



June 8, 2021

# First Quarter 2021

## Earnings Results





# Forward-Looking Statements and Non-GAAP Financial Measures

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

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

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

Doubled revenue year-over-year to \$65.7 million

Secured first sales of new SunPath performance enhancement software product

Awarded two international projects - Australia

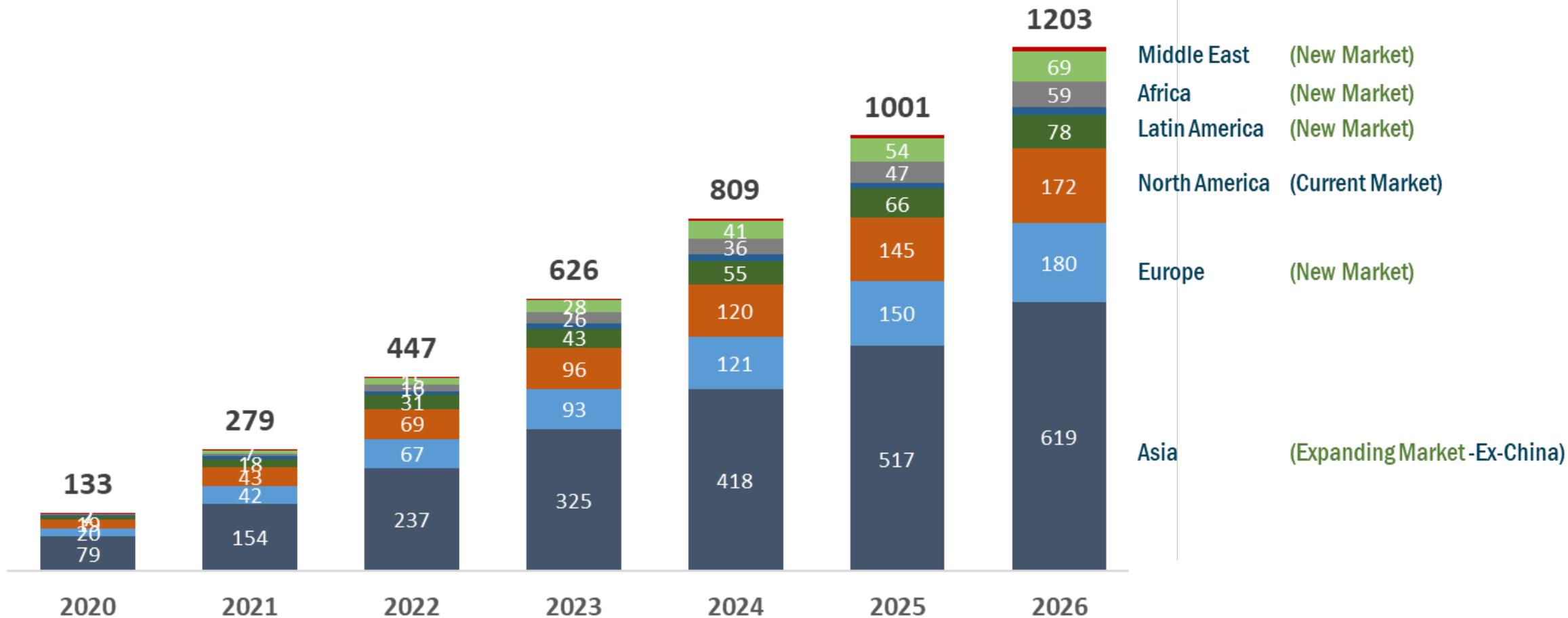
Added over \$280 million to executed contracts and awarded orders YTD\*, including \$55 million since IPO

Closed IPO adding \$181 million to our debt-free balance sheet

\* Includes amounts included in first quarter reported revenue. Subtracting the amount included in first quarter revenue, the new balance is \$326 million, with \$159 million remaining for expected 2021 delivery and \$167 million for 2022 delivery.

# Growing Solar Demand Drives Revenue Expansion

Cumulative Solar PV Installations by region



Source: Wood Mackenzie Global PV Outlook 1Q 2021.



