UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended October 2, 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: 001-41617

Nextpower Inc.

(Exact name of registrant as specified in its charter)

Delaware	**36-5047383**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6200 Paseo Padre Parkway, Fremont, California 94555
(Address, including zip code of registrant's principal executive offices)

(510) 270-2500
(Registrant's telephone number, including area code)

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	NXT	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 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 Exchange Act). Yes ☐ No ☒

As of October 26, 2026, there were 150,575,535 shares of the registrant's common stock outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. *FINANCIAL STATEMENTS*

Nextpower Inc.

Unaudited condensed consolidated balance sheets

(In thousands, except share and per share amounts)

	As of October 2, 2026	As of March 31, 2026
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,029,886	$ 1,094,976
Accounts receivable, net of allowance of $2,273 and $2,078, respectively	584,299	417,043
Contract assets	615,732	533,257
Inventories	264,136	262,276
Section 45X credit receivable	359,681	352,598
Other current assets	204,932	186,406
Total current assets	3,058,666	2,846,556
Property and equipment, net	108,639	78,356
Goodwill	653,594	488,950
Other intangible assets, net	233,382	78,046
Deferred tax assets	510,231	511,815
Other assets	74,950	69,489
Total assets	$ 4,639,462	$ 4,073,212
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 643,664	$ 533,490
Accrued expenses	147,052	130,133
Deferred revenue	413,762	307,492
Other current liabilities	169,007	192,747
Total current liabilities	1,373,485	1,163,862
Tax receivable agreement (TRA) liability	373,811	372,659
Long-term deferred revenue	100,826	102,493
Other liabilities	145,533	99,801
Total liabilities	1,993,655	1,738,815
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Common stock, $0.0001 par value, 900,000,000 shares authorized, 150,712,535 shares and 149,391,483 shares issued and outstanding, respectively	15	15
Additional paid-in-capital	4,286,052	4,305,726
Accumulated deficit	(1,640,719)	(1,971,527)
Accumulated other comprehensive income	459	183
Total stockholders' equity	2,645,807	2,334,397
Total liabilities and stockholders' equity	$ 4,639,462	$ 4,073,212

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Nextpower Inc.

Unaudited condensed consolidated statements of operations

(In thousands, except share and per share amounts)

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
Revenue	$ 1,109,276	$ 905,268	$ 2,044,446	$ 1,769,521
Cost of sales	763,960	612,408	1,363,277	1,194,935
Gross profit	345,316	292,860	681,169	574,586
Selling, general and administrative expenses	92,202	84,626	192,640	158,562
Research and development	45,568	26,889	90,076	48,449
Operating income	207,546	181,345	398,453	367,575
Interest expense	350	730	603	1,946
Other income, net	(7,876)	(2,110)	(16,147)	(8,063)
Income before income taxes	215,072	182,725	413,997	373,692
Provision for income taxes	49,619	35,864	83,189	69,648
Net income	165,453	146,861	330,808	304,044
Earnings per share:				
Basic	$ 1.09	$ 0.99	$ 2.19	$ 2.06
Diluted	$ 1.08	$ 0.97	$ 2.14	$ 2.01
Weighted-average shares used in computing per share amounts:				
Basic	151,495,892	148,027,872	151,131,192	147,480,066
Diluted	153,909,193	152,018,105	154,519,706	151,110,031

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Nextpower Inc.

Unaudited condensed consolidated statements of comprehensive income

(In thousands)

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
Net income	$ 165,453	$ 146,861	$ 330,808	$ 304,044
Other comprehensive income, net of tax:				
Unrealized (loss) gain on derivative instruments	(1,429)	—	276	—
Comprehensive income	$ 164,024	$ 146,861	$ 331,084	$ 304,044

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Nextpower Inc.

Unaudited condensed consolidated statements of stockholders' equity

(In thousands, except share amounts)

	Common stock					
Three-month period ended October 2, 2026	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Accumulated other comprehensive income (loss)**	**Total stockholders' equity**
BALANCE AT JULY 3, 2026	151,654,811	$ 15	$ 4,361,372	$ (1,806,172)	$ 1,888	$ 2,557,103
Net income	—	—	—	165,453	—	165,453
Stock-based compensation expense	—	—	29,936	—	—	29,936
Vesting of RSU and PSU awards	679,161	—	—	—	—	—
Exercises of options awards	180,321	—	6,812	—	—	6,812
Repurchases of common stock	(1,801,758)	—	(162,068)	—	—	(162,068)
Acquisition-related deferred stock consideration	—	—	50,000	—	—	50,000
Total other comprehensive loss	—	—	—	—	(1,429)	(1,429)
BALANCE AT OCTOBER 2, 2026	150,712,535	$ 15	$ 4,286,052	$ (1,640,719)	$ 459	$ 2,645,807

	Common stock					
Three-month period ended September 26, 2025	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Accumulated other comprehensive income (loss)**	**Total stockholders' equity**
BALANCE AT JUNE 27, 2025	147,963,974	$ 15	$ 4,208,133	$ (2,400,227)	$ (777)	$ 1,807,144
Net income	—	—	—	146,861	—	146,861
Stock-based compensation expense	—	—	31,653	—	—	31,653
Vesting of RSU awards	417,819	—	—	—	—	—
Exercises of options awards	712	—	—	—	—	—
Total other comprehensive income	—	—	—	—	40	40
BALANCE AT SEPTEMBER 26, 2025	148,382,505	$ 15	$ 4,239,786	$ (2,253,366)	$ (737)	$ 1,985,698

Nextpower Inc.

Unaudited condensed consolidated statements of stockholders' equity (continued)

(In thousands, except share amounts)

	Common stock					
Six-month period ended October 2, 2026	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Accumulated other comprehensive income**	**Total stockholders' equity**
BALANCE AT MARCH 31, 2026	149,391,483	$ 15	$ 4,305,726	$ (1,971,527)	$ 183	$ 2,334,397
Net income	—	—	—	330,808	—	330,808
Stock-based compensation expense	—	—	59,574	—	—	59,574
Vesting of RSU and PSU awards	1,704,024	—	—	—	—	—
Exercise of options awards	1,418,786	—	32,820	—	—	32,820
Repurchases of common stock	(1,801,758)	—	(162,068)	—	—	(162,068)
Acquisition-related deferred stock consideration	—	—	50,000	—	—	50,000
Total other comprehensive income	—	—	—	—	276	276
BALANCE AT OCTOBER 2, 2026	150,712,535	$ 15	$ 4,286,052	$ (1,640,719)	$ 459	$ 2,645,807

	Common stock					
Six-month period ended September 26, 2025	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Accumulated other comprehensive loss**	**Total stockholders' equity**
BALANCE AT MARCH 31, 2025	145,648,231	$ 15	$ 4,185,823	$ (2,557,410)	$ (298)	$ 1,628,130
Net income	—	—	—	304,044	—	304,044
Stock-based compensation expense	—	—	53,963	—	—	53,963
Vesting of RSU and PSU awards	2,733,562	—	—	—	—	—
Exercises of options awards	712	—	—	—	—	—
Total other comprehensive loss	—	—	—	—	(439)	(439)
BALANCE AT SEPTEMBER 26, 2025	148,382,505	$ 15	$ 4,239,786	$ (2,253,366)	$ (737)	$ 1,985,698

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Nextpower Inc.
Unaudited condensed consolidated statements of cash flows
(In thousands)

	Six-month periods ended	
	October 2, 2026	**September 26, 2025**
Cash flows from operating activities:		
Net income	$ 330,808	$ 304,044
Depreciation and amortization of intangible assets	23,689	13,150
Changes in working capital and other, net	(75,336)	(48,991)
Net cash provided by operating activities	279,161	268,203
Cash flows from investing activities:		
Payment for business acquisitions, net of cash acquired	(132,455)	(108,346)
Purchases of property and equipment	(39,026)	(26,732)
Other investing activities	(8,000)	(7,443)
Net cash used in investing activities	(179,481)	(142,521)
Cash flows from financing activities:		
Repurchase of common stock	(162,068)	—
Proceeds from exercises of options awards	32,820	—
TRA payment	(19,381)	(27,427)
Payment of acquisition deferred purchase price	(16,141)	(14,013)
Distribution to former non-controlling interest holder	—	(3,010)
Payment of revolver issuance costs	—	(1,993)
Net cash used in financing activities	(164,770)	(46,443)
Net (decrease) increase in cash and cash equivalents	(65,090)	79,239
Cash and cash equivalents beginning of period	1,094,976	766,103
Cash and cash equivalents end of period	$ 1,029,886	$ 845,342
Non-cash investing and financing activities:		
Fair value of contingent considerations for acquisitions	$ 57,760	$ 28,930
Acquisition deferred purchase price	50,000	2,931
Right-of-use assets obtained in exchange of lease liabilities	8,352	24,163

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

1. Description of business and organization of Nextpower Inc.

Nextpower Inc. and its subsidiaries ("Nextpower", "we", the "Company") is a leading global provider of solar and energy technology solutions for utility-scale power plants. Founded in 2013 by our Chief Executive Officer, Dan Shugar, Nextpower pioneered and remains the global market leader in solar tracking systems. Nextpower now delivers an integrated suite of structural, electrical, and digital solutions across the full lifecycle of solar power plants, from design and construction through operations and maintenance. Nextpower's integrated solutions are designed to streamline project execution, increase energy yield and long-term reliability, and enhance customer return on investment. Nextpower has operations in the United States, Brazil, Argentina, Peru, Mexico, Spain and other locations in Europe, India, Australia, the Middle East and Africa.

2. Summary of accounting policies

Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the United States Securities and Exchange Commission (the "SEC") for reporting financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements, and should be read in conjunction with the Company's audited consolidated financial statements as of and for the fiscal year ended March 31, 2026, contained in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2026 (the "Form 10-K"). In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary to present the Company's financial statements fairly have been included. Operating results for the three and six-month periods ended October 2, 2026 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2027 or any future period. The unaudited condensed consolidated balance sheet as of March 31, 2026 was derived from the Company's audited consolidated financial statements included in the Form 10-K. All intercompany transactions and balances within Nextpower have been eliminated.

Certain prior year amounts have been reclassified to conform to the current year presentation.

The first quarters for fiscal years 2027 and 2026 ended on July 3, 2026 (94 days) and June 27, 2025 (88 days), respectively. The second quarters for fiscal years 2027 and 2026 ended on October 2, 2026 (91 days) and September 26, 2025 (91 days), respectively.

Common stock retitle

On August 19, 2026, the Company filed the Third Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, reflecting the elimination of the Company's legacy Class B common stock, the removal of other outdated provisions, and the retitling of the Company's Class A common stock as common stock.

Translation of foreign currencies

The reporting currency of the Company is the United States dollar ("USD"). The functional currency of the Company and its subsidiaries is primarily the USD. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in other income, net in the accompanying unaudited condensed consolidated statements of operations. The Company recognized foreign currency exchange losses of $3.5 million and $4.5 million during the three and six-month periods ended October 2, 2026, respectively, driven by unfavorable exchange rate fluctuations in certain currencies. The Company recognized foreign currency exchange losses of $1.9 million and $2.2 million during the three and six-month periods ended September 26, 2025, respectively, driven by unfavorable exchange rate fluctuations in certain currencies.

Use of estimates

The preparation of 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 amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. Estimates are used in accounting for, among other things: impairment of goodwill, impairment of long-lived assets, allowance for credit losses, provision for excess or obsolete inventories, valuation of deferred

tax assets, warranty reserves, contingencies, operation-related accruals, fair values of awards granted under stock-based compensation plans and fair values of assets obtained and liabilities assumed in business combinations. Due to geopolitical conflicts (including the Russian invasion of Ukraine and the U.S.-Iran war), there has been and will continue to be uncertainty and disruption in the global economy and financial markets. These estimates may change as new events occur and additional information is obtained. Actual results may differ from previously estimated amounts, and such differences may be material to the unaudited condensed consolidated financial statements. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the period they occur. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the unaudited condensed consolidated financial statements.

Product warranty

Nextpower offers an assurance type warranty for its products against defects in design, materials and workmanship for a period ranging from two to ten years, depending on the component. For these assurance type warranties, a provision for estimated future costs related to warranty expense is recorded when they are probable and reasonably estimable, which is typically when products are delivered. The estimated warranty liability is based on the Company's warranty model which relies on historical warranty claim information and assumptions based on the nature, frequency and average cost of claims for each product line by project. When little or no experience exists, the estimate is based on comparable product lines and/or estimated potential failure rates. These estimates are based on data from Nextpower specific projects. Estimates related to the outstanding warranty liability are re-evaluated on an ongoing basis using best-available information and revisions are made as necessary.

The following table summarizes the activity related to the estimated accrued warranty reserve for the six-month periods ended October 2, 2026 and September 26, 2025:

	Six-month periods ended	
	October 2, 2026	**September 26, 2025**
	(In thousands)	
Beginning balance	$ 32,845	$ 17,981
Provision for warranties issued	11,216	5,647
Payments	(7,635)	(2,310)
Ending balance	$ 36,426	$ 21,318

Out of the total warranty liabilities of $36.4 million, $32.8 million and $21.3 million as of October 2, 2026, March 31, 2026, and September 26, 2025, respectively, $9.6 million, $8.0 million, and $7.1 million, respectively, were presented within other liabilities on the unaudited condensed consolidated balance sheets, while short-term warranty liabilities were presented within other current liabilities.

Inventories

Inventories are stated at the lower of cost, determined on a weighted average basis, or net realizable value. Nextpower's inventory primarily consists of finished goods to be used and to be sold to customers, including components procured to complete the tracker system projects.

Other current assets

Other current assets include short-term deposits and advances of $26.2 million and $51.3 million as of October 2, 2026 and March 31, 2026, respectively, primarily related to advance payments to certain vendors for procurement of inventory.

Deferred tax assets

Deferred tax assets of $510.2 million and $511.8 million as of October 2, 2026 and March 31, 2026, respectively, are primarily related to the Company's investment in Nextpower LLC (the "LLC") as described in Note 12 in the notes to the consolidated financial statements included in the Form 10-K.

Accrued expenses

Accrued expenses include accruals primarily for freight and tariffs of $88.6 million and $58.2 million as of October 2, 2026 and March 31, 2026, respectively. In addition, accrued expenses also include $58.5 million and $71.9 million of accrued payroll as of October 2, 2026 and March 31, 2026, respectively.

TRA liability

The TRA liability related to the amount expected to be paid to Flex Ltd. ("Flex" or the "former parent"), TPG Inc. ("TPG") and TPG Rise Climate Flash Cl BDH, L.P., TPG Rise Climate BDH, L.P. and The Rise Fund II BDH, L.P. (collectively, the "TPG Affiliates") pursuant to the Tax Receivable Agreement (as defined in Note 12 in the notes to the consolidated financial statements included in the Form 10-K), was $373.8 million and $393.2 million, as of October 2, 2026 and March 31, 2026, respectively. Of these amounts, $373.8 million and $372.7 million, respectively, were included in TRA liability, while zero and $20.5 million, respectively, were included in other current liabilities on the unaudited condensed consolidated balance sheets. During the six-month periods ended October 2, 2026 and September 26, 2025, payments of $19.4 million and $27.4 million, respectively, were made to the former parent, TPG and the TPG Affiliates, which are presented in financing activities on the unaudited condensed consolidated statements of cash flows.

Other liabilities

Other liabilities primarily consist of contingent earnouts for the Company's acquisitions of $82.6 million and $38.6 million, and long-term lease liabilities of $44.5 million and $41.0 million, each as of October 2, 2026 and March 31, 2026, respectively.

Recently adopted accounting pronouncement

Financial Accounting Standards Board ("FASB") Accounting Standards Update 2025-05, *Financial Instruments—Credit Losses*: In July 2025, the FASB issued a new accounting standard, which provides a practical expedient (for all entities) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under FASB Accounting Standards Codification ("ASC") 606. The Company adopted the new guidance in the first quarter of fiscal year 2027 with an immaterial impact on its unaudited condensed consolidated financial statements.

3. Revenue

Based on ASC 606 provisions, the Company disaggregates its revenue from contracts with customers by those sales recorded over time and sales recorded at a point in time. The following table presents Nextpower's revenue disaggregated based on timing of transfer-point in time and over time for the three and six-month periods ended October 2, 2026 and September 26, 2025:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In thousands)			
Timing of Transfer				
Point in time	$ 98,044	$ 58,931	$ 194,016	$ 75,894
Over time	1,011,232	846,337	1,850,430	1,693,627
Total revenue	$ 1,109,276	$ 905,268	$ 2,044,446	$ 1,769,521

Contract balances

The timing of revenue recognition, billings and cash collections results in contract assets and contract liabilities (deferred revenue) on the unaudited condensed consolidated balance sheets. Nextpower's contract amounts are billed as work progresses in accordance with agreed-upon contractual terms, which generally coincide with the shipment of one or more phases of the project. When billing occurs subsequent to revenue recognition, a contract asset results. Contract assets of $615.7 million and $533.3 million as of October 2, 2026 and March 31, 2026, respectively, are presented in the unaudited condensed consolidated balance sheets, of which $170.8 million and $133.9 million, respectively, will be invoiced at the end of the projects as they represent funds withheld until the products are installed by a third party, arranged by the customer, and the project is declared operational. The remaining unbilled receivables will be invoiced throughout the project based on a set billing schedule such as

milestones reached or completed rows delivered. Contract assets increased by $82.5 million from March 31, 2026 to October 2, 2026 due to fluctuations in the timing and volume of billings for the Company's revenue recognized over time.

During the six-month periods ended October 2, 2026 and September 26, 2025, Nextpower converted $197.3 million and $216.5 million of deferred revenue to revenue, respectively, which represented 48% and 63%, respectively, of the beginning period balance of deferred revenue.

Remaining performance obligations

As of October 2, 2026, Nextpower had $514.6 million of the transaction price allocated to the remaining performance obligations. The Company expects to recognize revenue on approximately 80% of these performance obligations in the next 12 months. The remaining long-term unperformed obligation primarily relates to extended warranty and deposits collected in advance on certain tracker projects.

4. Goodwill and intangible assets

Goodwill

During the six-month period ended October 2, 2026, additions to the Company's goodwill are driven by its acquisitions of Prevalon Energy LLC ("Prevalon"), as well as complementary assets of Zigor Corporation's power conversion business and its U.S.-based subsidiary, Apex Power ("Zigor/Apex") as further described in Note 10.

The following table summarizes the activity in the Company's goodwill during the six-month period ended October 2, 2026 (in thousands):

Balance as of March 31, 2026	$	488,950
Additions		164,644
Balance as of October 2, 2026	$	653,594

Other intangible assets

During the six-month period ended October 2, 2026, the total gross value of other intangible assets increased by $167.7 million, primarily consisting of $92.5 million of developed technology, $49.0 million of customer relationships, and $26.2 million of backlog and trade names, primarily driven by the recent business acquisitions as further described in Note 10.

The components of identifiable intangible assets are as follows:

	As of October 2, 2026			As of March 31, 2026		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	(In thousands)					
Developed technology	$ 165,142	$ (14,359)	$ 150,783	$ 72,673	$ (8,784)	$ 63,889
Customer relationships	68,159	(11,809)	56,350	19,159	(7,022)	12,137
Backlog, trade names and other intangibles	31,357	(5,108)	26,249	5,157	(3,137)	2,020
Total	$ 264,658	$ (31,276)	$ 233,382	$ 96,989	$ (18,943)	$ 78,046

The gross carrying amount of other intangible assets are removed when fully amortized. Total intangible asset amortization expense recognized in operations during the three and six-month periods ended October 2, 2026 and September 26, 2025 was as follows:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In thousands)			
Cost of sales	$ 4,513	$ 1,649	$ 6,498	$ 2,808
Selling, general and administrative expense	4,445	1,269	5,835	2,169
Total amortization expense	$ 8,958	$ 2,918	$ 12,333	$ 4,977

The estimated future annual amortization expense for the acquired finite-lived intangible assets as of October 2, 2026 is as follows:

Fiscal year ending March 31,	Amount
	(In thousands)
2027 (1)	$ 24,339
2028	45,137
2029	43,440
2030	27,104
2031	17,795
Thereafter	75,567
Total amortization expense	$ 233,382

(1) Represents estimated amortization for the remaining fiscal six-month period ending March 31, 2027.

5. Stock-based compensation

The Company adopted the First Amended and Restated 2022 Nextpower LLC Equity Incentive Plan in April 2022 (the "LLC Plan"), which provides for the issuance of options, unit appreciation rights, performance units, performance incentive units, restricted incentive units and other unit-based awards to employees, directors and consultants of the Company. Additionally, in connection with the Company's initial public offering ("IPO"), the Company approved the Second and Restated 2022 Nextpower Inc. Equity Incentive Plan (together with the LLC Plan, the "2022 Plan") to reflect, among other things, that the underlying equity interests with respect to awards issued under the LLC Plan shall, in lieu of common units of the LLC, relate to common stock of Nextpower for periods from and after the closing of the IPO.

In addition, the Company maintains one inducement equity compensation plan, established in connection with the acquisition of Prevalon (the "Prevalon Plan"), through which inducement awards ("Inducement Awards") have been granted to former Prevalon employees as a material inducement to their commencement of employment with the Company following the consummation of such acquisition. The Inducement Awards were granted in accordance with Nasdaq Listing Rule 5635(c)(4) and were unanimously approved by the Compensation and People Committee of the Board of Directors of the Company. While the Inducement Awards were granted outside of the 2022 Plan, the awards are subject to terms and conditions substantially consistent with those set forth under the 2022 Plan.

The following table summarizes the Company's stock-based compensation expense for both the 2022 Plan and the Prevalon Plan:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In thousands)			
Cost of sales	$ 5,602	$ 5,077	$ 10,047	$ 7,315
Selling, general and administrative expenses	19,642	24,039	40,810	42,531
Research and development	4,692	2,537	8,717	4,117
Total stock-based compensation expense	$ 29,936	$ 31,653	$ 59,574	$ 53,963

During the six-month period ended October 2, 2026, the Company granted 1.2 million time-based unvested restricted share units (“RSU”) awards to certain of its employees under the 2022 Plan. The vesting for these unvested RSU awards is contingent upon time-based vesting with continued service generally over a three-year period from the grant date, with a portion of the awards vesting at the end of each year. The weighted average fair value per share of the RSUs granted during the period was estimated to be $91.27 per award.

In addition, during the six-month period ended October 2, 2026, the Company also granted 0.2 million performance-based vesting (“PSU”) awards whereby vesting is generally contingent upon (i) time-based vesting with continued service through March 31, 2029, and (ii) the achievement of certain metrics specific to the Company, which could result in a range of 0-300% of such PSUs ultimately vesting. The weighted average fair value per share of the PSUs granted during the six-month period ended October 2, 2026 was estimated to be $164.37 per award. The fair value of these PSU awards granted during the period was determined using Monte-Carlo simulation models, which is a probabilistic approach for calculating the fair value of the awards. During the six-month period ended October 2, 2026, approximately 0.4 million PSU awards were granted and immediately vested, which represent the number of awards achieved above target levels based on the achievement of certain performance-based metrics related to PSU awards granted in fiscal year 2024.

Further, during the six-month period ended October 2, 2026, the Company granted 0.3 million time-based unvested RSU Inducement Awards and 0.8 million PSU Inducement Awards under the Prevalon Plan. The vesting for these unvested RSU Inducement Awards is contingent upon time-based vesting with continued service over a four-year period from the grant date, with equal vesting at the end of each year. The vesting of PSU Inducement Awards is subject to the achievement of certain metrics specific to Prevalon, which could result in a range of 0-100% of such PSU Inducement Awards ultimately vesting, and generally requires continued employment through the last day of the performance period. The weighted average fair value per share of both the RSU and PSU Inducement Awards granted during the period was estimated to be $103.10 per award, corresponding to the Company's closing price per share of its common stock as of the grant date.

