to Information Technology and Data Privacy**
  - We face risks relating to cybersecurity incidents, our use of artificial intelligence, and data protection regulations.

We have a history of losses that may continue in the future, we were not in compliance with the minimum unrestricted cash and direct tracker margin covenants under our Credit Agreement as of June 30, 2026 (which the Lenders waived in August 2026) and we may not be able to maintain compliance with the financial covenants under the Third Amendment to our Credit Agreement entered into on September 30, 2026. As a result, we have determined there is substantial doubt about our ability to continue as a going concern and have classified all outstanding debt under our Credit Agreement as a current obligation as of September 30, 2026. The demand for our products and related revenue depends on many factors beyond our control; we may not achieve profitability or generate positive cash flow; and we may not be able to obtain additional debt or equity financing on terms favorable to us.

We have incurred cumulative losses since inception and have a history of cash outflows from operations, inclusive of $33.4 million in cash utilized for our operating activities during the year ended December 31, 2025. As of September 30, 2026, we had unrestricted cash on hand of $5.1 million, a working capital deficit of $16.9 million and stockholders' deficit of $17.4 million.

Given these and other factors, including financial covenant requirements and principal repayment obligations in our Credit Agreement, as further discussed below, there is substantial doubt about our ability to continue as a going concern during the next year.

On September 30, 2026, we entered into a Third Amendment to our Credit Agreement pursuant to which the Lenders provided a waiver relating to our failure to timely pay during the third quarter of 2026, the remaining obligations under the Acquisition Notes arising from our purchase of the remaining ownership interest in Alpha Steel. The Third Amendment also (i) deferred the $5.0 million principal reduction to our Credit Agreement, previously due on September 30, 2026, to March 31, 2027; (ii) eliminated the existing financial covenants for the remainder of calendar year 2026, and (iii) established new applicable dates and amounts for the following financial covenants:

- Minimum Unrestricted Cash. The minimum unrestricted cash covenant will not apply until January 4, 2027, at which time we will be required to maintain unrestricted cash balances of $15,000,000 at all times.
- Minimum Revenue. The minimum revenue covenant will not apply until the fiscal quarter ending March 31, 2027 at which time it will be no less than $60,000,000, and at least $75,000,000 for each fiscal quarter thereafter.
- Minimum Consolidated EBITDA. The Consolidated EBITDA covenant will not apply until the fiscal quarter ending March 31, 2027, at which time it will be no less than $2,000,000. Thereafter, we will be required to have at least $25,000,000 of Consolidated EBITDA for the 12 months ending December 31, 2027, and as of the last day of each fiscal year thereafter.
- Minimum Direct Tracker Margin and Purchase Order Amounts. We will also be required to meet minimum specified direct tracker margin and new purchase order amount covenants no earlier than the fiscal quarter ending March 31, 2027, and for each fiscal quarter thereafter.

Additional information relating to our outstanding debt may be found under "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Liquidity and going concern."

The demand for our products depends on many factors outside of our control, and we may not be able to grow our revenue as expected, or our revenue may decline for a number of reasons, including (i) delays in, or cancellation of, our customers' project development activity due to the inability of our customers to obtain (a) funding at an acceptable cost, (b) permits, (c) interconnection agreements, or (d) other matters; (ii) any slowdown in the level of investments in solar energy projects that may result from slowdowns in economic growth in the U.S. or outside of the U.S.; (iii) U.S. and global macroeconomic trends including with respect to (a) further increases in, or continued high levels of, governmental tariffs or restrictions on imports, (b) changes in interest rates and inflation, (c) changes to or the availability of tax credits or other governmental incentives available for solar project development or the manufacturing of solar components; (iv) a decline in demand for our offerings, or an increase in the cost of our offerings, including as a result of increases in the cost of or limited supplies of the raw materials necessary to produce our products and offerings; (v) increased competition; (vi) a lack of success in converting sales leads into binding purchase orders; (vii) loss of existing customers; (viii) our inability to sell software and other complementary products; (ix) a decrease in the growth of the solar industry or our market share, including as a result of potential increases in governmental support for other sources of energy production; (x) future decline in average selling prices of our products and services; (xi) our inability to enter certain international markets; (xii) technological changes or development that could render our products and services obsolete or uncompetitive; or, (xiii) our failure to capitalize on growth opportunities. Additionally, demand for our products may be impacted by the delays that have occurred in the integration of new solar resources due to interconnection queue study backlogs and the identified need for the construction of transmission grid upgrades. Further, regional Transmission Organizations have adopted metrics such as the effective load carrying capability metric used in the PJM Interconnection ("PJM") that impose low-capacity values on solar, and high values on baseload plants. PJM has offered an accelerated interconnection process that will prioritize generators with high effective load carrying capabilities, which

may expedite the interconnection of thermal generation over renewable generation. Various locations have imposed limits on new renewable projects, which also could temper the level of new solar projects.

We may not achieve profitability or positive cash flow for a number of reasons, including declines in, or continued low levels of, revenue, as well as increases in costs to manufacture our products, U.S. and global macroeconomic trends, including with respect to the impact of U.S. tariffs and the imposition of additional duties or tariffs applicable to our industry or our products. In addition, we may be unable to identify further cost savings opportunities below present levels that would not adversely impact the functioning of our existing operations needed to meet customer and regulatory requirements. We also expect we could incur additional costs and expenses should activity levels increase from recent project wins that would allow us to continue to expand our business, including in connection with any future acquisitions, as well as ongoing development and marketing of our products and services, expanding into new markets and geographies with respect to both manufacturing and sales of our products, maintaining and enhancing our research and development operations, hiring additional personnel, incurring additional overhead costs and incurring greater costs from professional third-party advisors as necessary in connection with any expansion of our business. We do not know whether our revenue will grow rapidly enough to absorb such costs and expenses, or the extent of such costs and expenses and their impact on our results of operations. If we fail to generate sufficient revenue to support our operations, we may not be able to achieve profitability or generate sufficient cash flow to meet our financial obligations, and our liquidity position will be negatively impacted. Additionally, if we fail to comply with the covenants under the Credit Agreement, including the principal repayment obligations and financial covenants included in our Credit Agreement, as described above, we may default under the Credit Agreement and/or not have sufficient cash flow available to repay the Term Loans early, if they are accelerated following an event of default, or upon maturity of the Term Loans.