# Differentiated Product Impacts Customer Cost and Performance

## Two-in-Portrait (2P) Tracker Advantages

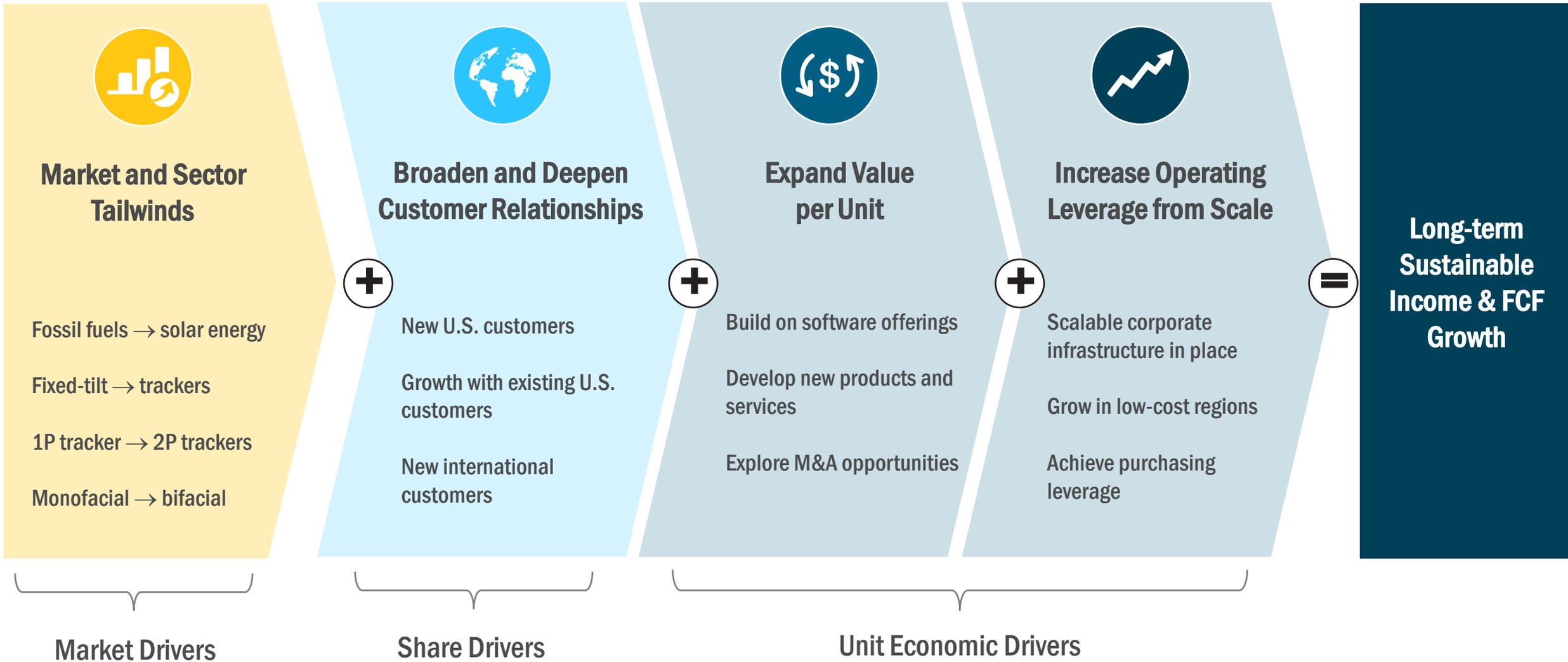
- ✓ Improved bifacial energy yield
- ✓ Increased design flexibility
- ✓ Higher panel density
- ✓ Better site accessibility



Reduced Part Count	Direct Current ("DC") Collections Advantage	Industry-Leading Install Speed	High Slope Tolerance	Performance Software
<ul style="list-style-type: none"> <li>• Up to <b>56% fewer</b> foundations per MW</li> <li>• Up to <b>45% fewer</b> connection points</li> <li>• Lower steel content (15% less)</li> </ul>	<ul style="list-style-type: none"> <li>• Unique 4 string architecture</li> <li>• Up to <b>25% less wiring</b></li> <li>• Higher bifacial energy capture</li> </ul>	<ul style="list-style-type: none"> <li>• Lean assembly, fewer tools, fewer connections</li> <li>• Patented self-aligning panel hanging</li> <li>• <b>~40% faster</b> installation</li> </ul>	<ul style="list-style-type: none"> <li>• Terrain flexibility</li> <li>• Maximize number of rows</li> <li>• Tolerant of up to a <b>17.5% grade</b></li> </ul>	<ul style="list-style-type: none"> <li>• Custom-tailored for each site</li> <li>• Backtracking &amp; diffused light</li> <li>• Up to <b>6% higher yield</b></li> </ul>
<ul style="list-style-type: none"> <li>✓ Fewer labor hours</li> <li>✓ Scale cost benefit</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fewer labor hours</li> <li>✓ Higher output</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fewer labor hours</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fewer labor hours</li> <li>✓ Avoids land grading</li> </ul>	<ul style="list-style-type: none"> <li>✓ Higher output</li> <li>✓ Lower LCOE</li> </ul>