No option awards were granted during the six-month period ended October 2, 2026.

Additionally, during the six-month period ended October 2, 2026, 1.6 million awards were forfeited primarily due to option awards granted in fiscal year 2023 that were forfeited upon exercises as a result of the maximum benefit limit stipulated within the applicable award agreement.

The total unrecognized compensation expense related to unvested awards under the 2022 Plan and the Prevalon Plan as of October 2, 2026 was approximately $256.7 million and $104.4 million, respectively, which is expected to be recognized over a weighted-average period of approximately 2.3 years and 3.6 years, respectively.

6. Earnings per share

Basic earnings per share excludes dilution and is computed by dividing net income by the weighted-average number of shares of common stock outstanding during the applicable periods.

Diluted earnings per share reflects the potential dilution from stock-based compensation awards. The potential dilution from awards was computed using the treasury stock method based on the average fair market value of the Company’s common stock for the period.

The computation of earnings per share and weighted average shares outstanding of the Company's common stock for the period is presented below:

	Three-month periods ended					
	October 2, 2026			September 26, 2025		
	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount
	(In thousands, except share and per share amounts)					
Basic EPS						
Net income	$ 165,453	151,495,892	$ 1.09	$ 146,861	148,027,872	$ 0.99
Effect of Dilutive Impact						
Common stock equivalents from options awards (1)		414,731			1,816,836	
Common stock equivalents from RSUs (2)		1,282,200			1,227,359	
Common stock equivalents from PSUs (3)		716,370			946,038	
Diluted EPS						
Net income	$ 165,453	153,909,193	$ 1.08	$ 146,861	152,018,105	$ 0.97

(1) During the three-month periods ended October 2, 2026 and September 26, 2025, no options awards and approximately 0.4 million options awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(2) During the three-month periods ended October 2, 2026 and September 26, 2025, approximately 0.6 million and 0.7 million RSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(3) During the three-month periods ended October 2, 2026 and September 26, 2025, approximately 1.0 million and 0.4 million PSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

	Six-month periods ended					
	October 2, 2026			September 26, 2025		
	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount
	(In thousands, except share and per share amounts)					
Basic EPS						
Net income	$ 330,808	151,131,192	$ 2.19	$ 304,044	147,480,066	$ 2.06
Effect of Dilutive Impact						
Common stock equivalents from options awards (1)		948,822			1,627,871	
Common stock equivalents from RSUs (2)		1,616,713			1,177,294	
Common stock equivalents from PSUs (3)		822,979			824,800	
Diluted EPS						
Net income	$ 330,808	154,519,706	$ 2.14	$ 304,044	151,110,031	$ 2.01

(1) During the six-month periods ended October 2, 2026 and September 26, 2025, no options awards and approximately 0.4 million options awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(2) During the six-month periods ended October 2, 2026 and September 26, 2025, approximately 0.6 million and 0.7 million RSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(3) During the six-month periods ended October 2, 2026 and September 26, 2025, approximately 1.0 million and 0.4 million PSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

7. Commitments and contingencies

Litigation and other legal matters

Nextpower has accrued for a loss contingency to the extent it believes that losses are probable and estimable. The amounts accrued are not material, but it is reasonably possible that actual losses could be in excess of Nextpower's accrual. Any related excess loss could have a material adverse effect on Nextpower's results of operations or cash flows for a particular period or on Nextpower's financial condition.

On February 6, 2024, pursuant to the Third Amended and Restated Limited Liability Company Agreement of Nextpower LLC (the "LLC Agreement"), the LLC made pro rata tax distributions in an aggregate amount of $94.3 million to the common members of the LLC, including an aggregate of $48.5 million to Yuma Acquisition Sub LLC and Yuma Subsidiary, Inc. ("Yuma Sub"). As of the date of the tax distribution, Yuma Acquisition Sub LLC and Yuma Sub were wholly-owned subsidiaries of Nextpower. On February 21, 2025, Flex and Flextronics International USA, Inc. (collectively, the "Flex Plaintiffs") filed suit in the Delaware Court of Chancery, alleging that the Flex Plaintiffs are entitled to the distribution that was paid to Yuma Acquisition Sub LLC and Yuma Sub on February 6, 2024 under the terms of the contracts governing the Spin-off. The complaint asserts claims against Nextpower, the LLC, Yuma Acquisition Sub LLC and Yuma Sub (collectively "Defendants") for breach of contract, breach of the implied covenant of good faith and fair dealing, mistake and unjust enrichment. On January 21, 2026, the court issued a memorandum opinion granting Defendants' motion to dismiss the complaint. On February 16, 2026, the Flex Plaintiffs filed a notice of appeal with the Delaware Supreme Court. Briefing on appeal has been completed and oral argument occurred on October 28, 2026.

Based on the current procedural posture of this matter, including the court's memorandum opinion granting Defendants' motion to dismiss and the pending appeal, Nextpower is unable to reasonably estimate a loss, if any, arising from this matter.

Antidumping and Countervailing Duties

Since April 2022, Nextpower has imported proprietary crystalline solar photovoltaic ("CSPV") smart modules from Malaysia and Thailand that provide off-grid power to our controllers located either on each tracker row or on weather stations at the project site. In December 2024, U.S. Customs and Border Protection ("CBP") instructed Nextpower to pay approximately $1 million in antidumping duty and countervailing duty ("AD/CVD") cash deposits relating to a limited number of entries based on perceived certification deficiencies. To mitigate AD/CVD risk arising from potential procedural deficiencies in certain certifications submitted in connection with these imports, Nextpower submitted a prior disclosure to CBP. Additionally, Nextpower filed a request for a changed circumstances review ("CCR") with the U.S. Department of Commerce ("Commerce"), seeking an exclusion for its off-grid smart CSPV modules from the AD/CVD orders on CSPV cells and modules from China. In December 2025, Commerce issued the final results of the CCR and granted an exclusion for Nextpower's off-grid smart CSPV modules for purposes of the countervailing duty order, retroactive to January 1, 2022, and for purposes of the antidumping duty order, retroactive to December 1, 2022. Although Commerce's CCR determination substantially reduced Nextpower's potential AD/CVD exposure, the outcome of the pending litigation challenging the Solar Duty Waiver Regulation and CBP's treatment of Nextpower's certifications remain uncertain. Accordingly, Nextpower could be required to pay additional AD/CVD amounts with respect to certain entries if the U.S. Court of Appeals for the Federal Circuit upholds the U.S. Court of International Trade's decision or if CBP determines that applicable certifications are invalid. Additional background regarding the AD/CVD orders and related litigation is described in our Form 10-K.

8. Income taxes

The Company follows the guidance under FASB ASC 740-270, *Interim Reporting*, which requires a company to calculate the income tax associated with ordinary income using an estimated annual effective tax rate.

The following table presents income tax expense recorded by the Company along with the respective consolidated effective tax rates for each period presented:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In thousands, except percentages)			
Income tax	$ 49,619	$ 35,864	$ 83,189	$ 69,648
Effective tax rates	23.1%	19.6%	20.1%	18.6%

The increases in income tax expense and effective tax rate for both the three and six-month periods ended October 2, 2026 compared to the three and six-month periods ended September 26, 2025 are primarily driven by jurisdictional mix of income, legal entity restructuring and stock-based compensation deductions.

9. Segment reporting

Operating segments are defined as components of an enterprise for which separate financial information is available and whose operating results are evaluated regularly by the Chief Operating Decision Maker ("CODM"), or a decision-making group, in deciding how to allocate resources and in assessing performance. Resource allocation decisions and Nextpower's performance are assessed by its Chief Executive Officer, identified as the CODM, using consolidated net income as the primary measure of segment profit to support business expansion, new product development and operational efficiencies.

For all periods presented, Nextpower has one reportable segment. As further described in Note 10, on July 17, 2026, the Company launched Energy Storage business with the acquisition of Prevalon Energy, a U.S.-headquartered provider of large-scale battery energy storage systems ("BESS"), power stabilization solutions, and lifecycle services. Financial results for Energy Storage were not material for all periods presented.

The measure of segment assets is reported on the unaudited condensed consolidated balance sheets as total consolidated assets.

The following table presents significant segment expenses with respect to the Company's single reportable segment for the three and six-month periods ended October 2, 2026 and September 26, 2025:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In thousands)			
Revenue	$ 1,109,276	$ 905,268	$ 2,044,446	$ 1,769,521
Less:				
Material cost	680,748	568,930	1,238,757	1,132,224
45X vendor credits	(113,836)	(99,069)	(217,145)	(192,275)
Tariffs, net of refunds	14,714	32,507	18,635	43,302
Freight, labor and other cost of sales	182,334	110,040	323,030	211,684
Selling, general and administrative expenses	92,202	84,626	192,640	158,562
Research and development	45,568	26,889	90,076	48,449
Interest expense	350	730	603	1,946
Other income, net	(7,876)	(2,110)	(16,147)	(8,063)
Provision for income taxes	49,619	35,864	83,189	69,648
Net income	$ 165,453	$ 146,861	$ 330,808	$ 304,044

The following table sets forth geographic information of revenue based on the locations to which the products are shipped:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
Revenue:		*(In thousands)*		
U.S.	$ 904,639	$ 686,968	$ 1,680,256	$ 1,286,466
Rest of the World	204,637	218,300	364,190	483,055
Total	$ 1,109,276	$ 905,268	$ 2,044,446	$ 1,769,521

The United States is the principal country of domicile.

10. Business acquisitions

Fiscal year 2027 acquisitions

On July 17, 2026, the Company acquired 100% of the ownership interests in Prevalon, a U.S.-headquartered provider of large-scale BESS, power stabilization solutions, and lifecycle services for a combination of cash and deferred stock consideration. Additionally, on July 30, 2026, as part of an all-cash transaction, the Company acquired 100% of complementary assets of Zigor Corporation's power conversion business and its U.S.-based subsidiary, Apex Power.

The acquisition of Prevalon extends the Company's technology platform across BESS, energy management software, and power control technologies and lifecycle services supporting grid-connected storage, hybrid power plants, AI data center infrastructure, and other critical power applications. Further, the acquisition from Zigor/Apex expands the Company's energy infrastructure technology portfolio, including UL-certified central inverters for utility-scale solar and energy storage projects in the United States.

The aggregate cash consideration of the foregoing business acquisitions was approximately $132.5 million, net of cash acquired. Their aggregate total purchase price, net of cash acquired, of $240.2 million includes $50.0 million of deferred common stock consideration expected to be settled in July 2027 and $57.8 million of contingent earnout in aggregate (with a possible contingent consideration of up to $197.7 million).

These business acquisitions contain various contingent earnout liabilities based on specific achievement criteria for various operational and/or performance targets. The fair value of the respective contingent earnout liabilities is estimated using the combination of a Scenario Based Method which identifies probability-weighted outcomes scenarios to arrive at an expected payoff and/or a Monte-Carlo simulation model. The Monte-Carlo simulation model is a probabilistic approach used to simulate future revenue and calculate the potential contingent consideration payments for each simulated path. The inputs are unobservable in the market and therefore categorized as Level 3 inputs in the fair value measurement. At each reporting period, the Company evaluates the fair value of its contingent earnout obligations and records any changes in fair value of such liabilities in other income, net in its unaudited condensed consolidated statements of operations. As of October 2, 2026, no changes in the fair value of the contingent earnout liabilities from fiscal year 2027 acquisitions were identified by management, and as such, the aggregate balance of $57.8 million was included in other liabilities in the unaudited condensed consolidated balance sheets.

The following table represents the activity related to the contingent earnout for the six-month period ended October 2, 2026 (in thousands):

Balance as of March 31, 2026	$	38,544
Additions (1)		57,760
Change in fair value		(237)
Payments (2)		(13,513)
Balance as of October 2, 2026	$	82,554

(1) Includes contingent earnout as a result of fiscal year 2027 acquisitions.

(2) Includes contingent earnout payments for the acquisition of Bentek Corporation ("Bentek") closed in May 2025 and the acquisition of OnSight Technology Inc. ("OnSight") closed in May 2025.

The Company incurred immaterial and approximately $4.4 million of acquisition costs which are presented as selling, general and administrative expenses on the unaudited condensed consolidated statements of operations for the three and six-month periods ended October 2, 2026, respectively. The preliminary allocation of the purchase price to the tangible and identifiable intangible assets acquired and liabilities assumed was based on their preliminary estimated fair values as of the date of acquisitions. The excess of the purchase price over the tangible and identifiable intangible assets acquired and liabilities assumed has been allocated to goodwill. Goodwill recognized from the acquisitions of Prevalon and Zigor/Apex is deductible for income tax purposes. The results of operations of the acquisitions were included in the Company's unaudited condensed consolidated financial statements beginning on the date of acquisition and were not material for all periods presented.

Additional information, which existed as of the acquisition dates, may become known to the Company during the remainder of the measurement period, a period not to exceed 12 months from the date of the relevant acquisition. Changes to amounts recorded as assets and liabilities may result in a corresponding adjustment to goodwill during the respective measurement period.

The following table represents the Company's preliminary allocation of its fiscal year 2027 acquisitions total aggregate purchase price to the acquired assets and liabilities (in thousands):

Current assets	$	34,120
Property and equipment		3,315
Intangible assets		157,200
Goodwill		164,644
Other assets		4,872
Total assets		364,151
Current liabilities		121,789
Other liabilities, non-current		2,147
Total purchase price, net of cash acquired	$	240,215

Intangible assets are comprised of $83.0 million of developed technology to be amortized over an estimated weighted average useful life of 10.0 years, $49.0 million of customer relationships to be amortized over an estimated weighted average useful life of 3.0 years, $22.4 million of backlog to be amortized over an estimated useful life of 3.7 years, and $2.8 million of trade names to be amortized over an estimated useful life of 2.0 years. The fair value assigned to the identified intangible assets was estimated based on an income approach, which provides an indication of fair value based on the present value of cash flows that the acquired business is expected to generate in the future. Key assumptions used in the valuation included forecasted revenues, cost of sales and operating expenses, royalty rate, discount rate and weighted average cost of capital. The useful life of the acquired intangible assets for amortization purposes was determined by considering the period of expected cash flows used to measure the fair values of the asset, adjusted for certain factors that may limit the useful life.

Pro-forma results of operations have not been presented because the effects were not material to the Company's unaudited condensed consolidated financial results for all periods presented.

Fiscal year 2026 acquisitions

On May 7, 2025, as part of an all-cash transaction, the Company acquired 100% of the interests in Bentek, an industry pioneer and manufacturer of electrical infrastructure used in all types of solar power plants. Additionally, on May 9, 2025, the Company acquired 100% of the interests in OnSight, a supplier of autonomous inspection robots and fire detection systems purpose-built for solar plants. Further, on September 8, 2025, the Company acquired 100% of the interests in Origami Solar, Inc. ("Origami"), a pioneer in roll-formed steel frame technology for solar plants.

These business acquisitions expand Nextpower's capabilities to provide its customers with electrical infrastructure components that collect and transport electricity from solar panels to the power grid, and certain services related to operations and maintenance. These business acquisitions continue Nextpower's strategy of adding and incorporating complementary technologies into the company's market-leading tracker platform to accelerate solar power plant construction, increase performance, and enhance long-term reliability.

The aggregate cash consideration of the foregoing business acquisitions was approximately $108.3 million, net of cash acquired. The aggregate total purchase price of these acquisitions of $140.2 million includes $2.9 million of deferred consideration expected to be paid within a 12-month period, and $28.9 million of contingent earnout in aggregate (with a maximum possible consideration of $57.5 million).

The contingent earnout related to the Bentek acquisition is subject to the receipt of an intellectual property "freedom to operate" legal opinion and safety standard certifications for a certain product. As of the acquisition date, the fair value of this contingent earnout liability was estimated to be $7.4 million based on a Scenario-Based Method, which identifies probability-weighted outcomes scenarios to arrive at an expected payoff.

The contingent earnout related to the OnSight acquisition is subject to a certain technology milestone and the achievement of future revenue performance targets, starting May 1, 2025 to March 31, 2028. As of the acquisition date, the fair value of this contingent earnout liability was estimated to be $7.0 million based on the combination of a Monte-Carlo simulation model for the revenue-based earnout and a Scenario-Based Method for the technology milestone-based earnout.

The contingent earnout related to Origami acquisition is subject to the achievement of future revenue performance targets, starting September 8, 2025 to June 30, 2028. As of the acquisition date, the fair value of this contingent earnout liability was estimated to be $14.5 million based on a Monte-Carlo simulation model for the revenue-based earnout.

Intangible assets were comprised of $21.0 million of developed technology to be amortized over an estimated weighted average useful life of 9.3 years, and $2.1 million of trade names to be amortized over an estimated useful life of 2.0 years, and $0.5 million of customer relationships to be amortized over an estimated weighted average useful life of 1.9 years.

Pro-forma results of operations have not been presented because the effects were not material to the Company's unaudited condensed consolidated financial results for all periods presented.

11. Derivative financial instruments

Cash Flow Hedges

During the six-month period ended October 2, 2026, the Company entered into forward foreign exchange contracts to effectively lock in the value of anticipated foreign currency denominated revenues against foreign currency fluctuations. The related forward foreign exchange contracts have been designated as hedging instruments and are accounted for as cash flow hedges. The Company's forward foreign exchange contracts, including cash flow hedges, are measured at fair value as Level 2 by hierarchy level on a recurring basis, based on foreign currency spot rates and forward rates quoted by banks or foreign currency dealers. The effective gain or loss on cash flow hedges is initially recorded as a component of other comprehensive income, net of tax, and is subsequently reclassified into the line item within the unaudited condensed consolidated statements of operations in which the hedged items are recorded, in the same period in which the hedged item affects earnings. The aggregate notional amount of these outstanding cash flow hedge contracts as of October 2, 2026 was 23.8 million Euros. Deferred gains were $0.9 million as of October 2, 2026 and are expected to be recognized primarily as a component of revenue in the unaudited condensed consolidated statements of operations over the next twelve-month period.

The changes in accumulated other comprehensive income related to the cash flow hedges were immaterial for the three and six-month periods ended October 2, 2026 and the gains recognized upon settlement of the hedged transactions were recorded in revenue on the unaudited condensed consolidated statements of operations.

The following table presents the fair value of the Company's derivative instruments utilized for foreign currency risk management purposes at October 2, 2026 and March 31, 2026, respectively (in thousands):

	Asset Derivatives			Liability Derivatives		
		Fair Value			Fair Value	
	Balance Sheet Location	October 2, 2026	March 31, 2026	Balance Sheet Location	October 2, 2026	March 31, 2026
Derivatives designated as cash flow hedge:						
Foreign exchange forward contracts	Other current assets	$ 663	$ 598	Other current liabilities	$ —	$ (6)

12. Share repurchase program

In January 2026, the Company's board of directors approved a share repurchase program to repurchase up to an aggregate of $500.0 million of its outstanding shares of common stock. The share repurchase program has a term of three years and may be modified, suspended, or terminated at any time. The number of shares to be repurchased and the timing of repurchases will be determined by the Company at its discretion and will depend on a number of factors, including, but not limited to, stock price, trading volume, and general market conditions, along with the Company's working capital requirements, general business conditions, and other factors.

During the six-month period ended October 2, 2026, the Company repurchased and subsequently retired approximately 1.8 million shares of its common stock for an aggregate amount, including commissions, of $162.1 million under the share repurchase program. As of October 2, 2026, approximately $337.5 million of the originally authorized amount under the share repurchase program remained available for future repurchases.

13. Subsequent events

On October 21, 2026, the Company completed the previously announced acquisition of Zimmermann PV-Steel Group ("Zimmermann"), for total consideration of up to 230 million Euros in cash (approximately $258.2 million as of October 21, 2026), consisting of 200 million Euros (approximately $224.5 million as of October 21, 2026) in cash paid at closing, 15 million Euros (approximately $16.8 million as of October 21, 2026) subject to customary working capital adjustments as defined in the share purchase agreement, and 15 million Euros (approximately $16.8 million as of October 21, 2026) of collateral holdback consideration, to be paid in three annual installments on each anniversary of the closing date. This acquisition broadens the range of ground-mount solar applications Nextpower can serve and creates a great opportunity to attach products across the Company's platform through an expanded European channel.

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

Unless the context requires otherwise, references in this Management's Discussion and Analysis of Financial Condition and Results of Operations to "Nextpower," the "Company," "we," "us" and "our" shall mean, prior to the initial public offering ("IPO"), Nextpower LLC ("Nextpower LLC" or the "LLC") and its consolidated subsidiaries, and following the IPO and the related transactions completed in connection with the IPO, Nextpower Inc. and its consolidated subsidiaries. References in this Management's Discussion and Analysis of Financial Condition and Results of Operations to "Flex" refer to Flex Ltd., a Singapore incorporated public company limited by shares and having a registration no. 199002645H, and its consolidated subsidiaries, unless the context otherwise indicates.

This Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to provide a reader of our unaudited condensed consolidated financial statements with a narrative from the perspective of the Company's management. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q for the three-month period ended October 2, 2026 (this "Quarterly Report") and our audited consolidated financial statements and the related notes and other information included in our Annual Report on Form 10-K for the year ended March 31, 2026, filed with the SEC on May 19, 2026 (the "Form 10-K"). In addition to historical financial information, the following discussion and analysis contains forward-looking statements within the meaning of Section

27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based upon current expectations that involve risks, uncertainties and assumptions. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our actual results and timing of selected events may differ materially from those results anticipated and discussed in the forward-looking statements as a result of many factors. Factors that might cause such a discrepancy include, but are not limited to, those discussed under the sections below titled "Liquidity and Capital Resources" and "Risk Factors." All forward-looking statements in this document are based on information available to us as of the date of this Quarterly Report and we assume no obligation to update any such forward-looking statements, except as required by law.

OVERVIEW

We are a leading global provider of solar and energy technology solutions for utility-scale power plants. Founded in 2013 by our Chief Executive Officer, Dan Shugar, we pioneered and remain the global market leader in solar tracking systems. We now deliver an integrated suite of structural, electrical, and digital solutions across the full lifecycle of solar power plants, from design and construction through operations and maintenance. Our integrated solutions are designed to streamline project execution, increase energy yield and long-term reliability, and enhance customer return on investment.

We have shipped more than 160 GW of solar tracker systems as of October 2, 2026 to projects on six continents for use in utility-scale and distributed generation solar applications. Our customers include engineering, procurement and construction firms ("EPCs"), as well as solar project developers and owners. Developers originate projects, select and acquire sites, obtain permits, select contractors, negotiate power offtake agreements, and oversee the building of projects. EPCs design and optimize the system, procure components, build and commission the plant, and operate the plant for a limited time until transfer to a long-term owner. Owners, which are often independent power producers, own and operate the plant, typically as part of a portfolio of similar assets. Owners generate cash flows through the sale of electricity to utilities, wholesale markets, or end users.

For the majority of our projects, our direct customer is the EPC. We also engage with project owners and developers and enter into master supply agreements that cover multiple projects. We are a qualified, preferred provider to some of the largest solar EPCs, project owners and developers in the world. We had revenues of $2.0 billion for the six-month period ended October 2, 2026 and $3.6 billion for fiscal year 2026.

Business acquisitions

On July 17, 2026, we acquired 100% of the ownership interests in Prevalon, a U.S.-headquartered provider of large-scale BESS, power stabilization solutions, and lifecycle services for a combination of cash and deferred stock consideration. Additionally, on July 30, 2026, as part of an all-cash transaction, we acquired 100% of complementary assets of Zigor Corporation's power conversion business and its U.S.-based subsidiary, Apex Power.