We may need to issue additional debt or obtain new equity financing to fund our operations and to execute on our current and future business strategies and plans. We may be unable to obtain any desired additional debt or equity financing on terms favorable to us, or at all, depending on, among other things, receiving required consents and approval from our existing lenders, the ability to issue other debt that is subordinate to the security interests under the Term Loans (or to obtain the consent of the Lenders to issue additional secured debt), interest rates, our stock price, our market capitalization, our ability to have our stock continue to be listed and traded on active markets or other conditions. The ability to raise additional financing depends on numerous factors that are outside of our control, including general economic and market conditions, interest rates, the health of financial institutions, investors' and lenders' assessments of our prospects and the prospects of the solar industry in general.

If we are not able to secure adequate additional funding when needed or do not generate sufficient cash from operations, we will need to reevaluate our operating plan and may be forced to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible, or suspend or curtail planned programs. These actions could materially impact our business, results of operations and future prospects. There can be no assurance that in the event we require additional financing, such financing will be available on terms that are favorable to us, or at all. Failure to generate sufficient cash from operations, raise additional capital, win new and retain current customers and vendors, or reduce certain discretionary spending would have a material adverse effect on our ability to achieve our intended business objectives.

For further discussion, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Liquidity and going concern" and Note 11, "Debt" in our Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

(a) Information required to be disclosed in a report on Form 8-K during the period covered by this Form 10-Q, but not reported.

None.

(b) Furnish the information required by Item 407(c)(3) of Regulation S-K (§229.407 of this chapter).

None.

(c) Furnish the information required by Item 408(a) of Regulation S-K (17 CFR 229.408(a)).

None of our directors or officers adopted, amended or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K during the three months ended September 30, 2026.

ITEM 6. EXHIBITS

The following exhibits are filed as part of this report:

Exhibit Number		Description
3.1	**	Amended and Restated Certificate of Incorporation of FTC Solar, Inc.(filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 3, 2021 and incorporated herein by reference).
3.2	**	Certificate of Correction of Amended and Restated Certificate of Incorporation (Filed as Exhibit 3.3 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on June 8, 2021 and incorporated herein by reference).
3.3	**	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of FTC Solar, Inc.(filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 27, 2024 and incorporated herein by reference).
3.4	**	Amended and Restated Bylaws of FTC Solar, Inc.(filed as Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 3, 2021 and incorporated herein by reference).
4.1	**	Specimen Common Stock Certificate (filed as Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on April 29, 2021 and incorporated herein by reference).
10.1	**	Second Amendment to Credit Agreement, dated March 23, 2026, by and among FTC Solar, Inc. and Acquiom Agency Services LLC, as administrative agent for the Lenders (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 24, 2026 and incorporated herein by reference).#
10.2	**†	Employment Agreement, dated May 4, 2026, between the Company and Anthony Carroll (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 5, 2026 and incorporated herein by reference).
10.3	**	Purchase Agreement, dated August 4, 2026, by and between FTC Solar, Inc. and Lincoln Park Capital Fund, LLC (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 5, 2026 and incorporated herein by reference).
10.4	**	Registration Rights Agreement, dated August 4, 2026, by and between FTC Solar, Inc. and Lincoln Park Capital Fund, LLC (filed as Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 5, 2026 and incorporated herein by reference).
10.5	**	Limited Waiver and Limited Consent to Credit Agreement, dated August 4, 2026, by and among FTC Solar, Inc., Acquiom Agency Services LLC, as administrative agent for the Lenders, and the other parties thereto (filed as Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 5, 2026 and incorporated herein by reference).
10.6	**	Third Amendment and Limited Waiver to Credit Agreement, dated September 30, 2026, by and among FTC Solar, Inc., the Lenders party thereto, and Acquiom Agency Services LLC, as administrative agent for the Lenders (filed as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2026 and incorporated herein by reference) #^
31.1	*	Certification of Principal Executive Officer Pursuant to SEC Rule 13a−14(a)/15d−14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	*	Certification of Principal Financial Officer Pursuant to SEC Rule 13a−14(a)/15d−14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	*	Certification of Principal 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	*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Legend -

*	Filed herewith.
**	Incorporated herein by reference.
†	Management contract or compensatory plan or arrangement.
#	Portions of this exhibit are redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K.
^	Certain of the exhibits and schedules to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

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.

FTC SOLAR, INC.

Date: November 4, 2026

/s/ Cathy Behnen
Cathy Behnen, Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Anthony Carroll, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FTC Solar Inc.;

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(s) 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(s) 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.

Date: November 4, 2026

By: /s/ Anthony Carroll
Anthony Carroll
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Cathy Behnen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FTC Solar Inc.;

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(s) 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(s) 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.

Date: November 4, 2026

By: /s/ Cathy Behnen
Cathy Behnen
Chief Financial Officer

Exhibit 32.1

CERTIFICATION 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 of FTC Solar, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2026

By: /s/ Anthony Carroll

Anthony Carroll
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION 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 of FTC Solar, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2026

By: /s/ Cathy Behnen

Cathy Behnen
Chief Financial Officer