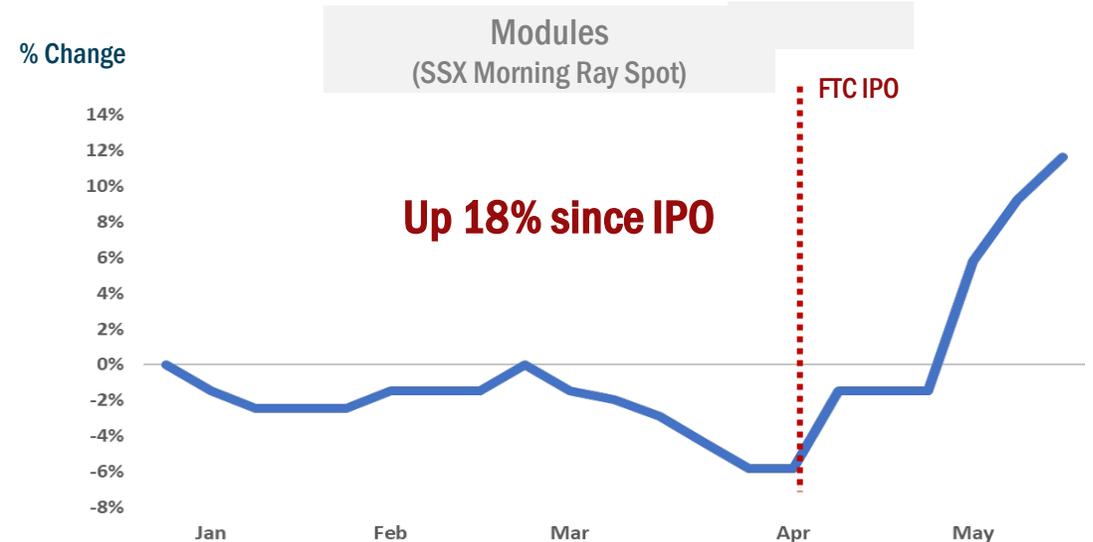
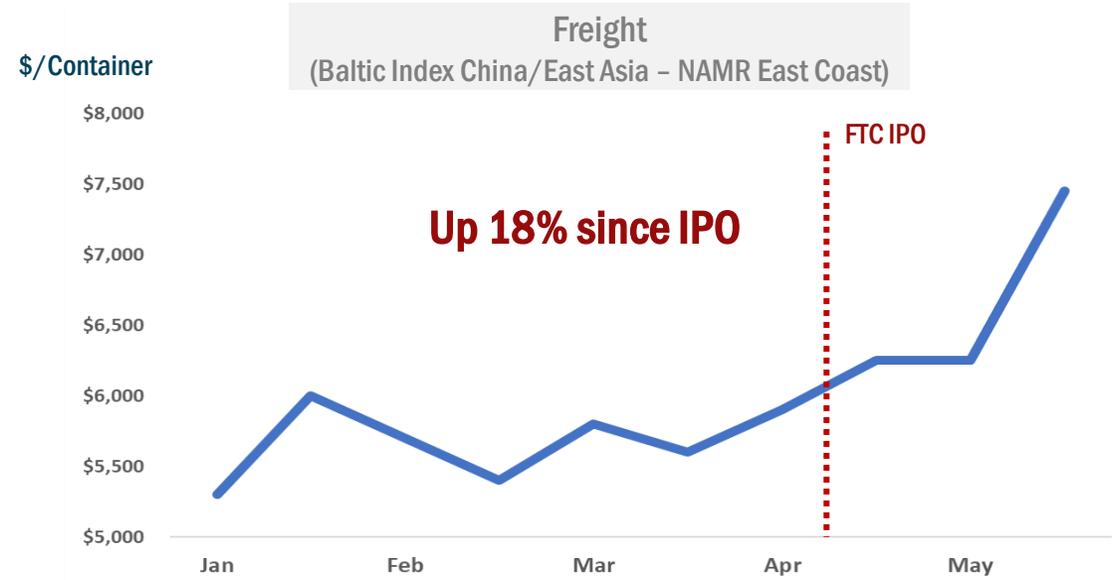
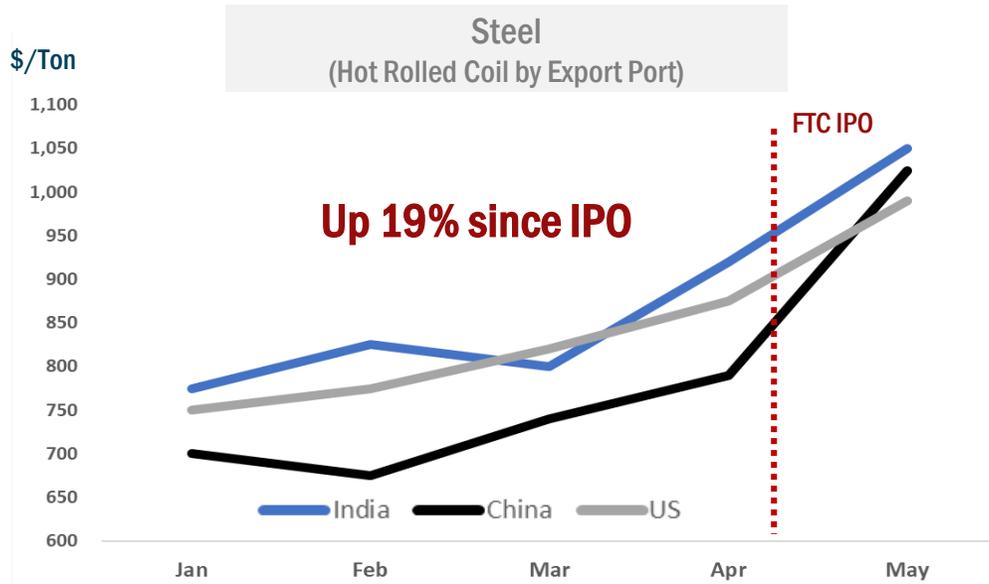