The acquisition of Prevalon extends our technology platform across BESS, energy management software, and power control technologies and lifecycle services supporting grid-connected storage, hybrid power plants, AI data center infrastructure, and other critical power applications. Further, the acquisition from Zigor/Apex expands our energy infrastructure technology portfolio, including UL-certified central inverters for utility-scale solar and energy storage projects in the United States.

The aggregate cash consideration of the foregoing business acquisitions was approximately $132.5 million, net of cash acquired. Their aggregate total purchase price, net of cash acquired, of $240.2 million includes $50.0 million of deferred common stock consideration expected to be settled in July 2027 and $57.8 million of contingent earnout in aggregate (with a possible contingent consideration of up to $197.7 million). See Note 10 in the notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report for further detail on these acquisitions.

On October 21, 2026, we completed the previously announced acquisition of Zimmermann PV-Steel Group ("Zimmermann"), for total consideration of up to 230 million Euros in cash (approximately $258.2 million as of October 21, 2026), consisting of 200 million Euros (approximately $224.5 million as of October 21, 2026) in cash paid at closing, 15 million Euros (approximately $16.8 million as of October 21, 2026) subject to certain adjustments of the cash consideration as defined in the share purchase agreement, and 15 million Euros (approximately $16.8 million as of October 21, 2026) of collateral holdback consideration, to be paid in three installments on each anniversary of the closing date. This acquisition broadens the range of

ground-mount solar applications we can serve and creates a great opportunity to attach products across our platform through an expanded European channel.

Our capital allocation strategy includes both organic and in-organic growth through merger and acquisitions ("M&A"). We have a disciplined M&A approach, focusing on our core competencies and technological differentiation that provides value for customers.

Revenue mix

The following tables set forth geographic information of revenue based on the locations to which the products are shipped:

	Three-month periods ended				Six-month periods ended			
	October 2, 2026		September 26, 2025		October 2, 2026		September 26, 2025	
Revenue:	*(In thousands, except percentages)*							
U.S.	$ 904,639	82%	$ 686,968	76%	$ 1,680,256	82%	$ 1,286,466	73%
Rest of the World	204,637	18%	218,300	24%	364,190	18%	483,055	27%
Total	$ 1,109,276		$ 905,268		$ 2,044,446		$ 1,769,521	

The following table sets forth the revenue from customers that individually accounted for greater than 10% of our revenue during the periods included below:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
	(In millions)			
Customer A	$ 160.2	*	$ 312.4	*
Customer G	*	$ 98.6	*	*
Customer H	*	$ 123.0	*	$ 222.5
Customer J	$ 129.3	*	$ 221.5	*

* Percentage below 10%

Critical accounting policies and significant management estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires us 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 amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. Estimates are used in accounting for, among other things: impairment of goodwill, impairment of long-lived assets, allowance for credit losses, provision for excess or obsolete inventories, valuation of deferred tax assets, warranty reserves, contingencies, operation-related accruals, fair values of awards granted under stock-based compensation plans and fair values of assets obtained and liabilities assumed in business combinations. We periodically review estimates and assumptions, and the effects of our revisions are reflected in the period they occur. We believe that these estimates and assumptions provide a reasonable basis for the fair presentation of the unaudited condensed consolidated financial statements.

Refer to the critical accounting policies and significant management estimates under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Form 10-K, where we discussed our more significant policies and estimates used in the preparation of the unaudited condensed consolidated financial statements. There have been no material changes to our critical accounting estimates since the Form 10-K.

Key components of our results of operations

The following discussion describes certain line items in our unaudited condensed consolidated statements of operations.

Revenue

We derive our revenue primarily from the sale of solar trackers and energy yield management systems to our customers. To a lesser extent, we also derived our revenue from foundations, steel frames, eBOS, battery energy storage systems, power conversion, AI and robotic services, and other. Our revenue growth is dependent on (i) our ability to maintain and expand our market share, (ii) total market growth and (iii) our ability to develop and introduce new products driving performance enhancements and cost efficiencies throughout the solar power plant.

Cost of sales and gross profit

Cost of sales consists primarily of purchased components net of any incentives or rebates earned from our suppliers, shipping and other logistics costs, applicable tariffs, standard product warranty costs, amortization of certain acquired intangible assets, stock-based compensation and direct labor. Direct labor costs represent expenses of personnel directly related to project execution such as supply chain, logistics, quality, tooling, operations and customer satisfaction. Amortization of intangibles consists of developed technology and certain acquired patents over its expected period of use and is also included under cost of sales.

Steel prices, cost of transportation, and labor costs in countries where our suppliers perform manufacturing activities affect our cost of sales. Our ability to lower our cost of sales depends on implementation and design improvements to our products as well as on driving more cost-effective manufacturing processes with our suppliers. We generally do not directly purchase raw materials such as steel or electronic components and generally do not hedge against changes in their price. Most of our cost of sales are directly affected by sales volume. Personnel costs related to our supply chain, logistics, quality, and tooling are not directly impacted by our sales volume.

Operating expenses

Selling, general and administrative expenses

Selling, general and administrative expenses consist primarily of personnel-related costs associated with our administrative and support functions. These costs include, among other things, personnel costs, stock-based compensation, facilities charges including depreciation associated with administrative functions, professional services, travel expenses, and allowance for bad debt. Professional services include audit, legal, tax and other consulting services. We have expanded our sales organization and expect to scale our sales headcount to support our planned growth. We have incurred and expect to continue to incur on an ongoing basis certain new costs related to the requirements of being a publicly traded company, including insurance, accounting, tax, legal and other professional services costs, which could be material. Amortization of intangibles consists of customer relationships and trade names over their expected period of use and is included under selling, general and administrative expenses. Acquisition-related costs are also included under selling, general and administrative expenses.

Research and development

Research and development expenses consist primarily of personnel-related costs associated with our engineering employees, stock-based compensation, third-party consulting and supporting our new business acquisitions. Research and development activities include improvements to our existing products, development of new tracker products and energy yield management systems and innovations to expand our technology platform. We expense substantially all research and development expenses as incurred. We expect that the dollar amount of research and development expenses will increase in amount over time.

Income tax expense

The provision for income taxes primarily represents the Company’s U.S. federal, state, and local income taxes as well as foreign income taxes payable by its subsidiaries. We expect to receive a tax benefit for foreign tax credits in the United States for the foreign tax paid.

RESULTS OF OPERATIONS

The financial information and the discussion below should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report.

In addition, reference should be made to our audited consolidated financial statements and notes thereto and related Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Form 10-K.

	Three-month periods ended			Six-month periods ended		
	October 2, 2026	September 26, 2025	% Change	October 2, 2026	September 26, 2025	% Change
Unaudited Condensed Consolidated Statement of Operations Data:	*(In thousands, except percentages)*					
Revenue	$ 1,109,276	$ 905,268	23 %	$ 2,044,446	$ 1,769,521	16 %
Cost of sales	763,960	612,408	25	1,363,277	1,194,935	14
Gross profit	345,316	292,860	18	681,169	574,586	19
Selling, general and administrative expenses	92,202	84,626	9	192,640	158,562	21
Research and development	45,568	26,889	69	90,076	48,449	86
Operating income	207,546	181,345	14	398,453	367,575	8
Interest expense	350	730	(52)	603	1,946	(69)
Other income, net	(7,876)	(2,110)	273	(16,147)	(8,063)	100
Income before income taxes	215,072	182,725	18	413,997	373,692	11
Provision for income taxes	49,619	35,864	38	83,189	69,648	19
Net income	$ 165,453	$ 146,861	13 %	$ 330,808	$ 304,044	9 %

Non-GAAP Financial Measures

We present Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin as supplemental measures of our performance. We define Adjusted gross profit as gross profit plus stock-based compensation expense and intangible amortization. We define Adjusted operating income as operating income plus stock-based compensation expense, intangible amortization and non-recurring integration activities related to acquisitions. We define Adjusted net income as net income (loss) plus stock-based compensation expense, intangible amortization, non-recurring tax adjustments, and non-recurring integration activities related to acquisitions and other discrete events as applicable, net of their tax effects. We define Adjusted EBITDA as net income (loss) plus (i) interest, net, (ii) debt extinguishment costs, (iii) provision for income taxes, (iv) depreciation expense, (v) intangible amortization, (vi) stock-based compensation expense, (vii) non-recurring integration activities related to acquisitions and (viii) other discrete events as applicable. We define Adjusted gross margin as the percentage derived from Adjusted gross profit divided by revenue. We define Adjusted net income margin as the percentage derived from Adjusted net income divided by revenue. We define Adjusted EBITDA margin as the percentage derived from Adjusted EBITDA divided by revenue.

Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin are intended as supplemental measures of performance that are neither required by, nor presented in accordance with, U.S. GAAP. We present these Adjusted financial measures because we believe they assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we may use all or any combination of Adjusted gross profit, Adjusted operating income, Adjusted net income and Adjusted EBITDA when determining incentive compensation and to evaluate the effectiveness of our business strategies.

Among other limitations, Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted net income margin, Adjusted gross margin and Adjusted EBITDA margin do not reflect our cash expenditures or future capital expenditures or contractual commitments (including under the Tax Receivable Agreement, as defined below), do not reflect the

impact of certain cash or non-cash charges resulting from matters we consider not to be indicative of our ongoing operations and do not reflect the associated income tax expense or benefit related to those charges. In addition, other companies in our industry may calculate Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin differently from us, which further limits their usefulness as comparative measures.

Because of these limitations, Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin should not be considered in isolation or as substitutes for performance measures calculated in accordance with U.S. GAAP. We compensate for these limitations by relying primarily on our U.S. GAAP results and using Adjusted financial measures on a supplemental basis. You should review the reconciliation to the most directly comparable U.S. GAAP measure of Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin below and not rely on any single financial measure to evaluate our business.

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
Other Financial Information:	*(In thousands, except percentages)*			
Adjusted gross profit	$ 355,431	$ 299,586	$ 697,714	$ 584,709
Adjusted operating income	246,646	218,493	474,714	430,171
Adjusted net income	201,952	180,589	388,214	356,091
Adjusted EBITDA	249,706	223,526	482,259	438,300
Adjusted gross margin	32.0%	33.1%	34.1%	33.0%
Adjusted net income margin	18.2%	19.9%	19.0%	20.1%
Adjusted EBITDA margin	22.5%	24.7%	23.6%	24.8%

The following table provides a reconciliation of gross profit to Adjusted gross profit, operating income to Adjusted operating income, net income to Adjusted net income, net income to Adjusted EBITDA, gross margin to Adjusted gross margin, net income margin to Adjusted net income margin, and net income margin to Adjusted EBITDA margin for each period presented.

	Three-month periods ended				Six-month periods ended			
	October 2, 2026		September 26, 2025		October 2, 2026		September 26, 2025	
Reconciliation of GAAP to Non-GAAP Financial Measures:	*(In thousands, except percentages)*							
GAAP gross profit & margin	$ 345,316	31.1%	$ 292,860	32.4%	$ 681,169	33.3%	$ 574,586	32.5%
Stock-based compensation expense	5,602		5,077		10,047		7,315	
Intangible amortization	4,513		1,649		6,498		2,808	
Adjusted gross profit & margin	$ 355,431	32.0%	$ 299,586	33.1%	$ 697,714	34.1%	$ 584,709	33.0%
GAAP operating income & margin	$ 207,546	18.7%	$ 181,345	20.0%	$ 398,453	19.5%	$ 367,575	20.8%
Stock-based compensation expense	29,936		31,653		59,574		53,963	
Intangible amortization	8,958		2,918		12,333		4,977	
Acquisition related costs (1)	206		2,577		4,354		3,656	
Adjusted operating income & margin	$ 246,646	22.2%	$ 218,493	24.1%	$ 474,714	23.2%	$ 430,171	24.3%
GAAP net income & margin	$ 165,453	14.9%	$ 146,861	16.2%	$ 330,808	16.2%	$ 304,044	17.2%
Stock-based compensation expense	29,936		31,653		59,574		53,963	
Intangible amortization	8,958		2,918		12,333		4,977	
Adjustment for taxes	(2,601)		(3,420)		(18,855)		(10,549)	
Acquisition related costs (1)	206		2,577		4,354		3,656	
Adjusted net income & margin	$ 201,952	18.2%	$ 180,589	19.9%	$ 388,214	19.0%	$ 356,091	20.1%
GAAP net income & margin	$ 165,453	14.9%	$ 146,861	16.2%	$ 330,808	16.2%	$ 304,044	17.2%
Interest, net	(9,612)		(5,911)		(18,771)		(11,282)	
Debt extinguishment costs (2)	—		5,121		—		5,121	
Provision for income taxes	49,619		35,864		83,189		69,648	
Depreciation expense	5,965		4,443		11,356		8,173	
Intangible amortization	8,958		2,918		12,333		4,977	
Stock-based compensation expense	29,936		31,653		59,574		53,963	
Acquisition related costs (1)	206		2,577		4,354		3,656	
Other	(819)		—		(584)		—	
Adjusted EBITDA & margin	$ 249,706	22.5%	$ 223,526	24.7%	$ 482,259	23.6%	$ 438,300	24.8%

(1) Represents transaction and integration costs incurred in relation to our acquisitions. We do not believe that the acquisition transaction costs are normal operating expenses indicative of our core operating performance, nor were these charges taken into account as factors in evaluating management's performance when determining incentive compensation or to evaluate the effectiveness of our business strategies.

(2) Debt extinguishment cost consists of nonrecurring costs for the termination of our former credit agreement originally entered into on February 13, 2023.

The data below, and discussion that follows, represents our results from operations.

Comparison of the three-month periods ended October 2, 2026 and September 26, 2025

Revenue

Revenue increased by $204.0 million, or 23%, for the three-month period ended October 2, 2026 compared to the three-month period ended September 26, 2025, driven by approximately $100 million contribution from our recent business acquisitions, by a higher average selling price resulting from increasing costs per watt, and stronger customer demand in the U.S., partially offset by lower GW delivered most notably in Rest of the World. Revenue increased by approximately $217.7 million, or 32%, in the U.S. during the three-month period ended October 2, 2026 compared to the three-month period ended September 26, 2025 as the number of projects and volume of shipments increased year over year in addition to the revenue added from the new acquisitions, Rest of the World decreased by $13.7 million, or 6%, primarily resulting from decreased shipments to Latin America, the Middle East, and Oceania, partially offset with increased shipments to Europe.

Cost of sales and gross profit

Cost of sales increased by $151.6 million, or 25%, during the three-month period ended October 2, 2026 compared to the three-month period ended September 26, 2025, primarily driven by the volume of shipment increase in the U.S., higher freight and logistics costs, including elevated diesel costs, as a result of the U.S.-Iran war, and trucking shortages, along with higher cost associated with the increase in headcount as a result of our recent business acquisitions. The higher costs were partially offset by the impact from a $14.8 million increase in Internal Revenue Code Section 45X tax credit ("45X Credit") that is earned over time for certain clean energy components domestically produced and sold by a manufacturer, coupled with the impact from a $17.8 million decrease in tariffs, net of refunds. We recognize a reduction in cost of sales for 45X Credits earned on components manufactured in the U.S. During the three-month periods ended October 2, 2026 and September 26, 2025, we recognized approximately $113.8 million and $99.1 million, respectively, of reduction to cost of sales related to the 45X Credit earned on production of eligible components shipped during the period, which offset tariffs of approximately $14.7 million and $32.5 million, respectively. Freight and logistics costs (excluding tariffs) also increased as a percentage of revenue during the three-month period ended October 2, 2026 compared to the three-month period ended September 26, 2025.

Gross profit increased by $52.5 million, or 18%, during the three-month period ended October 2, 2026 compared to the three-month period ended September 26, 2025, primarily resulting from the volume of shipment increase in the U.S., including the new acquisitions noted above and the impact from the 45X Credit recognized in the period, which more than offset the higher freight and logistics costs.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by $7.6 million, or 9%, to $92.2 million for the three-month period ended October 2, 2026 from approximately $84.6 million for the three-month period ended September 26, 2025 while decreasing 104 basis points from approximately 9% to approximately 8% as a percentage of revenue during the same period. The increase in selling, general and administrative expenses was primarily the result of an increase in costs of approximately $14.3 million related to our continued expansion of our sales organization in line with the growth in the global market and the expansion of our supporting functions also required to support our current and planned growth. These increases were partially offset by reductions of $4.4 million and $2.4 million in stock-based compensation expense and acquisition-related costs, respectively. The decrease in percent of revenue is driven primarily by revenue from the new acquisitions being accompanied with lower selling general and administrative levels.

Research and development

Research and development expenses increased by $18.7 million, or 69%, to $45.6 million for the three-month period ended October 2, 2026 from approximately $26.9 million during the three-month period ended September 26, 2025, primarily driven by our continued investment in innovation, increasing our engineering team and supporting our recent business acquisitions.

Interest expense

Interest expense decreased by $0.4 million, or 52%, to $0.4 million for the three-month period ended October 2, 2026 from $0.7 million during the three-month period ended September 26, 2025, primarily driven by lower amortization of the issuance cost

and related commitment fee as a result of the existing revolving credit facility entered on September 8, 2025, which replaced the credit facility entered into on February 13, 2023.

Other income, net

Other income, net was $7.9 million for the three-month period ended October 2, 2026, which primarily included $9.9 million of interest income, partially offset by $3.5 million of unfavorable foreign currency exchange losses and other. Other income, net was $2.1 million income for the three-month period ended September 26, 2025, which primarily included $6.4 million of interest income, partially offset by the write-off of unamortized issuance costs of $5.8 million associated with our prior credit facility originally entered into on February 13, 2023, coupled with $1.9 million of unfavorable foreign currency exchange losses and other.

Provision for income taxes

We accrue and pay income taxes according to the laws and regulations of each jurisdiction in which we operate. Most of our revenue and profits are generated in the United States with a statutory income tax rate of 21% for the three-month periods ended October 2, 2026 and September 26, 2025.

For the three-month periods ended October 2, 2026 and September 26, 2025, we recorded total income tax expense of $49.6 million and $35.9 million, respectively, which reflected consolidated effective income tax rates of 23.1% and 19.6%, respectively. The increase in tax expense as well as effective tax rate from the three-month period ended September 26, 2025 to the three-month period ended October 2, 2026 is driven by jurisdictional mix of income, legal entity restructuring and stock-based compensation deductions.

From time to time, we are subject to income tax audits in the jurisdictions in which we operate. The calculation of tax liabilities involves dealing with uncertainties in the application of complex tax rules and regulations in a number of jurisdictions. Due to such complexity of these uncertainties, the ultimate resolution may result in a payment or refund that is materially different from our estimates.

Comparison of the six-month periods ended October 2, 2026 and September 26, 2025

Revenue

Revenue increased by $274.9 million, or 16%, for the six-month period ended October 2, 2026 compared to the six-month period ended September 26, 2025, driven by a higher average selling price resulting from increasing costs per watt, stronger customer demand in the U.S, and approximately $100 million from our recent business acquisitions, partially offset by reduced GW delivered most notably in Rest of the World. Revenue increased approximately $393.8 million, or 31% in the U.S. during the six-month period ended October 2, 2026 compared to the six-month period ended September 26, 2025 as the number of projects and volume of shipments increased year over year in addition to the additional revenue from our acquisitions and the Rest of the World decreased $118.9 million, or 25%, primarily from decreased shipments to Latin America, the Middle East, and Oceania.

Cost of sales and gross profit

Cost of sales increased by $168.3 million, or 14%, during the six-month period ended October 2, 2026 compared to the six-month period ended September 26, 2025, primarily driven by the volume of shipment increase in the U.S., higher freight and logistics costs, including elevated diesel costs, as a result of the U.S.-Iran war, and trucking shortage, along with higher cost associated with the increase in headcount as a result of our recent business acquisitions, partially offset by the impact from a $24.9 million increase in 45X Credits, coupled with the impact from a $24.7 million decrease in tariffs, net of refunds. We recognize a reduction in cost of sales for 45X Credits earned on components manufactured in the U.S. During the six-month periods ended October 2, 2026 and September 26, 2025, we recognized approximately $217.1 million and $192.3 million, respectively, of reduction to cost of sales related to the 45X Credit earned on production of eligible components shipped during the period, which offset tariffs of approximately $18.6 million and $43.3 million, respectively. Freight and logistics costs (excluding tariffs) remained flat as a percentage of revenue during the six-month period ended October 2, 2026 compared to the six-month period ended September 26, 2025.

Gross profit increased by $106.6 million, or 19%, during the six-month period ended October 2, 2026 compared to the six-month period ended September 26, 2025, primarily resulting from the volume of shipment increase in the U.S and contribution from recent business acquisitions noted above, and the impact from the 45X Credit recognized during the six-month period ended October 2, 2026, which more than offset the higher freight and logistics costs noted above.

Selling, general and administrative expenses

Selling, general and administrative expenses increased $34.1 million, or 21%, to $192.6 million for the six-month period ended October 2, 2026 from approximately $158.6 million for the six-month period ended September 26, 2025. The increase in selling, general and administrative expenses was primarily the result of approximately $35.1 million related to the continued expansion of our sales organization in line with the growth in the global market, and the expansion of our supporting functions required to support our current and planned growth.

Research and development

Research and development expenses increased $41.6 million, or 86%, to $90.1 million for the six-month period ended October 2, 2026 from approximately $48.4 million during the six-month period ended September 26, 2025, primarily driven by our continued investment in innovation, increasing our engineering team and supporting our new business acquisitions.

Interest expense

Interest expense decreased $1.3 million, or 69%, to $0.6 million, for the six-month period ended October 2, 2026 from $1.9 million during the six-month period ended September 26, 2025, primarily driven by lower amortization of the issuance cost and related commitment fee as a result of the existing revolving credit facility entered on September 8, 2025, which replaced the credit facility entered into on February 13, 2023.

Other income, net

Other income, net was $16.1 million income for the six-month period ended October 2, 2026, which primarily included $19.3 million interest income, partially offset by $4.5 million of unfavorable foreign currency exchange losses and other. Other income, net was $8.1 million income for the six-month period ended September 26, 2025, which primarily included $12.7 million interest income, partially offset by the write off of unamortized issuance costs of $5.8 million associated with our prior credit facility entered into on February 13, 2023, coupled with $2.2 million of unfavorable foreign currency exchange losses and other.

Provision for income taxes

For the six-month periods ended October 2, 2026 and September 26, 2025, we recorded total income tax expense of $83.2 million and $69.6 million, respectively, which reflected consolidated effective income tax rates of 20.1% and 18.6%, respectively. The increase in tax expense as well as effective tax rate from the six-month period ended September 26, 2025 to the six-month period ended October 2, 2026 is driven by jurisdictional mix of income, legal entity restructuring and stock-based compensation deductions.

LIQUIDITY AND CAPITAL RESOURCES

Our principal uses of cash have been to fund our operations and invest in research and development and our cash flow generation and credit facilities have continued to provide adequate liquidity for our business. We enhanced our capital structure with a $1.0 billion unsecured revolving credit facility expanding our total liquidity to over $1.9 billion as of October 2, 2026.

Credit Facilities

As of October 2, 2026, we had approximately $916.2 million available under the revolving credit facility, net of $83.8 million of outstanding letters of credit. We were in compliance with all applicable covenants as of October 2, 2026.

Supplier Finance Program

We participate in various supplier finance programs administered by a third-party financial institution. Under such programs, certain suppliers may, at their sole discretion, elect to sell one or more of their receivables from us to a financial institution. Our payment obligations to the financial institution are not accelerated and remain subject to the original contractual terms agreed with the supplier. We do not provide guarantees or collateral in connection with these arrangements. Amounts payable under the programs are included in accounts payable on the unaudited condensed consolidated balance sheets and payments made under the programs are reported as operating activities on the unaudited condensed consolidated statements of cash flows. The outstanding amount payable under our supplier finance programs as of October 2, 2026 was $215.1 million.

Tax Receivable Agreement

In connection with the IPO, on February 13, 2023, Nextpower Inc. also entered into a Tax Receivable Agreement (the "Tax Receivable Agreement") that provided for the payment by us to Flex, TPG Rise Flash, L.P ("TPG Rise"), and the TPG Affiliates (or certain permitted transferees thereof) of 85% of the tax benefits, if any, that we are deemed to realize under certain circumstances, as more fully described in the Form 10-K. There may be a material negative effect on our liquidity if, as a result of timing discrepancies or otherwise, the payments under the Tax Receivable Agreement exceed the actual benefits we realize in respect of the tax attributes subject to the Tax Receivable Agreement or are not sufficient to permit us to make payments under the Tax Receivable Agreement after we have paid taxes. Prior to the separation from Flex, Yuma, Inc. ("Yuma") and Yuma Sub assigned their respective rights under the Tax Receivable Agreement to an entity that remains an affiliate of Flex.

We believe that our cash provided by operations and other existing and committed sources of liquidity, including our revolving credit facility, will provide adequate liquidity for ongoing operations, planned capital expenditures and other investments, potential debt service requirements and payments under the Tax Receivable Agreement for at least the next 12 months.

Cash Flows Analysis

	Six-month periods ended	
	October 2, 2026	September 26, 2025
	(In thousands)	
Net cash provided by operating activities	$ 279,161	$ 268,203
Net cash used in investing activities	(179,481)	(142,521)
Net cash used in financing activities	(164,770)	(46,443)

Six-month period ended October 2, 2026

Net cash provided by operating activities was $279.2 million during the six-month period ended October 2, 2026. Total cash provided during the period was driven by net income of $330.8 million adjusted for non-cash charges of approximately $93.5 million primarily related to stock-based compensation expense, depreciation and amortization, and deferred income taxes costs. Cash from net income was further decreased by the overall increase in our net operating assets and liabilities, primarily our net working capital accounts, resulting in an outflow of approximately $145.1 million as we continue to fund our current and planned growth.

Net cash used in investing activities was approximately $179.5 million and directly attributable to the $132.5 million payment for our fiscal year 2027 acquisitions net of cash acquired, coupled with $39.0 million paid for the purchase of property and equipment, and $8.0 million paid for the purchase of intangible assets.

Net cash used in financing activities was $164.8 million primarily resulting from $162.1 million of repurchases of common stock, $19.4 million payment to Flex, TPG and the TPG Affiliates pursuant to the Tax Receivable Agreement, and a $16.1 million payment of acquisition deferred purchase price, offset by $32.8 million of proceeds from the issuance of common stock upon option exercises.

Six-month period ended September 26, 2025

Net cash provided by operating activities was $268.2 million during the six-month period ended September 26, 2025. Total cash provided during the period was driven by net income of $304.0 million adjusted for non-cash charges of approximately $80.1 million primarily related to stock-based compensation expense, depreciation and amortization, write-off of unamortized

revolver issuance costs, and deferred income taxes. Cash from net income was further decreased by the overall increase in our net operating assets and liabilities, primarily our net working capital accounts, resulting in an outflow of approximately $115.9 million as we continued to fund our current and planned growth.

Net cash used in investing activities was approximately $142.5 million and directly attributable to the $115.8 million payment for the business acquisitions net of cash acquired, coupled with $26.7 million paid for the purchase of property and equipment.

Net cash used in financing activities was $46.4 million primarily resulting from a $27.4 million payment to Flex, TPG and TPG Affiliates pursuant to the Tax Receivable Agreement, a $14.0 million payment of acquisition of deferred purchase price, and a $3.0 million tax distribution to our former non-controlling interest holder pursuant to the LLC Agreement.

Cash management and financing

We had a total liquidity of over $1.9 billion as of October 2, 2026, primarily related to unutilized amounts under the revolving credit facility net of cumulative letters of credit issued in conjunction with our customer contracts, and our cash and cash equivalents.

Contractual obligations and commitments

Information regarding our debt obligations, operating lease commitments, obligations under the Tax Receivable Agreement and other commitments is provided in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Form 10-K.

There were no material changes in our contractual obligations and commitments as of October 2, 2026.

Surety Bonds

We are required to provide surety bonds to various parties as required for certain transactions initiated during the ordinary course of business to guarantee our performance in accordance with contractual or legal obligations. These off-balance sheet arrangements do not adversely impact our liquidity or capital resources.

Recently adopted accounting pronouncements

Refer to Note 2 in the notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for recently adopted accounting pronouncements during the six-month period ended October 2, 2026.

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 fluctuations in commodity prices, such as steel and customer concentrations. We do not hold or issue financial instruments for trading purposes as of October 2, 2026.

There were no material changes in our exposure to market risks for changes in interest and foreign currency exchange rates for the six-month period ended October 2, 2026 as compared to the fiscal year ended March 31, 2026.

Concentration of major customers

Our customer base consists primarily of EPCs, as well as solar project developers and owners. We do not require collateral on our trade receivables. The loss of any one of our top five customers could have a materially adverse effect on our revenue and profits.

The following table sets forth the percentage of our total revenue from our customers that exceeded 10% of our total revenue and from our five largest customers during the periods included below:

	Three-month periods ended		Six-month periods ended	
	October 2, 2026	September 26, 2025	October 2, 2026	September 26, 2025
Customer A	14%	*	15%	*
Customer G	*	11%	*	*
Customer H	*	14%	*	13%
Customer J	12%	*	11%	*
Top five largest customers	47%	43%	43%	39%

* Percentage below 10%

Commodity price risk

We are subject to risk from fluctuating market prices of certain commodity raw materials, such as steel, that are used in our products. Prices of these raw materials may be affected by supply restrictions or other market factors from time to time, and we do not enter into hedging arrangements to mitigate commodity risk. Significant price changes for these raw materials could reduce our operating margins if we are unable to recover such increases from our customers, and could harm our business, financial condition and results of operations.

In addition, we are subject to risk from fluctuating logistics costs, including elevated diesel costs, due to the U.S.-Iran war, and trucking shortages. As a result of disruptions caused by geopolitical conflicts, consumer and commercial demand for shipped goods has increased across multiple industries, which in turn has reduced the availability and capacity of shipping containers and available ships worldwide. These disruptions caused, and may in the future cause, increased logistics costs, increased diesel costs, and shipment delays affecting the timing of our project deliveries, the timing of our recognition of revenue and our profitability.

Foreign currency exchange risk

We transact business in various foreign countries and are, therefore, subject to risk of foreign currency exchange rate fluctuations. We have established a foreign currency risk management policy to manage this risk. We intend to manage our foreign currency exposure by evaluating and using non-financial techniques, such as currency of invoice, leading and lagging payments and receivables management.

Based on our overall currency rate exposures as of October 2, 2026 and March 31, 2026, including the derivative financial instruments intended to hedge the nonfunctional currency-denominated monetary assets, liabilities and cash flows, and other factors, a 10% appreciation or depreciation of the U.S. dollar from its cross-functional rates would not be expected, in the aggregate, to have a material effect on our financial position, results of operations and cash flows in the near-term.

ITEM 4. CONTROLS AND PROCEDURES

a. Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and our Principal Financial Officer, to allow timely decisions regarding required disclosure. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of October 2, 2026. Based on such evaluation, our Chief Executive

Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

b. *Changes in Internal Control Over Financial Reporting*

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended October 2, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

c. Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of conducting our business, we have in the past and may in the future become involved in various legal actions and other claims. We may also become involved in other judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of our businesses. Some of these matters may involve claims of substantial amounts. In addition, from time to time, third parties may assert intellectual property infringement claims against us in the form of letters and other forms of communication. These legal proceedings may be subject to many uncertainties and there can be no assurance of the outcome of any individual proceedings. We do not believe that the final outcomes of these matters, and we are not a party to any other legal proceedings that we believe, if determined adversely to us, would have a material adverse effect on our business, financial condition or results of operations.

For more information, see Note 7 “Commitments and contingencies” in the notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report.

ITEM 1A. RISK FACTORS

Our business and our ability to execute our strategy are subject to many risks. These risks and uncertainties include, but are not limited to, the following:

Summary of Risk Factors

- The demand for solar energy and, in turn, our products is impacted by many factors outside of our control, and if such demand does not continue to grow or grows at a slower rate than we anticipate, our business and prospects will suffer.
- Competitive pressures within our industry may harm our business, results of operations, financial condition and prospects.
- We face competition from conventional and other renewable energy sources that may offer products and solutions that are less expensive or otherwise perceived to be more advantageous than our solutions.
- Delays in construction projects and any failure to manage our inventory could have a material adverse effect on us.
- Our results of operations may fluctuate from quarter to quarter, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations.
- The reduction, elimination or expiration of government incentives for, or regulations mandating or restricting the use of, renewable energy and solar energy specifically could reduce demand for solar energy and energy storage systems and harm our business.
- International regulation of and incentives for solar and energy storage projects vary by jurisdiction and may change or be eliminated.
- Changes in the global trade environment, including the imposition of tariffs, other import duties and trade restrictions, could adversely affect our business growth and the amount or timing of our revenues, results of operations or cash flows.
- Future acquisitions, strategic investments, strategic transactions, partnerships, joint ventures or alliances could be difficult to identify and integrate, divert the attention of key management personnel, disrupt our business, dilute stockholder value and adversely affect our business, financial condition and results of operations.
- We rely heavily on our suppliers and our operations could be disrupted if we encounter problems with our suppliers or if there are disruptions in our supply chain.
- Economic, political and market conditions can adversely affect our business, financial condition and results of operations.

- If we do not maintain environmental, social and governance ("ESG") practices and disclosures that meet the expectations of customers, regulators, employees, and investors, our relationships with these stakeholders could suffer, which could adversely affect our business and financial results.
- Our business and industry, including our customers and suppliers, are subject to risks of severe weather events, natural disasters, climate change and other catastrophic events.
- Technology system limitations or failures, including those involving third parties, could harm our business.
- Our business, operating results and financial condition could be materially harmed by evolving regulatory uncertainty or obligations applicable to our products and services.
- We may not be able to convert our orders in backlog into revenue.
- Our contracts may be canceled, suspended, delayed or not renewed, and we may be unable to replace such business on comparable terms, which could have a material adverse effect on our business, financial condition and results of operations.
- An increase in interest rates, or a reduction in the availability of tax equity or project debt financing, could make it difficult for project developers and owners to finance the cost of a solar energy or energy storage system and could reduce the demand for our products.
- We are dependent on a relatively small number of customers for our sales. A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact our revenue, results of operations and cash flows.
- Defects, performance problems or vulnerabilities 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 our products.
- Providing multiple interdependent products and services on the same project may increase our exposure to project performance and responsibility-allocation risks.
- Cybersecurity or other data security incidents could materially disrupt our operations, compromise sensitive information, and adversely affect our financial performance and reputation.
- Failure to comply with current or future federal, state, local and foreign laws, regulations, rules and industry standards relating to privacy and data protection could adversely affect our business, financial condition, results of operations and prospects.
- We may experience delays, disruptions or quality control problems in our product development operations.
- Our continued expansion into new markets could subject us to additional business, financial, regulatory and competitive risks.
- The development and use of artificial intelligence in our business introduces risks that could adversely affect our operations, financial condition, and reputation.
- Electric utility industry policies and regulations may present technical, regulatory and economic barriers to the purchase and use of solar energy and energy storage systems that could significantly reduce demand for our products or harm our ability to compete.
- A drop in the price of electricity sold may harm our business, financial condition and results of operations.
- Technological advances in the solar and energy storage components industry or developments in alternative technologies could render our systems uncompetitive or obsolete.
- If we fail to, or incur significant costs in order to, obtain, maintain, protect, defend or enforce our intellectual property, our business and results of operations could be materially harmed.
- We use "open source" software, and any failure to comply with the terms of one or more open source licenses could adversely affect our business, financial condition and results of operations.

- 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 into binding purchase orders, our business, financial condition and results of operations could be materially adversely affected.
- Our growth depends in part on the success of our strategic relationships with third parties on whom we rely for new projects and who provide us with valuable customer feedback that helps guide our innovation.
- We may need to defend ourselves against third-party claims that we are infringing, misappropriating or otherwise violating others' intellectual property rights, which could divert management's attention, cause us to incur significant costs, and prevent us from selling or using the technology to which such rights relate.
- Failure by our manufacturers or our component or raw material suppliers to use ethical business practices and comply with applicable laws and regulations may adversely affect our business, financial condition and results of operations.
- We could be adversely affected by any violations of the FCPA and other foreign anti-bribery laws.
- We may incur obligations, liabilities or costs under environmental, health and safety laws, which could have an adverse impact on our business, financial condition and results of operations.
- Fluctuations in foreign currency exchange rates could increase our operating costs and impact our business.
- We are required to pay others for certain tax benefits that we are deemed to realize under the Tax Receivable Agreement, and the amounts we may pay could be significant.

Investing in our common stock involves a high degree of risk. If any of the following risks occur, it could have a material adverse effect on our business, financial condition, results of operations or prospects. Risks that are not presently known to us or that we do not currently consider material could also have a material adverse effect on our business, financial condition and results of operations. If any of these or the following risks occur, the trading price of our common stock could decline, and you could lose part or all of your investment. Some statements in this Quarterly Report on Form 10-Q, including statements in the following risk factors, constitute forward-looking statements. See the section entitled "Special note regarding forward-looking statements."

Risks related to our business and our industry

The demand for solar energy and, in turn, our products is impacted by many factors outside of our control, and if such demand does not continue to grow or grows at a slower rate than we anticipate, our business and prospects will suffer.

Our future success depends on continued demand for utility-scale solar energy. Solar energy is a rapidly evolving and competitive market that has experienced substantial changes in recent years, and we cannot be certain that EPCs, developers, owners and operators of solar projects will remain active in the market or that new potential customers will pursue solar energy as an energy source at levels sufficient to grow our business. The demand for solar energy, and in turn, our products, may be affected by many factors outside of our control, including:

- availability, scale and scope of government subsidies, government and tax incentives and financing sources to support the development and commercialization of solar energy solutions, including the timing, interpretation and implementation of such programs;
- levels of investment by project developers and owners of solar energy products, which tend to decrease when economic growth slows or capital becomes more expensive or less available;
- the emergence, continuance or success of, or increased government support for, other alternative or conventional energy generation technologies and products;
- local, state and federal permitting and other regulatory requirements related to environmental, land use and transmission issues, each of which can significantly impact the feasibility and timelines for solar projects and may result in delays, increased costs or project cancellations;
- technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid;
- the cost and availability of raw materials and components necessary to produce solar energy, such as steel, polysilicon and semiconductor chips, including increased tariffs on the importation of such raw materials and components;

- regional, national or global macroeconomic trends, including further increased interest rates, inflation or a reduction in the availability of tax equity or project debt financing, which could make it difficult for project developers and owners to finance the cost of a solar energy system and new projects; and
- shifts in electricity demand, including those with the rapid expansion of data centers and other energy-intensive facilities, which may affect the timing, scale or economics of solar development or the competitiveness of solar energy relative to other generation technologies.

If demand for solar energy fails to continue to grow, demand for our products will plateau or decrease, which would have an adverse impact on our ability to increase our revenue and grow our business. In addition, demand may be volatile and subject to regional or project-specific fluctuations, which may make it difficult to forecast our operating results. If we are not able to mitigate these risks and overcome these difficulties successfully, our business, financial condition and results of operations could be materially and adversely affected.

Competitive pressures within our industry may harm our business, results of operations, financial condition and prospects.

We face intense competition from a large number of companies in the solar and energy space in nearly all of the markets in which we compete. In the solar tracker market, the solar tracker industry is currently fragmented and competition may increase further as the industry evolves or consolidates. This may result in price competition, including downward pressure on pricing, which could adversely affect our revenue and margins. As we expand our product offerings and offer additional technologies and services, such as battery energy storage systems ("BESS"), power-conversion, and electrical infrastructure, the size and number of competitors will continue to increase. As a result, we may also compete with established providers of integrated solar-plus-storage, power-electronics and structural solutions that have greater scale, installed bases, service capabilities or customer relationships.

Some of our competitors are developing or are currently manufacturing products based on different solar power technologies that may ultimately have costs similar to or lower than our projected costs. In addition, some of our competitors have or may in the future have lower costs of goods sold, lower operating costs, greater name and brand recognition in specific markets in which we compete or intend to sell our products, greater market shares, access to larger customer bases, greater resources and significantly greater economies of scale than we do. Additionally, new competitors may enter our market as a result of, among other factors, lower research and development costs, reduced barriers to entry or the availability of government incentives or financing.

We may also face adverse competitive effects from other participants in the solar industry. For example, the price for solar panels has experienced significant declines in several markets globally in recent periods. Substantial pricing declines for panels can make the returns on investment for our products, including our tracker technology less competitive in comparison to fixed tilt racking systems. In addition, other risks include EPCs subjecting their subcontractors who compete for their business, such as us, to contractual clauses that carry higher contractual risk to us, such as "pay if paid" clauses that require an EPC to pay us only when the EPC's end customer pays the EPC, higher liquidated damages amounts, increased contractual liabilities above 100% of the contract value and more limited force majeure clauses, among others, which could increase our risk exposure, reduce our margins or adversely affect our cash flows.

In addition, part of our strategy is to continue to grow our revenues from international markets. Any new geographic market could have different characteristics from the markets in which we currently sell products, and our ability to compete in such markets will depend on our ability to adapt properly to these differences, including local regulatory requirements, customer preferences, competitive dynamics, currency fluctuations and geopolitical considerations. We may also face competition from lower cost providers in any new markets we enter, which could decrease the demand for our products or cause us to reduce the cost of our products in order to remain competitive. Any of these factors could have a material adverse effect on our business, results of operations, financial condition, and prospects.

We face competition from conventional and other renewable energy sources that may offer products and solutions that are less expensive or otherwise perceived to be more advantageous than our solutions.

We face significant competition from providers of conventional and other renewable energy alternatives such as coal, nuclear, natural gas and wind, as well as emerging technologies such as energy storage and hybrid generation solutions. We compete with conventional energy sources primarily based on price, predictability of price and energy availability, environmental

considerations and the ease with which customers can use electricity generated by solar energy projects. If our systems cannot offer a compelling value to customers based on these factors, then our business growth may be impaired.

Conventional energy sources generally have substantially greater financial, technical, operational and other resources than solar energy sources, and as a result may be able to devote more resources to research, development, promotion and product sales or respond more quickly to evolving industry standards and changes in market conditions than solar energy systems. Conventional and other renewable energy sources may be better suited than solar for certain locations or customer requirements and may also offer other value-added products or services that could help them compete with solar energy sources. In addition, conventional generation technologies, particularly those using fossil fuels, may in certain markets be able to produce electricity at a lower cost than solar, particularly where fuel costs are low or subsidized. Non-renewable generation is typically available for dispatch at any time, as it is not dependent on the availability of intermittent resources such as sunlight, which may make such generation more attractive to certain customers or grid operators, particularly in markets that do not adequately compensate for intermittency or capacity attributes.

In addition, advancements in competing technologies, including improvements in energy storage, grid infrastructure or alternative renewable generation sources, could reduce the relative advantages of solar energy or alter customer preferences. The cost-effectiveness, performance and reliability of solar energy products and services, compared to conventional and other renewable energy sources, could materially and adversely affect the demand for our products and services, which could have a material adverse effect on our business, financial condition and results of operations.

Delays in construction projects and any failure to manage our inventory could have a material adverse effect on us.

Many of our products are used in large-scale projects, which generally require a significant amount of planning and preparation and which have been and can be delayed and rescheduled for a number of reasons, including customer or partner labor availability, difficulties in complying with environmental and other government regulations or obtaining permits, interconnection delays, financing issues, changes in project priorities, additional time required to acquire rights-of-way or property rights, unanticipated soil conditions, or health-related shutdowns or other work stoppages. These delays have in the past resulted in and may in the future result in unplanned downtime, increased costs and inefficiencies in our operations, and increased levels of excess inventory.

Our results of operations may fluctuate from quarter to quarter, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations.

Our quarterly results of operations are difficult to predict and may fluctuate significantly in the future. Because we recognize a significant portion of our revenue over time based on the costs incurred to date on a project as a percentage of the total costs we expect to incur, and recognize certain other revenue only when control of the equipment transfers to the customer, any delays in large projects from one quarter to another may cause our results of operations for a particular period to fall below expectations. We have experienced seasonal and quarterly fluctuations in the past as a result of a variety of factors, including fluctuations in our customers' businesses, changes in local and global market trends, fluctuations in economic, political, financial, industry and market conditions, regulatory or policy changes causing customers to delay, change or abandon their projects, as well as seasonal weather-related disruptions. For example, our customers' ability to install solar energy systems is affected by weather, such as during the winter months. Inclement weather may also affect our logistics and operations by causing delays in the shipping and delivery of our materials, components and products which may, in turn, cause delays in our customers' solar projects.

Further, given that we operate in a rapidly growing industry, the true extent of these fluctuations may have been masked by our recent growth rates and consequently may not be readily apparent from our historical results of operations and may be difficult to predict. Our financial performance, sales, working capital requirements and cash flows may fluctuate, and our past quarterly results of operations may not be good indicators of future performance or prospects. Any substantial fluctuation in revenues could have an adverse effect on our financial condition, results of operations, cash flows and stock price for any given period. In addition, revenue and other operating results in future fiscal quarters may fall short of the expectations of investors and financial analysts, which could have an adverse effect on the price of our common stock.

The reduction, elimination or expiration of government incentives for, or regulations mandating or restricting the use of, renewable energy and solar energy specifically could reduce demand for solar energy and energy storage systems and harm our business.

Federal, state, local and foreign government bodies provide incentives to owners, end users, distributors and manufacturers of solar energy systems to promote renewable electricity in the form of tax credits, rebates, subsidies and other financial incentives. The range and duration of these incentives varies widely by jurisdiction. Our customers typically use our systems for grid-connected applications wherein solar power is sold under a power purchase agreement or into an organized electric market. This segment of the solar industry has historically depended in large part on the availability and size of government incentives supporting the use of renewable energy. Consequently, the reduction, elimination or expiration of government incentives for grid-connected solar electricity may negatively affect the competitiveness of solar electricity relative to conventional and non-solar renewable sources of electricity, and could harm or halt the growth of the solar electricity industry and our business. These reductions, eliminations or expirations could occur without warning. Any changes to the existing framework of these incentives could cause fluctuations in our results of operations and create uncertainty in customer demand and project timing.

The Inflation Reduction Act of 2022 (the "IRA") made significant changes to the federal income tax credits available to solar energy projects, including the ITC under Section 48 of the U.S. Internal Revenue Code ("IRC") for certain energy projects. As a result of changes made by the IRA, United States taxpayers may be entitled to a 30% tax credit under the ITC (now "Section 48E"), for certain qualifying projects and increased further to 40% for projects that satisfy certain "domestic content" requirements. Guidance issued by the U.S. Treasury Department regarding the availability of the ITC (and its successor under Section 48E commonly referred to as a "tech neutral" credit that became effective January 1, 2025) has changed in the past and is subject to change in the future. The IRA also introduced a per-unit tax credit (the "Section 45X Credit" or "45X Credit") that is earned over time for certain clean energy components domestically produced and sold by a manufacturer. The IRA itself was substantially amended by the OBBBA (described below) on July 4, 2025, including with respect to the Section 48E and the Section 45X Credit, in a manner which materially reduced the future availability of these credits.