# Multiple Growth Drivers for Further Upside





# Solar input pricing continues to increase



Sources: Steel - Fastmarkets.com; Freight - Freightos (Baltic Index); Polysilicon - PV-Infolink; Modules - Singapore Solar Exchange.

## Commodity Cost

Steel costs fixed at or prior to customer purchase order  
No long-term contracts without secured steel pricing  
Project pricing reflective of current steel costs  
Implemented innovative shipping solution to reduce costs  
Steel / Logistics capacity secured for majority of 2H'21 demand

## Product Cost Roadmap

Good progress on our cost structure reduction pillars

- Design to Value (DTV) component cost reductions
- Procurement initiatives to reduce manufacturing costs
- High Volume manufacture to drive procurement leverage

## Balance Sheet

\$181M cash addition from IPO  
Debt-free balance sheet

## Software Revenue

Expansion of SunPath software product sales

Secured first orders

Independent third-party engineering validations complete

High customer value and potential attach rate



# Q1 Financial Performance

	GAAP		Non-GAAP	
	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Revenue	\$ 65,707	\$ 32,376	\$ 65,707	\$ 32,376
Gross profit	\$ 119	\$ 6,980	\$ 185	\$ 7,062
Operating expense	\$ 8,138	\$ 4,084	\$ 6,849	\$ 3,672
Operating income (loss)	\$ (8,019)	\$ 2,896	\$ (6,664)	\$ 3,390
Net income (loss)	\$ (7,442)	\$ 3,420	\$ (6,676)	\$ 3,430
Diluted EPS	\$ (0.11)	\$ 0.04	\$ (0.10)	\$ 0.04

\$ mil., except per share	Q2 2021 Outlook
Total Revenue	\$41.0- \$46.0
Non-GAAP Operating Expenses	\$9.5 - \$10.5
Non-GAAP Net Income	(\$17.3 – \$10.4)

Based on current visibility, we believe:

- Second quarter will be the low point for the year from which we'll grow
- Third quarter revenue will grow meaningfully vs. Q2, with progress toward profitability on a non-GAAP Net Income basis
- Fourth quarter revenue will continue to grow in a healthy manner, with expectation that will achieve profitability on a non-GAAP Net Income basis
- Expect to grow faster than market, remain encouraged by growth in pipeline and executed contracts and awarded orders



Q&A

# Appendix



# Reconciliation of Non-GAAP Gross Margin and Operating Expense

The following table reconciles Non-GAAP Gross Margin for the three months ended March 31, 2021 and 2020, respectively:

	Three Months Ended March 31,	
	2021	2020
	(in thousands)	
GAAP gross profit	\$ 119	\$ 6,980
Stock-based compensation	66	82
Non-GAAP gross profit	185	7,062
Non-GAAP revenue	\$ 65,707	\$ 32,376
Non-GAAP gross margin	0.0%	21.8%

The following table reconciles GAAP Operating Expense to Non-GAAP Operating Expense for the three months ended March 31, 2021 and 2020, respectively:

	Three Months Ended March 31,	
	2021	2020
	(in thousands)	
GAAP Operating expense	\$ 8,138	\$ 4,084
Depreciation expense	(9)	(3)
Amortization of intangibles	—	(33)
Stock-based compensation	(383)	(376)
Other costs	(897)	—
Non-GAAP Operating expense	\$ 6,849	\$ 3,672



# Reconciliation of Non-GAAP Operating Income

The following table reconciles GAAP Operating Income (Loss) to Non-GAAP Operating Income (Loss) for the three months ended March 31, 2021 and 2020, respectively:

	Three Months Ended March 31,	
	2021	2020
	(in thousands)	
GAAP Operating income (loss)	\$ (8,019)	\$ 2,896
Depreciation expense	9	3
Amortization of intangibles	—	33
Stock-based compensation	449	458
Other costs	897	—
Non-GAAP Operating income (loss)	<u>\$ (6,664)</u>	<u>\$ 3,390</u>



# Reconciliation of Non-GAAP Net Income

The following table reconciles Net Income (Loss) to Adjusted Non-GAAP Net Income (Loss) and Adjusted EPS for the three months ended March 31, 2021 and 2020, respectively. All shares and per share amounts have been adjusted for a 8.25-for-1 share forward stock split which took effect on April 27, 2021:

	Three Months Ended	
	March 31,	
	2021	2020
	(in thousands, except per share data)	
Net income (loss)	\$ (7,442)	\$ 3,420
Amortization of intangibles	—	33
Stock-based compensation	449	458
(Gain) on extinguishment of debt	(790)	—
Other costs	897	—
(Income) loss from unconsolidated subsidiary	218	(478)
Income tax expense of adjustments(a)	(8)	(3)
Adjusted Non-GAAP net income (loss)	<u>\$ (6,676)</u>	<u>\$ 3,430</u>
<b>Adjusted Non-GAAP net income (loss) per share (Adjusted EPS)</b>		
Basic	\$ (0.10)	\$ 0.05
Diluted	\$ (0.10)	\$ 0.04
<b>Weighted-average <u>Non-GAAP</u> common shares outstanding:</b>		
Basic	66,875,469	67,334,111
Diluted	66,875,469	77,105,419

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



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

We present Non-GAAP Gross Margin, Non-GAAP Operating Expense, Non-GAAP Operating Income (Loss), Adjusted Net Income (Loss) and Adjusted Non-GAAP Net Income (Loss) Per Share (Adjusted EPS) as supplemental measures of our performance. To calculate Non-GAAP Gross Margin and Non-GAAP Gross Profit, (i) we adjust GAAP Gross Margin and GAAP Gross Profit for stock-based compensation amortization in cost of revenue. Non-GAAP Operating Expense is calculated by taking GAAP Operating Expenses and adjusting for (i) depreciation expense, (ii) amortization expense, (iii) stock-based compensation and (iv) other cost. In the case of Non-GAAP Operating Income (Loss), we adjust GAAP Operating Income (Loss) for (i) depreciation expense, (ii) amortization expense, (iii) stock-based compensation and (iv) other cost. We define Adjusted Net Income (Loss) as Net Income (Loss) plus (i) amortization of intangibles, (ii) stock-based compensation, (iii) loss (income) from unconsolidated subsidiary, (iv) (gain) on extinguishment of debt, (v) other costs and (vi) income tax benefit of adjustments. Adjusted EPS is defined as Adjusted Non-GAAP Net Income (Loss) Per Share basis using the weighted average basic and diluted shares outstanding.

Non-GAAP Gross Margin, Non-GAAP Operating Expense, Non-GAAP Operating Income (Loss), Adjusted Net Income (Loss) and Adjusted EPS are intended as supplemental measures of performance that are neither required by, nor presented in accordance with, U.S. generally accepted accounting principles (“GAAP”). We present Non-GAAP Gross Margin, Non-GAAP Operating Expense, Non-GAAP Operating Income (Loss), 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 Non-GAAP Gross Margin, Non-GAAP Operating Expense, Non-GAAP Operating Income (Loss), Adjusted Net Income (Loss) and Adjusted EPS to evaluate the effectiveness of our business strategies.