Under the IRA, investments in certain solar projects may qualify for an additional bonus credit amount if the solar energy project satisfies certain "domestic content" requirements. On May 12, 2023, the U.S. Treasury Department and the IRS released Notice 2023-38 providing guidance with respect to the IRA's domestic content bonus credit. On May 16, 2024, the U.S. Treasury Department and the IRS released Notice 2024-41, which includes a "safe harbor" that taxpayers may use to classify certain components of solar projects for the purpose of qualifying for the domestic content bonus credit. On January 16, 2025, the U.S. Treasury Department and the IRS released Notice 2025-08, which introduced an updated elective safe harbor for the domestic content bonus credit. Generally, for a qualified facility or energy project to qualify for a domestic content bonus, the project must include specified amounts of U.S.-manufactured iron, steel and manufactured products and be able to substantiate that content and its country of manufacture. We have invested in developing a supply chain and U.S. manufacturing footprint to allow us to sell customers a solar tracker that we believe complies with the domestic content requirements provided in the Notices discussed above.

In 2024, the U.S. Treasury Department and the IRS issued final Treasury regulations on the elective payment of applicable credits under Section 6417 of the IRC and the transfer of certain credits under Section 6418 of the IRC. These final Treasury regulations provide guidance to taxpayers related to selling applicable tax credits including the Section 48E and Section 45X Credit.

On October 28, 2024, the U.S. Treasury Department and the IRS published the 45X Treasury regulations regarding the Section 45X Credit, which became effective on December 27, 2024. The 45X Treasury regulations confirm that torque tubes and structural fasteners used in our trackers may qualify as eligible components.

The amount of the Section 45X Credit varies depending on the eligible component. In the case of torque tubes and structural fasteners, the credit amount is equal to $0.87 per kilogram and $2.28 per kilogram, respectively, through the end of 2029.

The Section 45X Credit amount will be reduced each year by 25% starting in 2030 and end after 2032. Our eligible U.S. manufacturing suppliers avail themselves of the Section 45X Credits to varying degrees and we accounted for some of these economic benefits in our cost of acquiring torque tubes and structural fasteners. Beginning in calendar year 2025, in certain circumstances, we have directly obtained the benefit of the Section 45X Credit through the use of an election authorized in the Section 45X Treasury regulations. If our or our eligible U.S. manufacturing suppliers' ability to claim Section 45X Credits is impaired, if credits claimed by us or them are disallowed or otherwise not realized, or if Treasury regulations adversely affect

the amount or value of credits available to us or them, our cost of goods sold could increase, which could reduce our profitability and competitiveness.

In lieu of Section 48E, as a result of changes made by the IRA, United States taxpayers may elect to claim a production tax credit under Section 45Y of the IRC for qualified solar facilities if the construction of the facility began after December 31, 2024 and the facility is timely placed in service for federal income tax purposes.

The PTC is available in respect of kilowatt hours of electricity produced by a qualifying solar project and sold to one or more unrelated persons during the ten years following the date on which the qualifying solar project is placed in service. The amount of PTC available varies based on an annual inflation adjustment. The available credit amount is increased by up to 10% if the domestic content requirements described above are satisfied.

The IRA created Sections 48E and 45Y, which are "technology neutral" tax credit incentives that replace each of the ITC and the production tax credit under Section 45 of the IRC ("PTC"), respectively, for certain qualifying projects that begin construction after 2024. These provisions require that a project satisfy a "zero greenhouse gas emissions" standard in order to qualify for the tax credits. Taxpayers that began construction of energy projects or facilities that qualify for the ITC or PTC prior to 2025 may choose to claim the ITC, PTC, or one of the "technology neutral" tax credits in respect of the project assuming that certain continuous construction requirements are met.

On January 7, 2025, the U.S. Treasury Department and the IRS released final Treasury regulations which were published in the Federal Register on January 15, 2025 regarding the Section 45Y Credit and Section 48E with respect to certain qualified facilities and/or energy storage technology claiming such tax credits.

On July 4, 2025, a U.S. federal budget reconciliation bill known as the One Big Beautiful Bill Act ("OBBBA") was enacted. The OBBBA, among other things, materially changed most of the federal renewable energy incentives, including those described in Sections 45X, 48E, and 45Y. In particular, the OBBBA significantly altered the availability of the Section 48E and 45Y tax credits our customers rely upon for qualified solar facilities. For example, whereas under the IRA, Section 48E and 45Y credits were available through 2032 or such later period until the U.S. power sector emitted 75% less carbon emissions than 2022 levels, the OBBBA substantially reduced this timeframe to require that projects begin construction by July 4, 2026 to utilize a continuity safe harbor that permits solar projects to be placed in service within four calendar years following the calendar year in which the project began construction for tax credit eligibility. Alternatively, solar projects that begin construction after July 4, 2026 must be placed in service by December 31, 2027 to qualify for the Section 48E and 45Y credits. Such acceleration in the expiration of these tax credits will reduce the number of projects in future years that would have otherwise qualified for such credits, likely reducing the overall project volume over time. The July 4, 2026 construction-start deadline has now passed.

Additionally, on July 7, 2025 President Trump issued an Executive Order directing the Secretary of the Treasury to take measures to strictly enforce the termination of the Sections 48E and 45Y credits for wind and solar facilities. The Executive Order specifically directs the Secretary of the Treasury to issue new restrictions concerning "beginning of construction" requirements that appear in many provisions of the OBBBA and which govern eligibility for these tax credits. The Executive Order targets "safe harbor" practices in which our customers seek to establish that their projects have begun construction by the relevant deadline (and therefore qualify for the tax credit) by incurring 5% or more of applicable project costs. Treasury guidance required by this Executive Order was issued on August 22, 2025 in the form of IRS Notice 2025-42. Under this guidance the 5% safe harbor was eliminated effective September 2, 2025 and additional requirements were imposed on solar projects for purposes of demonstrating both the start of physical construction and continuous physical construction thereafter.

In June 2026, a federal district court vacated Notice 2025-42 finding the notice to be arbitrary and capricious in *Oregon Environmental Council v. IRS*. The government may appeal the decision, or Treasury may issue new guidance to replace the vacated notice. It remains uncertain whether developers can rely on the restored safe harbor and thus which beginning of construction standards will ultimately apply to our customers' project. Such requirements, and the ongoing uncertainty resulting from the vacatur and any subsequent appeal or replacement guidance, may diminish our customers' ability to qualify their projects for Section 48E or 45Y tax credits, which in turn could reduce demand for our products and materially harm our business and results of operations.

In addition, the OBBBA introduced certain "foreign entity of concern" ("FEOC") restrictions relating to prohibited foreign entities on owners of qualified facilities claiming such Section 48E and 45Y tax credits, as well as on manufacturers of components that otherwise qualify for the Section 45X credit. Under these rules, a "prohibited foreign entity" includes a "specified foreign entity" or "foreign influenced entity", and in general means that certain entities (governments or companies)

that are under the ownership, control, or influence of deemed foreign adversaries, such as China, are ineligible for such tax credits. Under the OBBBA a taxpayer must comply with the FEOC rules applicable to a tax credit in order to qualify for such tax credit. The FEOC restrictions apply to Sections 45X, 48E and 45Y in somewhat different ways. However, these rules generally require that Nextpower evaluate its ownership, the ownership of certain members of its supply chain partners, any rights regarding the ability to appoint board members and executives of Nextpower and its supply chain partners, certain payments made by Nextpower and its supply chain partners, and certain contractual arrangements entered into by Nextpower and its supply chain partners with other parties. On February 12, 2026, the U.S. Treasury Department issued interim guidance under Notice 2026-15 regarding material assistance tests related to prohibited foreign entities, and requested public comment. Additional Treasury guidance and/or regulations implementing the FEOC provisions of the OBBBA are pending and may alter current interpretations of the restrictions.

Nextpower is currently evaluating itself and its supply chain partners who provide components for U.S. qualified facilities and will continue to do so as the Treasury Department issues clarifying guidance or regulations. To the extent that our suppliers are disqualified from 45X eligibility as a result of FEOC restrictions, our cost of goods sold may increase and we may become less profitable and/or competitive. In addition, to the extent our components and products are produced by suppliers which impair our customers' ability to qualify their projects for Section 48E or 45Y credits (or related domestic content bonus credits), we may become less competitive and our business and results of operations could be materially harmed.

Although we continue to expand our international presence, the impact of the OBBBA, Executive Orders, Treasury Department guidance, and other regulatory actions on the U.S. solar market may adversely impact our business. The substantially reduced timelines for our customers to qualify for the Section 48E or 45Y tax credits may reduce the number of solar projects that our customers build in the United States and therefore reduce the demand for our trackers in the U.S. market. In addition, we may not have an adequate supply of our components and products that satisfy the FEOC or domestic content requirements to remain competitive and meet customer demand. Compliance with FEOC and domestic content requirements also may increase our record-keeping, accounting and production costs.

The OBBBA did not change the prevailing wage and apprenticeship requirements imposed on our customers by the IRA. If we or our customers are unable to satisfy or cure respective prevailing wage and apprenticeship requirements for projects that establish the beginning of construction on or after January 29, 2023, the tax credits available to the customers will be substantially lower. If we or a significant portion of our customers are unable to satisfy prevailing wage and apprenticeship requirements under the IRA, demand for our tracker products may be adversely impacted by the reduced tax credits available to our customers, which could have a material adverse effect on our business, financial condition and results of operations.

Certain provisions of the IRA have been the subject of substantial public interest and have been subject to debate, and there are divergent views on potential implementation, guidance, rules and regulatory principles by a diverse group of interested parties. We expect a similar pattern of divergent interpretations with respect to OBBBA, the Executive Order and implementing guidance and regulations. There can be no assurance that our products will fully qualify for the benefits under the IRA or the OBBBA or that competitors will not disproportionately benefit or gain competitive advantages as a result of the implementation or interpretation of these laws. In addition, if our suppliers incorrectly interpret the requirements of the tax credits or the OBBBA and it is later determined that the tax credits were incorrectly claimed, we may be penalized. As a result, the final interpretation and implementation of the provisions in the IRA or OBBBA could have a material adverse impact on us.

Furthermore, future legislative enactments or administrative actions could limit, amend, repeal or terminate federal tax incentives that we currently do, or hope to, leverage. Any reduction, elimination, or discriminatory application or expiration of current and any future federal tax incentives may materially adversely affect our future operating results and liquidity.

In addition, federal, state, local and foreign government bodies have implemented additional policies that are intended to promote or mandate renewable electricity generally or solar electricity in particular. For example, many U.S. states have adopted procurement requirements for renewable energy production and/or a renewable portfolio standard ("RPS") that requires regulated utilities to procure a specified percentage of total electricity delivered to customers in the state from eligible renewable energy sources, including utility-scale solar power generation facilities, by a specified date. There can be no assurances that RPSs or other policies supporting renewable energy will continue. Proposals to extend compliance deadlines, reduce renewable requirements or solar set-asides, or entirely repeal RPSs emerge from time to time in various jurisdictions. Reduction or elimination of RPSs, restrictions or prohibitions imposed on solar projects, as well as changes to other renewable-energy and solar-energy policies, could reduce the potential growth of the solar energy industry and materially and adversely affect our business.

Moreover, changes in policies of recent U.S. presidential administrations have created regulatory uncertainty in the renewable energy industry, including the solar energy industry, and have adversely affected and may continue to adversely affect our business. For example, in the span of less than six years, the United States joined, withdrew from, and then rejoined the 2015 Paris Agreement on climate change mitigation following changes in administration between U.S. Presidents Obama, Trump and Biden. To start his second term, U.S. President Trump signed numerous executive orders including for the U.S. to again withdraw from the Paris Climate Treaty, to expedite deregulated oil and gas drilling, and revoke executive orders and actions from the previous administration related to, among other things, the implementation of the energy and infrastructure provisions of the IRA. Additionally, the U.S. Department of the Interior and U.S. Department of Energy have recently taken several steps to prohibit, prevent or delay new renewable energy projects. For example, on July 15, 2025 the Department of Interior issued an internal memo entitled "Departmental Review Procedures for Decisions, Actions, Consultations, and Other Undertakings Related to Wind and Solar Energy Facilities." The memo mandates that 69 categories of previously routine permitting and review activities related to wind and solar projects be elevated to top levels within the Department of Interior, which may substantially slow approval timelines and reduce the number of projects permitted.

On July 28, 2026, the Federal Communications Commission ("FCC") added foreign-produced power inverters to its Covered List based on a national security risk determination. On August 20, 2026, following a further determination by the Department of War, the FCC revised the definition of covered power inverters and excluded certain foreign-produced inverters eligible for the Section 45X advanced manufacturing production credit. The FCC stated that covered new inverter models generally may not receive the equipment authorization required for import, marketing or sale in the United States, while previously authorized models may continue to be imported, marketed and sold; the FCC also established a conditional-approval process. The FCC's action also does not affect devices purchased before July 28, 2026. In October 2026, the FCC updated the Covered List to reflect conditional approvals for specified inverter models, subject to ongoing compliance with manufacturer-specific conditions. The scope and application of these actions, including the impact on the manufacturing build-out of our Apex inverter business, may continue to evolve.

On August 26, 2026, President Trump issued Executive Order 14421, "Declaring a National Emergency to Secure the United States Bulk-Power System." The Executive Order authorizes the Secretary of Energy, after specified determinations, to prohibit certain acquisitions, imports, transfers or installations initiated after the date of the order that involve foreign-produced bulk-power system electric equipment and a foreign-country interest. The order expressly includes utility-scale and other grid-connected inverters and battery energy storage systems within its definition of bulk-power system electric equipment. It also authorizes the Secretary, subject to specified considerations, to impose conditions on the continued use of certain equipment acquired or installed before the order, including requirements to monitor, isolate, secure, disconnect, replace or remove equipment. The Executive Order directs the Secretary of Energy to publish implementing rules or regulations by December 24, 2026, as needed. The Department of Energy has solicited information to guide implementation, and the scope and application of future restrictions remain uncertain.

In RENEW Northeast et al. v. U.S. Department of Interior et al., renewable energy industry groups filed an action in December 2025 alleging that several federal agency actions targeted wind and solar development, slowing or blocking renewable energy permitting in violation of the Administrative Procedure Act. In April 2026, the District Court of Massachusetts found irreparable harm as plaintiffs showed imminent economic injuries, including permitting delays, increased compliance costs, disruption to existing investments, and project-related harms. The court found that the balance of equities and public interest favored relief, citing the plaintiffs' asserted harms to renewable energy development, the grid, and the environment. The injunction may reduce some immediate permitting barriers for covered entities, but it does not eliminate regulatory uncertainty. The agencies have appealed and such appeal remains pending. The agencies may also pursue alternative actions.

These or similar actions by the U.S. Administration could materially reduce the number of future solar projects and/or delay the timing of projects or result in cancellations of planned or in-process projects and could have a material adverse impact on our business, financial condition and results of operations.

In addition, the U.S. Supreme Court's decision on June 30, 2022 in West Virginia v. EPA, holding that the U.S. Environmental Protection Agency ("EPA") exceeded its authority in enacting a subsequently repealed rule that would have allowed electric utility generation facility owners to reduce emissions with "outside the fence measures," may limit EPA's ability to address greenhouse gas emissions comprehensively without specific authorization from Congress. It is difficult to predict what further actions will be taken that may impact our business including revisions to the federal incentives related to renewable energy.

International regulation of and incentives for solar and energy storage projects vary by jurisdiction and may change or be eliminated.

The international markets in which we operate or may operate in the future may have or may put in place policies to promote renewable energy, including solar and energy storage. These incentives and mechanisms vary from country to country. In seeking to achieve growth internationally, we may make investments that, to some extent, rely on governmental incentives and support in a new market.

There is no assurance that foreign governments will provide or continue to provide sufficient incentives and support to the solar industry or that the industry in any particular country will not suffer significant downturns in the future as the result of changes in public policies or government interest in renewable energy, any of which would adversely affect demand for our solar and energy storage products.

Changes in the global trade environment, including the imposition of tariffs, other import duties and trade restrictions, could adversely affect our business growth and the amount or timing of our revenues, results of operations or cash flows.

Trade tensions, particularly between the United States and China, have led to increased tariffs and trade restrictions, including tariffs applicable to certain materials for and components of our products such as steel and low-power solar modules, and for products used in solar energy projects more broadly, such as electrical equipment, storage batteries and solar modules.

In recent years, imposition and withdrawal of import tariffs have been erratic and unpredictable. On February 20, 2026, the U.S. Supreme Court ruled that import tariffs imposed by President Trump purportedly under the International Emergency Economic Powers Act ("IEEPA") were unlawful. The Administration subsequently ended the IEEPA ad valorem tariffs at issue. The availability, scope and timing of any refunds remain uncertain. A 10% temporary import surcharge under Section 122 of the Trade Act of 1974 took effect on February 24, 2026, and expired on July 24, 2026. It generally applied to most imports, subject to specified exceptions.

There currently are tariffs on imports of steel, aluminum and copper products, including certain derivative products containing steel, aluminum and/or copper, imposed under Section 232 of the Trade Expansion Act of 1962 ("Section 232 Tariffs"). Effective April 6, 2026, the Administration revised the Section 232 Tariff framework, including by generally applying a 50% tariff to the full customs value of covered steel, aluminum and copper products, applying a lower 25% tariff to certain products and applying a 10% tariff to covered derivative products made from aluminum or copper smelted and cast in the United States, or from steel melted and poured in the United States. Certain products also qualify for Section 232 tariff exemptions. The Administration further revised the Section 232 tariff framework in June and July 2026. Although the April 6, 2026 Section 232 Tariff revisions reduced our tariff exposure for certain imported components, Section 232 Tariffs continue to affect our costs and gross margins and could result in interruptions in our product supply chains.

There are also tariffs on various items of solar equipment, including solar cells and modules, inverters and power optimizers, imported from China under Section 301 of the Trade Act of 1974 ("Section 301 Tariffs"). At present, Section 301 Tariffs are 50% on Chinese crystalline solar photovoltaic ("CSPV") cells and modules, 25% on Chinese steel products, 25% on Chinese parts of lead-acid storage batteries (including separators thereof) and 25% on Chinese lithium-ion non-EV batteries. In July 2026, the Administration announced Section 301 tariffs of 10% or 12.5% on goods from 60 economies in connection with forced-labor import restrictions, subject to exemptions and country-specific terms.

In March 2026, the Administration initiated additional Section 301 investigations into structural excess capacity and production in multiple economies, including major sourcing markets and solar modules. The timing, rates, country and product coverage, and interaction of any resulting measures with existing tariffs remain uncertain. If implemented, additional tariffs could increase our costs, reduce our gross margins, adversely affect sourcing and pricing decisions, and otherwise adversely affect our business, financial condition, results of operations and cash flows.

Nextpower products include proprietary, low-power CSPV modules that provide off-grid power to our controllers located either on each tracker row or on weather stations at the project site. Such low-power CSPV modules, if sourced from China, are impacted by Section 301 Tariffs on solar modules. All tariffs on solar cells and modules also may indirectly affect us by increasing the costs of components of solar energy projects, thereby adversely impacting the financial viability of solar energy projects in which our products are used, which could lead to decreased demand for our products.

Under an August 2023 "circumvention" determination by the U.S. Department of Commerce ("Commerce"), CSPV cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam using certain Chinese components are subject to antidumping

duty and countervailing duty ("AD/CVD") orders on CSPV cells and modules from China ("Solar Circumvention Determination"). AD/CVD cash deposit rates for imported CSPV modules covered by the China AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 250% of the entered value of the modules.

As a result of a Presidential Proclamation 10414 issued by President Biden on June 6, 2022, entries of CSPV cells and modules covered by the Solar Circumvention Determination that entered the United States prior to June 6, 2024 generally did not face the collection of AD/CVD amounts if the importers of such cells and modules submitted required certifications to U.S. Customs and Border Protection ("CBP"). Nextpower imported proprietary, low-power CSPV smart modules from Malaysia and Thailand covered by the Solar Circumvention Determination between April 1, 2022 and November 30, 2022, While Nextpower submitted certifications for the low-power CSPV smart modules it imported during this period, Nextpower did not strictly follow all the certification procedures for a number of the entries. In addition, the AD/CVD exemption put in place by Presidential Proclamation 10414 is subject to a pending court challenge.

If U.S. courts strike down the AD/CVD exemption put in place by Presidential Proclamation 10414 or CBP determines that Nextpower's submitted certifications were invalid, Nextpower could be required to pay AD amounts with respect to the applicable entries of the low-power CSPV smart modules. To mitigate the AD duty risk, Nextpower has submitted a prior disclosure to CBP informing CBP of the potential procedural deficiencies with respect to the certifications submitted by Nextpower. CSPV cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam that are not covered by the Solar Circumvention Determination are subject to AD/CVD orders. AD/CVD cash deposit rates for imports of CSPV modules covered by the Cambodia, Malaysia, Thailand and Vietnam AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 3,000% of the entered value of the imported merchandise.

In August 2025, Commerce initiated AD/CVD investigations targeting CSPV cells and modules from India, Indonesia and Laos. On September 11, 2026, Commerce issued final affirmative AD/CVD determinations and calculated significant, exporter-specific rates. The U.S. International Trade Commission's (the "ITC") concurrent injury proceedings remain pending. If the ITC makes affirmative final determinations, resulting AD/CVD orders could adversely affect our costs, supply chain flexibility, project timing and results of operations.

On July 17, 2026, Commerce initiated a circumvention proceeding targeting CSPV cell and modules produced in Ethiopia using Chinese inputs and CSPV cells produced in Ethiopia using Chinese inputs and incorporated into CSPV modules produced in Vietnam. If the circumvention proceeding results in a final determination of circumvention, Commerce is expected to include the merchandise targeted by the circumvention proceeding within the longstanding AD/CVD orders covering CSPV cells and modules from China.

On July 1, 2025, Commerce initiated a Section 232 investigation to determine the effects on U.S. national security of imports of polysilicon and its derivatives. On August 6, 2026, the Administration imposed tariffs on imports of polysilicon and polysilicon derivatives under Section 232. These tariffs, and any related exclusions, quotas, country-specific treatment or subsequent modifications, may increase the cost of solar modules and other components used in solar projects, adversely affect our suppliers and customers, and negatively impact our costs, margins, supply chain and demand.

Imports of solar modules produced in China or incorporating cells or other materials (e.g., polysilicon) produced in whole or in part in China may be detained by CBP under the Uyghur Forced Labor Prevention Act (Public Law No. 117-78). To the extent that such detentions occur, solar modules may not reach project sites, which may result in significant delays in the development and entry into operation of solar energy projects.

The ultimate severity or duration of any solar panel supply chain disruption due to CBP detentions or otherwise and or its effects on our clients' solar project development and construction activities, and associated consequences on our business, is uncertain.

If an environment of significantly increased U.S. tariffs and trade restrictions continues or further escalates, the global economy could be adversely affected, including through higher costs, higher interest rates or lower demand for renewable energy, any of which could materially affect our business, financial condition, results of operations, and prospects. In addition, we export products manufactured in the United States to projects outside of the United States, which exposes our business to retaliatory tariffs imposed by other countries. Such retaliatory tariffs, if applicable to our products, could adversely affect the demand for our products or make us less competitive in those countries.

Additionally, existing or future tariffs and CBP detentions of solar modules may negatively affect key customers and suppliers, and other supply chain partners. Such outcomes could adversely affect the amount or timing of our revenues, results of operations or cash flows, and continuing uncertainty could cause sales volatility, price fluctuations or supply shortages or cause our customers to delay their purchase of our products. It is difficult to predict what further trade-related actions governments may take, which may include additional or increased tariffs and trade restrictions, and we may be unable to quickly and effectively react to such actions. While we have taken actions with the intention of, among other things, mitigating the effect of AD/CVD duties, Section 301 Tariffs and Section 232 Tariffs on our business, we may not be able to do so broadly or on attractive terms.

Any of the foregoing risks could have a material adverse effect on our business, financial condition and results of operations.

Future acquisitions, strategic investments, strategic transactions, partnerships, joint ventures or alliances could be difficult to identify and integrate, divert the attention of key management personnel, disrupt our business, dilute stockholder value and adversely affect our business, financial condition and results of operations.

As part of our business strategy, we have, and in the future expect to continue to make, investments in and/or acquire complementary companies, services or technologies, such as our acquisitions of Ojjo, the foundations business of SPI, Bentek, OnSight, Origami, Prevalon, Zigor/Apex, Zimmermann and other recent acquisitions. We have also entered into, and may in the future enter into, joint ventures or similar strategic arrangements, such as our Nextpower Arabia joint venture. Our ability as an organization to acquire and integrate other companies, services or technologies, and to structure, negotiate and manage joint ventures and other strategic arrangements, in a successful manner in the future is not guaranteed. We may not be able to find suitable acquisition candidates or joint venture partners, and we may not be able to complete such acquisitions or joint ventures on favorable terms, if at all. When we complete acquisitions or enter into joint ventures, we may not ultimately strengthen our competitive position or ability to achieve our business objectives, and any acquisitions or joint ventures we complete could be viewed negatively by our end-customers or investors. In addition, our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, joint venture partner, product or technology, including issues related to intellectual property, product quality or product architecture, regulatory compliance practices, revenue recognition or other accounting practices or issues with employees or customers. Joint ventures involve unique risks, including our potential inability to control the operations, strategies or financial decisions of our joint venture partners, the potential for our partners to have economic or business interests inconsistent with our own, the possibility that we may be responsible to joint venture partners for indemnifiable losses and the risk that our partners may be unable or unwilling to fulfill their obligations under the relevant joint venture agreements. If we are unsuccessful at integrating such acquisitions, or the technologies associated with such acquisitions, into our company, or at managing our joint ventures effectively, the revenue and results of operations of the combined company could be adversely affected. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. We may not successfully evaluate or utilize the acquired technology or personnel, or the capabilities of joint venture partner, or accurately forecast the financial impact of an acquisition or joint venture transaction, causing unanticipated write-offs or accounting charges. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, or to fund our obligations under any joint venture arrangements each of which could adversely affect our business, financial condition and the market price of our common stock. The sale of equity or issuance of debt to finance any such acquisitions or joint ventures could result in dilution to our stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations. In particular, the integration of Prevalon, the acquired power-conversion assets of Zigor/Apex and the Zimmermann acquisition may require us to combine different technologies, software, manufacturing and service operations, supply chains, customer relationships and compliance programs, and may result in unanticipated liabilities, impairment charges or costs. We may also need to build or expand spare-parts inventories, field-service personnel, technical training, remote monitoring and regional repair capabilities to support the acquired and new products, and our inability to provide timely lifecycle service could increase warranty costs, extend outages and harm customer relationships.

In connection with our acquisitions, joint ventures and strategic investments, we have recorded, and expect to continue to record, significant amounts of goodwill and other intangible assets on our unaudited condensed consolidated balance sheet. We are required to test goodwill for impairment at least annually, generally at the beginning of our fourth fiscal quarter, and to test our finite-lived intangible assets and other long-lived assets for impairment whenever events or changes in circumstances indicate that their carrying value may not be recoverable. Triggering events that could require an interim or annual impairment assessment include declines in our historical or projected revenue, operating income or cash flows, a sustained decline in the

price or market capitalization of our common stock, deterioration in general macroeconomic, industry or market conditions, reductions in demand or project volumes, the loss of one or more significant customers, adverse changes in the regulatory or incentive environment, or the failure of an acquired business to perform as we expected at the time of acquisition. If the carrying value of a reporting unit or asset exceeds its estimated fair value, we may be required to recognize a non-cash impairment charge, which could be significant. Any such charge could have a material adverse effect on our results of operations and financial condition in the period in which it is recognized.

We rely heavily on our suppliers and our operations could be disrupted if we encounter problems with our suppliers or if there are disruptions in our supply chain.

We purchase our components through arrangements with various suppliers located across the globe. We depend on our suppliers to source materials and manufacture critical components for our products. Our reliance on these suppliers, in certain cases on an exclusive or sole-source basis, makes us vulnerable to possible capacity constraints and reduced control over component availability, delivery schedules and costs which could disrupt our ability to procure these components in a timely and cost-efficient manner. As we expand our product offerings, the complexity of our supply chain could increase, exposing us to additional problems or disruptions. The addition of BESS and power-conversion products also increases our exposure to battery cells, power semiconductors, transformers and other specialized components, for which there may be limited qualified suppliers or substitutes and longer qualification cycles. Any shortages of components or raw materials for these products could affect our ability to timely deliver our products to our customers, which may result in liquidated damages or contractual disputes with our customers, harm our reputation and lead to a decrease in demand for our products.

For example, many of our products are manufactured from steel and, as a result, our business is significantly affected by the price of steel. When steel prices are higher, as they have been in recent months, the prices that we charge customers for our products may increase, which may decrease demand for our products. Conversely, if steel prices decline, customers may demand lower prices and our competitors' responses to those demands could result in lower sale prices or lower sales volume and, consequently, negatively affect our profitability. A significant portion of the steel used to produce our products is derived directly or indirectly from steel mills located in China. At times, pricing and availability of steel can be volatile due to numerous factors beyond our control, including domestic and international economic conditions, global steel capacity, import levels, fluctuations in the costs of raw materials necessary to produce steel, sales levels, competition, consolidation of steel producers, labor costs, transportation costs, import duties, tariffs and foreign currency exchange rates. The volatility in the availability and cost of steel may impact our business. Imports of China-origin steel currently are subject to significant tariffs and trade restrictions, including reciprocal tariffs and Section 301 Tariffs, which materially increase the cost of such imports. Imports of steel and many steel derivative products from other countries are subject to tariffs and other trade measures (with limited exceptions for certain countries). Accordingly, ongoing trade disputes, unpredictable tariff policies and uncertainty with respect to the potential for such policy changes may increase procurement costs or restrict access to necessary materials for our products, like steel, potentially leading to disruptions with our suppliers or in our supply chain. We continue to evaluate the potential impact of the imposition of such tariffs and trade restrictions to our business and financial condition, but we expect that these tariffs will significantly increase our costs.

Further, if any of our suppliers were unable or unwilling to manufacture the components that we require for our products in sufficient volumes or at sufficiently high-quality levels or were to experience financial distress, insolvency or bankruptcy or to renew existing terms under supply agreements, we would need to identify, qualify and select acceptable alternative suppliers. An alternative supplier may not be available to us when needed or may not be in a position to satisfy our quality or production requirements on commercially reasonable terms, including price. In certain cases, identifying, qualifying and transitioning to alternative suppliers may require engineering validation, testing or customer approval, which can take time and may not be feasible within project schedules. In addition, we may enter into exclusive arrangements which prohibit or limit our ability to use alternative suppliers. In some cases, we may rely on a limited number of suppliers, or single-source suppliers, for certain components, which may increase our exposure to supply disruptions. Any significant disruption to our ability to procure our components, and our suppliers' ability to procure materials to manufacture components for our products could increase the production cost of our products or reduce or delay our ability to perform under our contracts and could thereby adversely affect our business, financial condition and results of operations.

In addition, as noted above, the federal law provides incremental tax credits for U.S. solar and renewable energy projects satisfying domestic content requirements. While the impact of these requirements on us remains fluid and uncertain pending customer response and any future implementing regulations, if we are unable to provide our products in a manner that satisfies applicable domestic content requirements, we might experience a decline in sales for U.S. projects, especially if our competitors

are able to satisfy such domestic content requirements. In addition, compliance with these requirements may increase our production costs. In light of the foregoing, our U.S. sales, profitability and results of operations in the United States may be adversely affected by applicable domestic content requirements which must be satisfied in order for solar projects to be eligible for these incremental credits. Further, the sourcing of compliant materials under domestic content rules may become more complex due to evolving guidance, limited supplier availability, or capacity constraints.

Further, disruption in our supply chain and transportation channels, including changes by carriers and transportation companies relating to delivery schedules, shortages in available cargo capacity or labor availability, payment terms and frequency of service and pricing as well as cargo ship incidents, shipping channel disruptions, natural disasters, extreme weather and other climate-related events affecting supplier facilities, ports or shipping routes, or work stoppages or strikes could impact our ability to timely deliver our products to our customers or increase delivery costs. For example, in the recent past we have seen many shipping companies pause or reroute shipments through the Suez Canal and the Red Sea as a result of attacks against commercial vessels in the area, causing rerouting of commercial vessels. Similarly, the U.S.-Iran war and regional conflict has resulted in a cessation or substantial curtailment of shipments through the Strait of Hormuz. As a result, we have and may continue to experience increased costs and delivery delays. Geopolitical tensions, armed conflicts, trade restrictions or other global events may further exacerbate these risks.

In addition, our customer contracts may impose broader warranties, indemnities or liquidated damages than those available to us from our suppliers, contract manufacturers or other counterparties, which could leave us responsible for losses arising from components or systems supplied by third parties.

Economic, political and market conditions can adversely affect our business, financial condition and results of operations.

Macroeconomic developments, such as the global or regional economic effects resulting from political tensions between the U.S. and Europe, the Ukraine-Russian war, and U.S.-Iran war (including the disruption of transporting goods through the Suez Canal and the Strait of Hormuz), further increases in inflation and related economic policy responses, evolving trade policies or trade wars, extended U.S. federal government shutdowns, or the occurrence of similar events that lead to uncertainty or instability in economic, political or market conditions, could have a material adverse effect on our business, financial condition and results of operations.

Local political issues and conflicts could have a material adverse effect on our results of operations and financial condition if they affect geographies in which we do business or obtain our components. Local conflicts, such as the Ukraine-Russian war or the U.S.-Iran war, could also have a significant adverse impact on regional or global macroeconomic conditions, give rise to regional instability or result in heightened economic tariffs, sanctions and import-export restrictions in a manner that adversely affects us, including to the extent that any such actions cause material business interruptions, delays or restrict our ability to conduct business with certain suppliers. Additionally, such conflicts or sanctions may significantly devalue various global currencies and have a negative impact on economies in geographies in which we do business, which may in turn adversely affect our revenues, costs and margins.

The financial markets and the global economy have also been, and may continue to be, adversely affected by the recent global escalation in tariffs and trade restrictions, including through higher costs, higher interest rates or lower global demand for energy, any of which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, because the solar projects in which our products are used require substantial upfront capital investment which is expected to be recovered over a period of multiple years, uncertainty and perceived instability regarding future macroeconomic conditions may deter investment in, or financing of, these solar projects and in turn reduce demand for our products.

Adverse macroeconomic conditions, including slow growth or recession, high unemployment, labor shortages, ongoing or increasing inflation, tighter credit, higher interest rates and currency fluctuations, or the perception that adverse macroeconomic conditions may occur or persist, may cause current or potential customers to reduce or eliminate their budgets and spending, which could cause customers to delay, decrease or cancel projects with us. In addition, such conditions may increase our costs, reduce our ability to forecast demand and operating results, and adversely affect our liquidity or access to capital.

If we do not maintain environmental, social and governance ("ESG") practices and disclosures that meet the expectations of customers, regulators, employees, and investors, our relationships with these stakeholders could suffer, which could adversely affect our business and financial results.

Many governments, customers, investors and employees have increased their focus on ESG practices and disclosures, and expectations in this area continue to evolve and may be inconsistent or conflicting. Failure to adequately maintain ESG practices that meet diverse stakeholder expectations could result in an inability to attract customers, loss of business, a decline in our market valuation, and an inability to attract and retain employees. In addition, standards, processes and governmental requirements for disclosing sustainability metrics have changed frequently and may continue to change. These developments may require us to collect, verify and disclose additional information or revise our sustainability commitments. We may also be subject to penalties, regulatory scrutiny, litigation or reputational harm if we fail to comply with applicable requirements or if our disclosures are perceived to be inaccurate, incomplete, misleading or inconsistent with applicable standards or stakeholder expectations.

For example, the SEC's climate-related disclosure rules adopted in 2024 were stayed pending litigation, and the SEC subsequently announced that it would no longer defend those rules. The SEC has since proposed rescinding the rules. Although the ultimate status and scope of future SEC climate-related disclosure requirements remain uncertain, future regulatory or legislative developments could require enhanced climate-related disclosures in our periodic reports and could require us to incur significant additional costs, including costs associated with implementing internal controls over climate-related information.

We may also be subject to climate- and sustainability-related disclosure requirements in other jurisdictions. For example, depending on applicable thresholds, rules and implementing requirements, we may be required to report under California's climate disclosure laws, including SB 253 and SB 261. We may also be subject to the EU Corporate Sustainability Reporting Directive, as amended and implemented from time to time, and other EU or EU member -state requirements relating to sustainability, climate, supply chains and other ESG matters. These requirements vary across jurisdictions and may increase the complexity and cost of our compliance efforts, including the need to implement new systems, processes and controls.

Industry and market practices also continue to evolve, and we may have to expend significant efforts and resources to keep pace with market trends and remain competitive among our peers. These efforts could result in higher compliance costs, and failure to comply with applicable laws and regulations could result in penalties. If our ESG disclosures are perceived to be inaccurate, misleading or not aligned with evolving standards, we could be subject to reputational harm, regulatory scrutiny or litigation. Our ability to collect, validate and report ESG information may also be limited by the availability, consistency and reliability of information from third parties, including suppliers and other value-chain partners. If we are unable to obtain sufficiently reliable information or maintain appropriate controls over ESG data, our disclosures, sustainability commitments or ability to meet applicable requirements could be adversely affected.

Our business and industry, including our customers and suppliers, are subject to risks of severe weather events, natural disasters, climate change and other catastrophic events.

Our headquarters and testing facilities, which conduct functional and reliability testing for our components and products, are located in the Bay Area of Northern California and our solar projects are located in the U.S. and around the world. A severe weather event or other catastrophe impacting our headquarters or testing facilities could cause significant damage and disruption to our business operations. In addition, a severe weather event or other catastrophe could significantly impact our supply chain by causing delays in the shipping and delivery of our materials, components and products which may, in turn, cause delays in our customers' solar projects. Our customers' ability to install solar energy systems is also affected by weather events, such as during the winter months, and other catastrophic events.

In addition, our operations and facilities and those of the third parties on which we rely are subject to the risk of interruption by fire, power shortages, nuclear power plant accidents and other industrial accidents, terrorist attacks and other hostile acts, cybersecurity attacks and other data security incidents, labor disputes, including labor shortages, public health issues, including pandemics and epidemics, and other events beyond our and their control. Any damage and disruption in any locations in which we have offices or in which our customers or suppliers operate, which are caused by severe weather events (such as extreme cold weather, hail, hurricanes, tornadoes and heavy snowfall), seismic activity, fires, tsunamis, floods and other natural disasters or catastrophic events could result in a delay or even a complete cessation of our worldwide or regional operations and could cause severe damage to our products and equipment used in our solar projects. Global climate change is increasing the frequency and intensity of certain types of severe weather events. Even if our tracker products and other products and technologies are not damaged, severe weather, natural disasters and catastrophic events may cause damage to the solar panels

that are mounted to our tracker products, which could result in decreased demand for our products, loss of customers and the withdrawal of coverage for solar panels and solar tracking systems by insurance companies. Any of these events would negatively impact our ability to deliver our products and services to our customers and could result in reduced demand for our products and services, and any damage to our products and equipment used for our solar projects could result in large warranty claims which could, individually or in the aggregate, exceed the amount of insurance available to us or may not be covered by insurance at all. Further, our insurance coverage may become more limited or more expensive over time due to increased climate-related risks. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Technology system limitations or failures, including those involving third parties, could harm our business.

Our business depends, in part, on the integrity and performance of the technology systems supporting our products and services. Our products and services operate in conjunction with, and we are dependent upon, third-party systems, products, services, solutions and components, including third-party cloud providers. Following our acquisition of Prevalon, our products and services also include large-scale battery energy storage systems, energy management software, power control technologies and lifecycle services, which depend on the reliable operation and integration of hardware, software and communications interfaces. If new systems we acquire or develop fail to operate as intended or our existing systems cannot expand to cope with increased demand or otherwise fail to perform, we could experience unanticipated disruptions in service, slower response times and delays in the introduction of new products and services. We could experience a systems failure due to, among other things, human error by our employees, contractors or vendors, electrical or telecommunications failures or disruptions, including third-party cloud disruptions, hardware or software failures or defects, cyberattacks, sabotage or similar unexpected events. High-profile outages involving third-party cloud providers have caused widespread disruptions to their customers' operations. If one of our third-party cloud providers experience a similar outage, our products and services could be disrupted. Additionally, there have been and may continue to be attacks on certain of our third-party providers, and we cannot guarantee that our or our third-party providers' systems and networks have not been breached or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our products and services and to the networks or the systems of third parties that support our products and services or the compromise, loss or corruption of data. Our ability to monitor, remediate or recover from incidents involving third-party providers may be limited, and such providers may not meet our security or service expectations. Failures or disruptions in our energy storage systems or related software and control technologies could impair our ability to monitor, control, commission or service those systems, including in grid-connected or other critical power applications. Any such issue that causes an interruption in our products and services, decreases the responsiveness of our products and services or otherwise affects our products and services could impair our reputation, damage our brand name and negatively impact our business, financial condition and operating results.

Our business, operating results and financial condition could be materially harmed by evolving regulatory uncertainty or obligations applicable to our products and services.

Changes in regulatory requirements applicable to the industries and sectors in which we operate, in the United States and in other countries, could materially affect the sales and use of our products and services. This includes emerging laws and regulations related to artificial intelligence (AI), cybersecurity, privacy and data protection, which may impose new compliance obligations on our operations, including requirements relating to data collection, storage, use, security and governance. These laws may be complex, evolving and, in some cases, inconsistent across jurisdictions, increasing the cost and complexity of compliance. In addition, cyberattacks or other information technology disruptions affecting our suppliers, freight providers, contract manufacturers could disrupt their operations, delay the production, transportation or delivery of our products and services, and increase our costs. In particular, economic sanctions and changes to export and import control requirements may impact our ability to sell and support our products and services in certain jurisdictions. If we were to fail to comply with export controls laws and regulations, U.S. economic sanctions or other similar laws, including restrictions from the international community, or conflict mineral regulations, we could be subject to both civil and criminal penalties, including substantial fines, possible incarceration for employees and managers for willful violations and the possible loss of our export or import privileges. These obligations may be particularly significant for BESS, power-conversion and inverter products, which may be subject to evolving electrical, grid-interconnection, product-safety, hazardous-materials transportation, battery recycling and end-of-life requirements, as well as for products and services used in AI data-center applications. Our ability to produce and sell our inverter products may depend on compliance with evolving electrical, grid-interconnection and product-safety requirements. Our ability to perform certain installation, commissioning, construction or lifecycle-service obligations may also

depend on maintaining applicable contractor licenses, registrations, certifications and local qualifications, and failure to do so could delay projects, limit our ability to perform contracts or expose us to penalties, disgorgement or claims for damages. These measures may require us to reassess our own products as well as those of equipment suppliers, qualify alternative products, or address additional documentation and cybersecurity requirements, which could increase our costs or delay our customers' projects.

Obtaining the necessary export license for a particular sale or transaction may not be possible, may be time-consuming and may result in the delay or loss of sales opportunities. Further, U.S. export control laws and economic sanctions prohibit the export of services to certain U.S. embargoed or sanctioned countries, governments and persons, as well as for prohibited end-uses. Even though we take precautions to ensure that we comply with all relevant export control laws and regulations, including restrictions from the international community, any failure to comply with such laws and regulations could have negative consequences for us, including reputational harm, government investigations and penalties.

We may not be able to convert our orders in backlog into revenue.

Our reported backlog reflects expected future revenue from executed contracts, purchase orders and other customer commitments. Backlog can be subject to large variations from quarter to quarter and comparisons of backlog from period to period are not necessarily indicative of future revenue. Because backlog is inherently uncertain and subject to change, the contracts comprising our backlog may not result in actual revenue in any particular period or at all due to a variety of reasons including project cancellations, suspensions, delays, scope reductions, failure to execute anticipated supply agreements under framework or volume commitment arrangements, or the failure of projects to proceed to completion. The actual revenue from such contracts may differ from our backlog estimates. The timing of receipt of revenue, if any, on projects included in backlog could change because many factors affect the scheduling of projects. In addition, our ability to convert backlog into revenue may be adversely affected by the financial condition or creditworthiness of our customers and counterparties, which could result in delayed payments, order reductions, or cancellations. Cancellation of or adjustments to contracts have occurred in the past and may occur in the future.

If a significant number of our contracts or orders are canceled, suspended, delayed, reduced in scope, or not renewed or replaced, or if anticipated volumes under framework or volume commitment arrangements are not realized, the actual revenue we receive may be materially less than our backlog estimates, which could have a material adverse effect on our business, financial condition and results of operations. The failure to realize any or all amounts in our backlog could adversely affect our future revenue and gross margins. As a result, our backlog as of any particular date may not be an accurate indicator of our future financial performance.

Our contracts may be canceled, suspended, delayed or not renewed, and we may be unable to replace such business on comparable terms, which could have a material adverse effect on our business, financial condition and results of operations.

Our customers, which include project owners, developers and engineering, procurement and construction ("EPC") contractors, have in the past and may in the future cancel, suspend, delay or reduce the number or size of projects for which they procure our products and services for a variety of reasons, including capital constraints, changes in project economics, supply chain considerations, evolving market conditions, or an inability to obtain permits, financing or regulatory approvals. In addition, many of our contracts, purchase orders and framework or supply agreements may permit our customers to cancel or suspend orders, including for convenience, sometimes on relatively short notice and, in certain cases, with limited compensation beyond amounts payable for products delivered or costs incurred.

In certain cases, our customers enter into framework arrangements or volume commitments with us that contemplate the future execution of project-specific supply agreements or purchase orders. These arrangements may not result in binding orders for the full anticipated volumes, and customers may reduce or fail to fulfill such commitments. As a result, we may not realize the level of business or revenue contemplated at the time such arrangements are entered into. Furthermore, our customers may elect to source products from alternative suppliers, develop in-house capabilities, or pursue different technologies or system designs, including as a result of cost pressures, technological changes, domestic content requirements or other regulatory or commercial considerations. As a result, the demand for our products and services from existing or prospective customers may be reduced or may not materialize as expected.

While our contracts may provide for certain protections, including deposits, cancellation fees, or payment for work performed or costs incurred prior to cancellation, such protections may not fully compensate us for the loss of anticipated revenues or margins associated with canceled, suspended or delayed projects. In addition, the timing of customer decisions to cancel,

suspend or delay projects may occur after we have made commitments to procure materials, allocate manufacturing capacity or incur other costs, which may not be fully recoverable.

An increase in interest rates, or a reduction in the availability of tax equity or project debt financing, could make it difficult for project developers and owners to finance the cost of a solar energy system and could reduce the demand for our products.

Many solar project owners depend on financing to fund the initial capital expenditure required to construct a solar energy project. As a result, an increase in interest rates, or a reduction in the supply of project debt or tax equity financing, could reduce the number of solar projects that receive financing or otherwise make it difficult for project owners to secure the financing necessary to construct a solar energy project on favorable terms, or at all, and thus lower demand for our products which could limit our growth or reduce our sales. In addition, increased financing costs may delay project development timelines or reduce the size or scope of projects. In addition, we believe that a significant percentage of project owners construct solar energy projects as an investment, funding a significant portion of the initial capital expenditure with financing from third parties. An increase in interest rates could lower an investor's return on investment on a solar energy project, increase equity requirements or make alternative investments more attractive relative to solar energy projects, and, in each case, could cause these project owners to seek alternative investments or defer or cancel planned projects.

We are dependent on a relatively small number of customers for our sales. A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact our revenue, results of operations and cash flows.

We are dependent on a relatively small number of customers for our sales, and a small group of customers have historically accounted for a material portion of our revenue. The loss of any one of our significant customers, their inability to perform under their contracts, or their default in payment, could have a substantial effect on our revenues and profits. Further, our trade accounts receivable and unbilled receivable ("contract assets") are from companies within the solar industry, and, as such, we are exposed to normal industry credit risks. As of March 31, 2026, the last day of our fiscal year, our largest customer constituted less than 10% of our total trade accounts receivable and contract assets balances. Accordingly, a loss of a significant customer or a significant reduction in pricing or order volume from a significant customer could substantially reduce our revenue and could have a material adverse effect on our business, financial condition and results of operations.

Defects, performance problems or vulnerabilities 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 our products.

Our products may contain undetected errors or defects, especially when first introduced or when new generations are released. Errors, defects, vulnerabilities or poor performance can arise due to design flaws, defects in raw materials or components or manufacturing difficulties or integration issues with third-party components, which can affect both the quality and the yield of the product. As we expand into battery energy storage systems ("BESS") and power conversion products, these risks may be heightened due to the complexity of integrating battery cells, battery management systems, power conversion equipment, energy management software and other third-party components. In addition, failures, defects or malfunctions in BESS and power conversion products, including thermal events, fires or other safety incidents, whether caused by our products or third-party components, could result in significant property damage, personal injury, project delays, regulatory scrutiny, product recalls and reputational harm. Any actual or perceived errors, defects, vulnerabilities or poor performance in our products could result in the replacement or recall of our products, shipment delays, rejection of our products, damage to our reputation, lost revenue, diversion of our engineering personnel from our product development efforts, increases in customer service and support costs, litigation from our customers and related liability, including indemnity obligations, all of which could have a material adverse effect on our business, financial condition and results of operations. We may also face claims or losses if our systems fail to meet availability, capacity, degradation, response-time, interconnection or other performance guarantees, or if products lose required certifications or approvals.

Our warranty and performance obligations may extend for substantial periods, and estimating future failure rates, degradation, replacement costs, service costs and other liabilities may be difficult, including for newly introduced BESS and power-conversion products. Actual results may differ materially from our estimates, requiring increased reserves, charges or cash expenditures. Long-term service, availability, capacity, degradation and augmentation commitments may also require us to incur significant costs over the operating life of a project, including costs that exceed amounts recovered from customers or suppliers. A systemic defect in a component or product family could require a broad field inspection, retrofit, replacement or

remediation program, resulting in substantial warranty expense, inventory write-offs, customer claims, litigation and disruption to our operations. Because certain products will be deployed in grid-connected storage, data-center and other critical-power applications, failures may also result in grid disruption, interruption of customer operations, loss of production, emergency response costs or claims for consequential damages. In addition, incidents involving lithium-ion batteries or other energy-storage systems operated by third parties, even if unrelated to our products, could result in negative public perceptions, increased insurance costs, additional safety requirements or reduced demand for BESS solutions generally.

Furthermore, products with defects or vulnerabilities may give rise to warranty, indemnity or product liability claims against us that exceed any revenue or profit we receive from the affected products. Our limited warranties cover defects in materials and workmanship of our products under normal use and service conditions. As a result, we bear the risk of warranty claims long after we have sold products and recognized revenue. While we have accrued reserves for warranty claims, our estimated warranty costs for previously sold products may change to the extent the warranty claims profile of future products is not comparable with that of earlier generation products under warranty. Our warranty accruals are based on our assumptions and we do not have a long history of making such assumptions. As a result, these assumptions could prove to be materially different from the actual performance of our systems, causing us to incur substantial unanticipated expenses to repair or replace products in the future or to compensate customers. Our failure to accurately predict future claims could result in unexpected volatility in, and have a material adverse effect on our business, financial condition and results of operations. Our warranty and performance obligations may extend for substantial periods, and estimating future failure rates, degradation, replacement costs, service costs and other liabilities may be difficult, including for newly introduced BESS and power-conversion products. Actual results may differ materially from our estimates, requiring increased reserves, charges or cash expenditures.

If one of our products were to cause injury to someone or cause property damage, including as a result of product malfunctions, defects or improper installation, then we could be exposed to product liability claims. If our customers or third-parties experience security breaches due to vulnerabilities in our products, we could be exposed to product liability claims or other claims. Any such claim could cause us to incur significant costs and could divert management’s attention and harm our reputation.

Providing multiple interdependent products and services on the same project may increase our exposure to project performance and responsibility-allocation risks.

Where customers procure multiple products or services from us for the same project, the performance of one offering may depend on the design, operation, data, controls, installation or performance of another offering or related equipment. If those offerings do not operate together as intended, or if a plant does not meet requirements allocated to us, project completion or commercial operation could be delayed, plant output could be reduced, remediation could be required, or we could face claims. Determining the cause of a plant-level problem, or allocating responsibility among us, EPC contractors and other parties, may be difficult. Subject to the limitations of liability and other contractual protections in our agreements, we may incur costs or liabilities that are not fully recoverable from responsible parties or covered by our contracts or insurance.

Cybersecurity or other data security incidents could materially disrupt our operations, compromise sensitive information, and adversely affect our financial performance and reputation.

We rely extensively on interconnected information technology systems, cloud-based infrastructure, and operational technology to support our manufacturing processes, field operations, customer-facing platforms, and internal business functions. These systems process, store, and transmit sensitive information, including proprietary, confidential, operational, and personal data. Our acquired and new businesses may add systems, software, connected products and third-party interfaces that we have not historically controlled or tested, including systems supporting grid-connected storage, power-conversion equipment and other critical infrastructure.

We, our customers, and the third parties on which we depend are subject to persistent and increasingly sophisticated cybersecurity threats. These threats include ransomware, business interruption, data theft, social engineering, phishing, credential harvesting, impersonation, insider threats, denial-of-service attacks, supply chain compromises, and the exploitation of software, firmware, and configuration vulnerabilities. Threat actors include criminal organizations, nation-state actors, insiders, and other malicious parties, and such threats may arise from external attacks, third-party failures, human error, or system design or implementation flaws. These threats and techniques continue to evolve rapidly, may not be detected in a timely manner or at all, and may increase in frequency, speed, scale, and complexity as malicious actors leverage artificial

intelligence and other emerging technologies. Advances in artificial intelligence may compress the time between vulnerability identification and exploitation, increasing the volume of threats that must be identified and remediated.

The high volume and persistence of attempted attacks increases the likelihood that a successful cybersecurity or data security incident could occur. Because our systems support global operations, manufacturing activities, field infrastructure, and customer environments, a successful cybersecurity or other data security incident affecting us or a third party on which we rely could disrupt operations, delay product delivery, degrade system performance, result in loss or corruption of data, expose sensitive information, compromise intellectual property, and lead to remediation costs, regulatory investigations, litigation, contractual disputes, penalties, and reputational harm. The energy, manufacturing, and critical infrastructure sectors remain attractive targets, and our supply chain and service provider dependencies may increase our exposure to systemic risk.

We assess cybersecurity risks, including those arising from third-party dependencies, for their potential to materially affect our business, financial condition, and results of operations. We maintain a cybersecurity program that includes governance, layered technical and administrative controls, continuous monitoring, incident response procedures, employee awareness training, vulnerability management, and third-party risk assessment processes. We regularly evaluate and enhance our security posture, and we may identify vulnerabilities in our products, systems, or processes that require remediation or other mitigation measures. However, no program, control environment, or set of measures can eliminate all risk, and we may not be able to anticipate, prevent, detect, investigate, contain, or remediate all threats or incidents in a timely manner.

We depend on a range of third-party service providers, suppliers, software providers, and cloud vendors, and we have limited visibility into and control over their cybersecurity practices. While we perform diligence and impose contractual requirements on certain key providers, those measures may not be sufficient to prevent or mitigate all risks. A cybersecurity or other data security incident involving a third party could adversely affect our operations, expose data that we share with or that is processed by such third party, and could result in costs, liabilities, or other obligations to us, including where we may be held contractually or otherwise responsible for such incidents.

We maintain cybersecurity insurance coverage; however, such coverage may not be available or sufficient to cover all losses, and the availability, scope, and terms of such coverage may change over time.

Any actual or perceived cybersecurity or other data security incident could harm our reputation, reduce customer confidence, impair our ability to attract and retain customers, and adversely affect our business, financial condition, and results of operations.

Failure to comply with current or future federal, state, local and foreign laws, regulations, rules and industry standards relating to privacy and data protection could adversely affect our business, financial condition, results of operations and prospects.

We are or may become subject to a variety of laws, regulations, rules and industry standards in the U.S. and abroad that involve matters central to our business, including privacy and data protection. Many of these laws, regulations, rules and industry standards are in considerable flux and rapidly evolving, and it is possible that they may be interpreted and applied in a manner that is inconsistent with our current operating practices. Existing and proposed laws, regulations, rules and industry standards can be costly to comply with and can delay or impede the development of new products and services, significantly increase our operating costs, require significant time and attention of management and technical personnel and subject us to inquiries or investigations, claims or other remedies, including fines or demands that we modify or cease existing business practices.

In addition to various privacy and data protection laws and regulations already in place, many jurisdictions are increasingly adopting laws and regulations imposing comprehensive privacy and data protection obligations, which may be more stringent, broader in scope, or offer greater individual rights with respect to personal information than existing laws and regulations, and such laws and regulations may differ from each other, which may complicate compliance efforts and increase compliance costs. See Item 1. “Business—Privacy and Data Protection Laws and Regulations” in our Form 10-K for the fiscal year ended March 31, 2026 (the “Form 10-K”) for more information regarding applicable privacy and data protection laws and regulations.

Further, while we strive to publish and prominently display privacy policies that are accurate, comprehensive and compliant with local laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to privacy and data protection. Although we endeavor to comply with our privacy policies, we may at times fail to do so or be alleged to have failed to do so. If our public statements about our use, collection, disclosure and other processing of personal information, whether made through our privacy policies, information provided on our website, press statements or otherwise, are alleged to

be deceptive, unfair or misrepresentative of our actual practices, we may be subject to potential government or legal investigation or action, including by the Federal Trade Commission or applicable state attorneys general.

Any failure, or perceived failure, by us to comply with our posted privacy policies or with any applicable privacy and data protection standards or contractual obligations, or any compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use, modification, acquisition, disclosure, release or transfer of personal information may result in claims, fines, sanctions, penalties, investigations, proceedings or actions against us by governmental entities, customers, suppliers or others or other liabilities or may require us to change our operations and/or cease using certain data. Any of the foregoing could harm our reputation, brand and business, force us to incur significant expenses in defense of such claims, proceedings, investigations or actions, distract our management, increase our costs of doing business, result in a loss of customers or suppliers and result in the imposition of monetary penalties. We may also be contractually required to indemnify and hold harmless third parties from the costs and consequences of non-compliance with any laws, regulations or other legal obligations relating to privacy and data protection or any inadvertent or unauthorized use or disclosure of data that we store, handle or otherwise process as part of operating our business. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may experience delays, disruptions or quality control problems in our product development operations.

Our product development and testing processes are complex and require significant technological expertise. Such processes involve a number of precise steps from design to production. Any change in our processes could cause one or more production errors, requiring a temporary suspension or delay in our suppliers' production lines until the errors can be researched, identified, and properly addressed and rectified. This may occur particularly as we introduce new products, modify our engineering techniques and/or expand our capacity. The commercialization of any new products may also fail to achieve market adoption or may experience downward pricing pressure, which would have a material impact on our gross margins and results of operations. Further, the installation of our products involves various risks and complications which may increase as our products evolve and develop, and any such increase in risks and complications may have a negative effect on our gross margins. In addition, our failure to maintain appropriate quality assurance processes could result in increased product failures, loss of customers, increased warranty reserves, increased production and logistics costs, and delays. Further, as we expand into BESS following our acquisition of Prevalon, these risks may be heightened by the additional system-level development, integration, testing, commissioning and service requirements of these offerings, including the integration of battery cells, battery management systems, power conversion equipment, energy management software and other third-party components. Our ability to maintain product quality may also depend on the performance of our suppliers and contract manufacturers, which may be outside of our direct control. Any of these developments could have a material adverse effect on our business, financial condition and results of operations.

Our continued expansion into new markets could subject us to additional business, financial, regulatory and competitive risks.

Part of our strategy is to continue to grow our revenues from international markets, including entering new geographic markets to expand our current international presence. Our products and services offered in these regions may differ from our current products and services in several ways, such as the consumption and utilization of local raw materials, components and logistics, the re-engineering of select components to meet region-specific requirements and region-specific customer training, site commissioning, warranty remediation and other technical services. Any of these differences or required changes to our products and services to meet the requirements of local laws and regulations may increase the cost of our products, reduce demand and result in a decrease in our gross margins. We may also face competition from lower cost providers in any new markets we enter which could decrease the demand for our products or cause us to reduce the cost of our products in order to remain competitive. Our expansion through acquisition of the Zimmermann business and related European product offerings may further subject us to country-specific product certifications, construction and land-use requirements, customs and tax rules, labor and privacy requirements, and local permitting for fixed-tilt, carport, agrivoltaic and floating PV projects.

Any new geographic market could have different characteristics from the markets in which we currently sell products, and our success in such markets will depend on our ability to adapt properly to these differences. These differences may include differing regulatory requirements, including local manufacturing content requirements, tax laws, trade laws, labor regulations, corporate formation laws and requirements, tariffs, export quotas, customs duties or other trade restrictions, limited or unfavorable intellectual property protection, international political or economic conditions, restrictions on the repatriation of earnings, longer sales cycles, warranty expectations, product return policies and cost, performance and compatibility

requirements. In addition, expanding into new geographic markets will increase our exposure to existing risks, such as fluctuations in the value of foreign currencies, changing tariffs and trade restrictions, and difficulties and increased expenses in complying with U.S. and foreign laws, regulations and trade standards, including the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), as well as relevant anti-money laundering laws. Our failure to comply with such laws could result in significant penalties, reputational harm and restrictions on our business activities.

Failure to develop new products successfully or to otherwise manage the risks and challenges associated with our continued expansion into new geographic markets could have a material adverse effect on our business, financial condition and results of operations.

The development and use of artificial intelligence in our business introduces risks that could adversely affect our operations, financial condition, and reputation.

We use and expect to increasingly rely on, artificial intelligence technologies, including generative AI, in our products, services, and internal operations. These technologies are rapidly evolving and introduce significant technical, operational, legal, and reputational risks. We assess risks arising from our use of AI, including those associated with third-party tools and service providers, for their potential to materially affect our business, financial condition, and results of operations.

AI systems may produce inaccurate, incomplete, biased, or misleading outputs due to limitations in model design, training data, or system integration. These issues may not be readily detectable and could result in flawed decision-making, operational errors, or unintended outcomes in our products or internal processes. The integration of AI into our products and operations may also introduce risks related to product quality, reliability, and customer expectations, particularly where AI-driven outputs influence system behavior or decision-making. The complexity and non-deterministic nature of many AI systems make them difficult to test, validate, and monitor effectively, and inadequate governance, testing, or oversight could result in errors or harmful outputs that negatively impact our business and reputation.

Advances in artificial intelligence may significantly accelerate the identification and exploitation of vulnerabilities, compressing the time between the introduction of a weakness and potential business impact to significantly shorter timeframes. As a result, we may be required to identify, assess, and remediate vulnerabilities more rapidly and at greater scale than in the past. If we are unable to adapt our security, development, and operational processes to this increased speed and volume, our risk of exposure to cybersecurity or operational incidents may increase.

We also face risks related to the use of third-party AI tools by our employees, contractors, service providers, or partners, including the potential exposure of confidential or proprietary information through external systems. Such use may result in unintended disclosure, loss of intellectual property protections, or incorporation of sensitive information into external training datasets, which could harm our competitive position and business.

In addition, there is legal uncertainty regarding the ownership, enforceability, and potential infringement of intellectual property rights associated with AI systems and their outputs. AI-generated content may not be subject to copyright protection, and the use of third-party data or models may expose us to claims related to intellectual property, privacy, data protection, or other rights. Ongoing litigation and regulatory scrutiny in this area may require us to modify our use of AI technologies or limit certain applications.

The legal and regulatory landscape governing AI is rapidly evolving and uncertain. New or changing laws and regulations, including the European Union's Artificial Intelligence Act and similar frameworks in other jurisdictions, may impose additional requirements, restrict certain uses of AI, or increase compliance costs. We may be required to modify our products, services, or internal practices to comply with these requirements, and we may not be able to do so in a timely or cost-effective manner.

We also face competitive risks if other companies develop or deploy AI technologies more effectively or more rapidly than we do, which could reduce demand for our products and services.

The development, deployment, and operation of AI systems may require significant investment in technology, infrastructure, and personnel, and may increase our costs. As the use of AI continues to expand, it may introduce new or unanticipated ethical, technical, operational, legal, regulatory, and reputational risks. If we are unable to effectively manage these risks, it could adversely affect our business, financial condition, and results of operations.

Electric utility industry policies and regulations may present technical, regulatory and economic barriers to the purchase and use of solar energy and energy storage systems that could significantly reduce demand for our products or harm our ability to compete.

Federal, state, local, and foreign government policies and regulations concerning the broader electric utility industry, as well as internal policies and regulations promulgated by electric utilities and organized electric markets with respect to fees, practices and rate design, heavily influence the market for electricity generation products and services. These policies and regulations often affect electricity pricing and the interconnection of generation facilities and can be subject to frequent modifications by governments, regulatory bodies, utilities and market operators. For example, changes in fee structures, electricity pricing structures and system permitting, regional market rules, interconnection and operating requirements can deter purchases of renewable energy products, including solar energy systems, by reducing anticipated revenues or increasing costs or regulatory burdens for would-be system purchasers. The resulting reductions in demand for solar energy systems could harm our business, financial condition and results of operations. Restrictions or review requirements affecting foreign-produced grid-connected inverters and other bulk-power equipment could limit supplier choice or increase equipment costs, which could make projects less attractive and reduce demand for our products.

A significant development in renewable-energy pricing policies in the United States occurred when the Federal Energy Regulatory Commission ("FERC") issued a final rule amending regulations that implement the Public Utility Regulatory Policies Act ("PURPA") on July 16, 2020, which FERC upheld on rehearing on November 19, 2020. Among other requirements, PURPA mandates that electric utilities buy the output of certain renewable generators, including qualifying solar energy facilities, below established capacity thresholds. PURPA also requires that such sales occur at a utility's "avoided cost" rate. FERC's PURPA reforms include modifications (1) to how regulators and electric utilities may establish avoided cost rates for new contracts, (2) that reduce from 20 MW to 5 MW the capacity threshold above which a renewable-energy qualifying facility is rebuttably presumed to have non-discriminatory market access, thereby removing the requirement for utilities to purchase its output, (3) that require regulators to establish criteria for determining when an electric utility incurs a legally enforceable obligation to purchase from a PURPA facility and (4) that reduce barriers for third parties to challenge PURPA eligibility. These regulatory changes have introduced additional uncertainty and may reduce the availability or attractiveness of PURPA-based project opportunities, including by lowering contract prices or narrowing eligibility for new projects, which could reduce demand for solar energy systems.

FERC is also taking steps to encourage the integration of new forms of generation into the electric grid and remove barriers to grid access, which could have positive impacts on the solar energy industry. For example, on July 28, 2023 FERC issued a final rule, designated as Order No. 2023 and modified in part in March 2024, to reform procedures and agreements that electric transmission providers use to integrate new generating facilities into the existing transmission system.

Transmission providers are now implementing the reforms directed by FERC, which include moving from a serial interconnection queue that processed requests on a first-come, first-served basis to a first-ready, first-served basis. While these reforms are intended to improve the efficiency of interconnection processes, their implementation may result in delays, increased costs, withdrawal of projects from interconnection queues or other unintended consequences. In addition, significant interconnection queue backlogs and transmission constraints may continue to delay or limit the development of new solar projects.

Under the revised interconnection procedures, generation developers must commit more funds and financial security to maintain their interconnection queue positions. In addition, generation developers must provide earlier evidence of site control. These reforms are intended to weed out speculative requests. The reforms also impose penalties if transmission providers delay in preparing and issuing interconnection studies.

Changes in other federal, state and local current laws or regulations applicable to us or the imposition of new laws, regulations or policies in the jurisdictions in which we do business could have a material adverse effect on our business, financial condition and results of operations. Any changes to government, utility or electric market regulations or policies that favor non-solar generation or other market participants, remove or reduce renewable procurement standards and goals or that make construction or operation of new solar generation facilities more expensive or difficult, could reduce the competitiveness of solar energy systems and cause a significant reduction in demand for our products and services and adversely impact our growth. Moreover, there may be changes in regulations that impact access to supply chains related to cybersecurity threats to the electric grid that could have a disproportionate impact on solar energy system components. In addition, changes in export and import laws and implementing regulations may create delays in the introduction of new products in international markets, prevent our customers from deploying our products internationally or, in some cases, prevent the export or import of our products to certain countries

altogether. Any such event could have a material adverse effect on our business, financial condition and results of operations. The FCC's actions on certain foreign-produced power inverters and implementation of Executive Order 14421 may result in additional screening, qualification, mitigation or replacement requirements for equipment used in U.S. grid-connected solar and storage projects, which could increase costs or delay deployment.

A drop in the price of electricity sold may harm our business, financial condition and results of operations.

Decreases in the price of electricity, whether in organized electric markets or with contract counterparties, may negatively impact the owners of the solar energy projects, make the purchase of solar energy systems less economically attractive and would likely lower sales of our products. The price of electricity could decrease as a result of many factors, including but not limited to:

- construction of a significant number of new, lower-cost power generation plants;
- relief of transmission constraints that enable distant, lower-cost generation to transmit energy less expensively or in greater quantities;
- reductions in the price of natural gas or other fuels;
- utility rate adjustment and customer class cost reallocation;
- decreased electricity demand or a decrease in projected demand, including from energy conservation technologies, public initiatives to reduce electricity consumption, improvements in computing efficiency that reduces energy consumption by data centers, or a reduction in economic activity due to a localized or macroeconomic downturn;
- development of smart-grid technologies that lower the peak energy requirements;
- development of new or lower-cost customer-sited energy storage technologies that have the ability to reduce a customer's average cost of electricity by shifting load to off-peak times; and
- development of new energy generation technologies that provide less expensive energy.

Moreover, if the cost of electricity generated by solar energy installations incorporating our systems is high relative to the cost of electricity from other sources, it could have a material adverse effect on our business, financial condition and results of operations.

Technological advances in the solar and energy storage components industry or developments in alternative technologies could render our systems uncompetitive or obsolete.

The solar industry is characterized by its rapid adoption and application of technological advances. Our competitors may develop technologies more advanced and cost-effective than ours, or broader solar panel design could change resulting in our products no longer being compatible. Additionally, significant developments in alternative technologies, such as advances in other forms of solar tracking systems, foundations, electrical (eBOS) systems, robotics, module frames, or other technologies in our platform, could have a material adverse effect on our business, financial condition and results of operations. We will need to invest substantially in research and development to maintain our market position and effectively compete in the future. If our research and development programs fail to achieve their objectives, or if successful results cannot be translated into scalable commercial processes in a timely manner, our business, results of operations, and financial condition could be materially and adversely affected. This risk also applies to advances in BESS, battery management systems, power conversion, energy management software and data-center power infrastructure, any of which could reduce the competitiveness of our offerings or require substantial additional investment.

Our failure to further refine or enhance our technologies, or adopt new or enhanced technologies or processes, could render our technologies uncompetitive or obsolete, which could reduce our market share and cause our revenues to decline.

In addition, we may invest in and implement newly developed, less-proven technologies in our project development or in maintaining or enhancing our existing projects. There is no guarantee that these new technologies will perform or generate customer demand as anticipated. The failure of our new technologies to perform as anticipated could have a material adverse effect on our business, financial condition and results of operations.

If we fail to, or incur significant costs in order to, obtain, maintain, protect, defend or enforce our intellectual property, our business and results of operations could be materially harmed.

Our success depends to a significant degree on our ability to protect our intellectual property. We rely on a combination of patent, trademark, copyright, trade secret and unfair competition laws, as well as confidentiality and license agreements and other contractual provisions, to establish and protect our intellectual property. Such means may afford only limited protection of our intellectual property and may not (i) prevent our competitors or manufacturing suppliers from duplicating our processes or technology; (ii) prevent our competitors or manufacturing suppliers from gaining access to our proprietary information or technology; or (iii) permit us to gain or maintain a competitive advantage.

We generally seek or apply for patent protection as and if we deem appropriate, based on then-current facts and circumstances. We cannot guarantee that any of our pending patent applications or other applications for intellectual property registrations will be issued or granted or that our existing or future intellectual property rights will be sufficiently broad to protect our proprietary technology. Even if we are to obtain issuance of further patents or registration of other intellectual property, such intellectual property could be subject to attacks on ownership, validity, enforceability or other legal attacks. Any such impairment or other failure to obtain sufficient intellectual property protection could impede our ability to market our products, negatively affect our competitive position and harm our business and operating results, including forcing us to, among other things, rebrand or re-design our affected products.

In addition to patent protection, we rely heavily on nondisclosure agreements to protect our proprietary information, know-how, technology and trade secrets. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how, technology and trade secrets, including employees, contractors, third-party manufacturers, other suppliers, customers, other stakeholders involved in solar projects, or other business partners or prospective partners. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation or disclosure of our proprietary information, know-how, technology and trade secrets. Our reliance on third-party manufacturers and suppliers may increase the risk of unauthorized use or disclosure of our intellectual property.

Similarly, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own, such agreements may be breached or may not be self-executing, we may not have adequate remedies for any such breach, and we may be subject to claims that such employees or contractors misappropriated relevant rights from their previous employers.

In countries where we have not applied for patent protection or trademark or other intellectual property registration or where effective patent, trademark, trade secret, and other intellectual property laws and judicial systems may not be available to the same extent as in the United States, we may be at greater risk that our proprietary rights will be circumvented, misappropriated, infringed or otherwise violated.

We have initiated, and may in the future need to initiate, infringement claims or litigation in order to try to protect or enforce our intellectual property rights, but such litigation can be expensive and time-consuming and may divert the efforts of our management and other personnel, may provoke third parties to assert counterclaims against us and may not result in favorable outcomes. For example, in June 2026, we filed a patent infringement lawsuit against GameChange Solar asserting infringement of four patents related to the company's proprietary self-powered solar tracker controller technology, TrueCapture™ energy management control system, and split-cell energy boost technology. In September 2026, GameChange filed a patent infringement lawsuit against us asserting infringement of a patent related to a wind-shielding tracker apparatus. The merits of the parties' respective claims and defenses are the subject of ongoing litigation.

Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

We use "open source" software, and any failure to comply with the terms of one or more open source licenses could adversely affect our business, financial condition and results of operations.

Our products and services use certain software licensed by its authors or other third parties under so-called "open source" licenses. Some of these open source licenses may contain requirements that we make available source code for modifications or derivative works that we create based upon the open source software, and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties rights with respect to such

software. In certain circumstances, if we combine our proprietary software with certain open source software, we could be required to release the source code for such proprietary software. Additionally, to the extent that we do not comply with the terms of the open source licenses to which we are subject, or such terms are interpreted by a court in a manner different than our own interpretation of such terms, then we may be required to disclose certain of our proprietary software or take other actions that could adversely impact our business. Further, the use of open source software can lead to vulnerabilities that may make our software susceptible to attack, and open source licenses generally do not provide warranties or controls on the origin of the software. While we attempt to utilize open source software in a manner that helps alleviate these risks, our attempts may not be successful. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

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 into binding purchase orders, our business, financial condition and results of operations could be materially adversely affected.

The commercial contracting and bidding process for solar and energy storage project development is long and has multiple steps and uncertainties. We closely monitor the development of potential sales leads through this process. Project leads have failed and may in the future fail to be converted into binding purchase orders at any stage of the bidding process because either (i) a competitors' product is selected to fulfill some or all of the order due to price, functionality or other reasons or (ii) the project does not progress to the stage involving the purchase of tracker systems or other technologies in our platform. If we fail to convert a significant number of project leads that are subject to our sales and marketing focus into binding purchase orders, our business or results of operations could be materially adversely affected.

Our growth depends in part on the success of our strategic relationships with third parties on whom we rely for new projects and who provide us with valuable customer feedback that helps guide our innovation.

In order to continue to win business, we must maintain and enhance our long-term strategic relationships with leading EPCs, developers, owners and operators of solar and energy storage projects. These relationships enable us to serve as strategic advisors to each of these stakeholders in a solar or energy storage project, increasing the probability that our product will be selected by these stakeholders in future projects. These stakeholders also provide us with valuable customer feedback that allows us to innovate on our products to meet the demands of our customers.

Any loss of these relationships could result in the potential loss of new projects, and the potential loss of innovation guidance, which could have a material adverse effect on our business, financial condition and results of operations.

Our joint venture subjects us to risks, including limitations on our decision-making authority and the risk of disputes, which could adversely affect us.

We have entered into a joint venture arrangement with Abunayyan Holding in Riyadh, Kingdom of Saudi Arabia, to accelerate the deployment of utility-scale solar power plants in the Middle East and North Africa and to build a manufacturing facility in Jeddah, Saudi Arabia. Our joint venture partner may have business interests, goals, priorities or concerns that differ from ours. We do not have sole authority to make certain decisions about the joint venture, and decisions requiring both parties' agreement could be delayed or deadlocked. Disputes could disrupt the joint venture's operations or result in litigation, arbitration or termination of the arrangement. The joint venture may also fail to obtain required approvals, secure necessary funding or resources, complete construction on time or within budget, or achieve its expected commercial objectives. If Abunayyan Holding cannot meet its funding or other commitments, we may need to provide additional funding or support, or the joint venture's projects could be delayed or impaired. Any of these events could reduce the value of our investment and adversely affect our business, financial condition and results of operations.

We may need to defend ourselves against third-party claims that we are infringing, misappropriating or otherwise violating others' intellectual property rights, which could divert management's attention, cause us to incur significant costs, and prevent us from selling or using the technology to which such rights relate.

Our competitors, suppliers, and other third parties hold numerous patents related to technology used in our industry, and may hold or obtain patents, copyrights, trademarks or other intellectual property rights that could prevent, limit, or interfere with our ability to make, use, develop, sell or market our products and services. From time to time we may be subject to claims of infringement, misappropriation or other violation of patents or other intellectual property rights and related litigation. For

example, in June 2026, we filed a patent infringement lawsuit against GameChange Solar asserting infringement of four patents related to the company's proprietary self-powered solar tracker controller technology, TrueCapture™ energy management control system, and split-cell energy boost technology. In September 2026, GameChange filed a patent infringement lawsuit against us asserting infringement of a patent related to a wind-shielding tracker apparatus. The merits of the parties respective claims and defenses are the subject of ongoing litigation. Such claims may also arise from the use of third-party components, technologies or services that are integrated into our products.

Regardless of their merit, responding to such claims can be time consuming, can divert management's attention and resources, and may cause us to incur significant expenses in litigation or settlement and face negative publicity, and we cannot be certain that we would be successful in defending against any such claims in litigation or other proceedings. If we do not successfully defend or settle an intellectual property claim, we could be liable for significant monetary damages and could be prohibited from continuing to use certain technology, business methods, content or brands, and from making, selling or incorporating certain components or intellectual property into the products and services we offer. As a result, we could be forced to redesign our products and services, and/or to establish and maintain alternative branding for our products and services. To avoid litigation or being prohibited from marketing or selling the relevant products or services, we could seek a license from the applicable third party, which could require us to pay significant royalties, licensing fees, or other payments, increasing our operating expenses. If a license is not available at all or not available on reasonable terms, we may be required to develop or license a non-violating alternative, either of which could be infeasible or require significant effort and expense. If we cannot license or develop a non-violating alternative, we would be forced to limit or stop sales of our offerings and may be unable to effectively compete. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Any of the foregoing could result in substantial costs, negative publicity and diversion of resources and management attention, any of which could have a material adverse effect on our business, financial condition and results of operations.

Failure by our manufacturers or our component or raw material suppliers to use ethical business practices and comply with applicable laws and regulations may adversely affect our business, financial condition and results of operations.

We do not control our manufacturers or suppliers or their business practices. Accordingly, we cannot guarantee that they follow ethical business practices such as fair wage practices and compliance with environmental, safety, labor and other laws. A lack of demonstrated compliance could lead us to seek alternative manufacturers or suppliers, which could increase our costs and result in delayed delivery of our products, product shortages or other disruptions of our operations. If our suppliers, manufacturers, or other partners fail to comply with applicable laws, regulations, safety codes, employment practices, human rights standards, quality standards, environmental standards, production practices, or other obligations, norms, or ethical standards, our reputation and brand image could be harmed, and we could be exposed to litigation, investigations, enforcement actions, monetary liability and additional costs that could have a material adverse effect on our business, financial condition and results of operations.

We could be adversely affected by any violations of the FCPA and other foreign anti-bribery laws.

The FCPA generally prohibits companies and their intermediaries from making, promising, authorizing or offering improper payments or other things of value to foreign government officials for the purpose of obtaining or retaining business. The FCPA also requires that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. Other countries in which we operate also have anti-bribery laws, some of which prohibit improper payments to government and non-government persons and entities. Our policies mandate compliance with these anti-bribery laws. However, we currently operate in and intend to further expand into many parts of the world that have experienced governmental corruption to some degree and, in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices. It is possible that our third-party manufacturers, other suppliers, employees, subcontractors, customers, agents or partners may take actions in violation of our policies or applicable anti-bribery laws. Any such violation, even if unauthorized and prohibited by our policies, could subject us to investigations, settlements, criminal or civil penalties or other sanctions, or negative media coverage and cause harm to our reputation, which could have a material adverse effect on our business, financial condition and results of operations.

We may incur obligations, liabilities or costs under environmental, health and safety laws, which could have an adverse impact on our business, financial condition and results of operations.

Our suppliers' operations involve the use, handling, generation, storage, discharge and disposal of hazardous substances, chemicals and wastes. Our own operations, including BESS design, integration, commissioning and lifecycle services, may also involve these activities and battery-related materials. As a result, we and our suppliers are required to comply with national, state and local laws and regulations regarding the protection of the environment and health and safety. We are also required to comply with general national, state, local and foreign health and safety laws and regulations in every location that we have operations, employees and workers. Adoption of more stringent laws and regulations in the future, including restriction or prohibition on the use of raw materials currently utilized by our suppliers to manufacture products, could cause our suppliers to incur additional costs, which could increase the cost we pay for their products. Moreover, new environmental laws requiring changes to our suppliers' use of raw materials could adversely impact the quality or performance of products we currently purchase. In addition, violations of, or liabilities under, these laws and regulations by our suppliers could result in our being subject to adverse publicity, reputational damage, substantial fines, penalties, criminal proceedings, third-party property damage or personal injury claims, cleanup costs or other costs. Further, the facilities of our suppliers, including suppliers who manufacture our products, components and materials, are located on properties with a history of use involving hazardous materials, chemicals and wastes and may be contaminated. We may become liable under certain environmental laws and regulations for costs to investigate or remediate contamination at such properties and under common law for bodily injury or property damage claims arising from the alleged impact of such contamination. Liability under environmental laws and regulations for investigating and remediating contamination can be imposed on a joint and several basis and without regard to fault or the legality of the activities giving rise to the contamination conditions. In addition, future developments such as more aggressive enforcement policies from the U.S. federal government or relevant foreign authorities, or the discovery of presently unknown environmental conditions may require expenditures that could have a material adverse effect on our business, financial condition and results of operations.

Fluctuations in foreign currency exchange rates could increase our operating costs and impact our business.

The majority of our sales and cash are denominated in U.S. dollars, however we do have certain contracts with third parties that are denominated in, or otherwise affected by, other currencies. Therefore, fluctuations in exchange rates, particularly between the U.S. dollar and the Euro, Indian rupee, Saudi riyal and Brazilian real, may result in foreign exchange gains or losses for us. As a result, we are exposed to fluctuations in these currencies impacting our operating results.

Currency exchange rates fluctuate daily as a result of a number of factors, including changes in a country's political and economic policies. The primary impact of currency exchange fluctuations is on cash, payables and expenses related to transactions in currencies denominated in other than the U.S. dollar. As part of our currency hedging strategy, we may use financial instruments such as forward exchange, swap contracts and options to hedge our foreign currency exposure in order to reduce the short-term impact of foreign currency rate fluctuations on our operating results. If our hedging activities are not successful or if we change or reduce these hedging activities in the future, we may experience unexpected fluctuations in our operating results as a result of changes in exchange rates.

Furthermore, volatility in foreign exchange rates affects our ability to plan our pricing strategy. To the extent that we are unable to pass along increased costs and other financial effects resulting from exchange rate fluctuations to our customers, our profitability may be adversely impacted. As a result, fluctuations in non-U.S. dollar currencies and the U.S. dollar could have a material adverse effect on our business, financial condition and results of operations.

We are required to pay others for certain tax benefits that we are deemed to realize under the Tax Receivable Agreement, and the amounts we may pay could be significant.

We entered into a Tax Receivable Agreement with Nextpower LLC, Yuma, Yuma Sub, TPG, and the TPG Affiliates in connection with our initial public offering ("IPO"). Prior to the Spin Transactions (as defined in Note 6 in the notes to the consolidated financial statements included in our Form 10-K), Yuma and Yuma Sub assigned their respective rights under the Tax Receivable Agreement to an entity that remains an affiliate of Flex. The Tax Receivable Agreement provides for the payment by us to Flex's affiliate, TPG and the TPG Affiliates (or certain permitted transferees thereof) of 85% of the tax benefits, if any, that we are deemed to realize under certain circumstances as a result of (i) our allocable share of existing tax basis in tangible and intangible assets resulting from exchanges or acquisitions of the LLC common units, including as part of the Transactions or under the Exchange Agreement (as defined in Note 6 in the notes to the consolidated financial statements

included in our Form 10-K), (ii) increases in tax basis resulting from exchanges or acquisitions of outstanding LLC common units (including as part of the Transactions, the subsequent follow-on offering or under the Exchange Agreement), (iii) certain pre-existing tax attributes of certain blocker corporations affiliated with TPG that each merged with a separate direct, wholly-owned subsidiary of us, as part of the Transactions, and (iv) certain other tax benefits related to our entering into the Tax Receivable Agreement, including tax benefits attributable to payments under the Tax Receivable Agreement.

There may be a material negative effect on our liquidity if, as a result of timing discrepancies or otherwise, the payments under the Tax Receivable Agreement exceed the actual benefits we realize in respect of the tax attributes subject to the Tax Receivable Agreement. Furthermore, our obligations to make payments under the Tax Receivable Agreement could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that are deemed realized under the Tax Receivable Agreement.

In certain cases, our payments under the Tax Receivable Agreement to others may be accelerated and/or significantly exceed the actual benefits we realize in respect of the tax attributes subject to the Tax Receivable Agreement.

The Tax Receivable Agreement provides that upon certain circumstances we will be required to make an immediate payment equal to the present value of the anticipated future tax benefits, including upon certain mergers, asset sales, other forms of business combinations or other changes of control (with certain exceptions, such as the Spin Distribution and the Merger (as such terms are defined in Note 6 in the notes to the consolidated financial statements included in our Form 10-K), if we materially breach any of our material obligations under the Tax Receivable Agreement, or if, at any time, we elect an early termination of the Tax Receivable Agreement. The amount of any such payment would be based on certain assumptions, including that we (or our successor) would have sufficient taxable income to fully utilize the deductions arising from the increased tax deductions and tax basis and other benefits related to entering into the Tax Receivable Agreement. As a result, we could be required to make payments under the Tax Receivable Agreement that are greater than or less than the percentage specified in the Tax Receivable Agreement of the actual benefits that we realize in respect of the tax attributes that are subject to the Tax Receivable Agreement and the upfront payment may be made years in advance of the actual realization of such future benefits (if any). Under certain circumstances, including an early termination of the Tax Receivable Agreement, our obligations under the Tax Receivable Agreement could have a substantial negative impact on our liquidity, as well as our attractiveness as a target for an acquisition. In addition, we may not be able to finance our obligations under the Tax Receivable Agreement.

Payments under the Tax Receivable Agreement will generally be based on the tax reporting positions that we determine except with respect to the agreed tax treatment provided for in the Tax Receivable Agreement. The Tax Receivable Agreement and a related side letter (the "TRA Side Letter"), which is treated as part of the Tax Receivable Agreement, provide that the parties will treat payments under the Tax Receivable Agreement and TRA Side Letter that are attributable to certain tax benefits from exchanges of LLC common units under the Exchange Agreement and from the purchase of LLC common units from Yuma and TPG (with the net proceeds of the IPO and follow-on) as upward purchase price adjustments to the extent permitted by law and other than amounts treated as interest under the Code. We will not be reimbursed for any payments previously made under the Tax Receivable Agreement, even if the tax benefits underlying such payment are disallowed (although future amounts otherwise payable under the Tax Receivable Agreement may be reduced as a result thereof). In addition, the actual state or local tax savings we realize may be different than the amount of such tax savings we are deemed to realize under the Tax Receivable

Agreement, which will be based on an assumed combined state and local tax rate applied to our reduction in taxable income as determined for U.S. federal income tax purposes as a result of the Tax Receivable Agreement. As a result, in certain circumstances, payments could be made under the Tax Receivable Agreement in excess of the benefits that we actually realize in respect of the tax attributes subject to the Tax Receivable Agreement.

As a public company, we are subject to financial and other reporting and corporate governance requirements that may be difficult for us to satisfy, have resulted in increased costs and diverted resources and management attention from operating our business.

In February 2023, we became a public company and are now subject to various reporting and corporate governance requirements under the Exchange Act, the Sarbanes-Oxley Act of 2002, as amended, (the "Sarbanes-Oxley Act"), the listing standards of Nasdaq and other applicable securities rules and regulations. These requirements continue to impose significant compliance obligations upon us and require us, among other things, to file with the SEC annual and quarterly information and other reports specified under the Exchange Act and SEC regulations, prepare and distribute periodic reports and stockholder

communications under the applicable federal securities laws and Nasdaq rules and evaluate and maintain our system of internal control over financial reporting under the Sarbanes-Oxley Act.

Additionally, Section 404 of the Sarbanes-Oxley Act requires our management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting. We are also required to have our independent registered public accounting firm attest to, and issue an opinion on, the effectiveness of our internal control over financial reporting. We are continuing to improve our internal controls over financial reporting; however, if we are unable to assert that our internal control over financial reporting is effective, or if, when required, our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline. Further, we have recently acquired a number of businesses and may continue to acquire other businesses, and an acquired company may not have an adequate system of internal controls. As such, we may uncover new deficiencies.

We anticipate that the financial and corporate governance requirements that we are subject to as a public company will continue to require a significant commitment of resources and management oversight that has increased and may continue to increase our costs and might place a strain on our systems and resources. As a result, our management's attention might be diverted from other business concerns.

We are subject to risks relating to litigation and regulatory investigations and proceedings, which may have a material adverse effect on our business.

From time to time, we are involved in various claims, suits, investigations and legal proceedings. Such legal claims or regulatory matters could involve matters relating to commercial disputes, government regulatory and compliance, intellectual property, antitrust, tax, employment or shareholder issues, workplace safety, product liability claims and other issues on a global basis. If we receive an adverse judgment in any such matter, we could be required to pay substantial damages and cease certain practices or activities. Regardless of the merits of the claims, litigation and other proceedings may be both time-consuming and disruptive to our business. The defense and ultimate outcome of any lawsuits or other legal proceedings may result in higher operating expenses and a decrease in operating margin, which could have a material adverse effect on our business, financial condition or results of operations.

Any existing or future lawsuits could be time-consuming, result in significant expense and divert the attention and resources of our management and other key employees, as well as harm our reputation, business, financial condition or results of operations.

Risks Related to Our Indebtedness and Financing

Our indebtedness could adversely affect our financial flexibility, financial condition and our competitive position.

We have entered into the New Credit Agreement (as defined in Note 9 in the notes to the consolidated financial statements included in our Form 10-K). The obligations of the borrower and the LLC, under the New Credit Agreement and related loan documents are jointly and severally guaranteed by us and the LLC. To the extent that we incur indebtedness by drawing on our revolving credit facility, our level of indebtedness would increase the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness. Our indebtedness could have other important consequences to you and significant effects on our business. For example, it could:

- increase our vulnerability to adverse changes in general economic, industry and competitive conditions;
- require us to dedicate a substantial portion of our cash flow from operations to make payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- restrict us from exploiting business opportunities;
- make it more difficult to satisfy our financial obligations, including payments on our indebtedness;
- place us at a disadvantage compared to our competitors that have less debt; and

- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

In addition, the New Credit Agreement contains, and the agreements evidencing or governing any other future indebtedness may contain, restrictive covenants that limit or will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our indebtedness. In addition, a default by us under the New Credit Agreement or an agreement governing any other future indebtedness may trigger cross-defaults under any other future agreements governing our indebtedness. Upon the occurrence of an event of default or cross-default under any of the present or future agreements governing our indebtedness, the lenders could elect to declare all amounts outstanding to be due and payable and exercise other remedies as set forth in the agreements. If any of our indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay this indebtedness in full, which could have a material adverse effect on our ability to continue to operate as a going concern.

The New Credit Agreement contains, and the agreements evidencing or governing any other future indebtedness may contain, financial restrictions on us and our subsidiaries, including restrictions on our or our subsidiaries' ability to, among other things:

- place liens on our or our subsidiaries' assets; and
- incur certain additional subsidiary indebtedness.

Our indebtedness could adversely affect our financial condition.

Our indebtedness could limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions, debt service requirements, stock repurchases or other purposes. It may also increase our vulnerability to adverse economic, market and industry conditions, limit our flexibility in planning for, or reacting to, changes in our business operations or to our industry overall, and place us at a disadvantage in relation to our competitors that have lower debt levels. Any or all of the foregoing events and/or factors could have a material adverse effect on our business, financial condition and results of operations.

We may raise additional capital, which could have a dilutive effect on the existing holders of our common stock and adversely affect the market price of our common stock.

We periodically evaluate opportunities to access capital markets, taking into account our financial condition, regulatory capital ratios, business strategies, anticipated asset growth and other relevant considerations. It is possible that future acquisitions, organic growth or changes in regulatory capital requirements could require us to increase the amount or change the composition of our current capital, including our common equity. For all of these reasons and others, and always subject to market conditions, we may issue additional shares of common stock or other capital securities in public or private transactions.

The issuance of additional common stock, debt, or securities convertible into or exchangeable for our common stock or that represent the right to receive common stock, or the exercise of such securities, could be substantially dilutive to holders of our common stock. Holders of our common stock have no preemptive or other rights that would entitle them to purchase their pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in dilution of the ownership interests of our stockholders.

Because we do not intend to pay any cash dividends on our common stock in the near term, capital appreciation, if any, of our common stock will be your sole source of potential gain for the foreseeable future.

We do not intend to pay cash dividends on our common stock in the near term. We currently intend to retain nearly all available funds and any future earnings for use in the operation and expansion of our future businesses and do not anticipate paying any cash dividends in the foreseeable future. Should we decide in the future to pay cash dividends on our common stock, as a holding company, our ability to pay dividends and meet other obligations depends upon the receipt of dividends or other payments from our subsidiaries. In addition, any future financing agreements may restrict our ability to pay dividends.

We may not have sufficient cash flow from our business to pay our debt.

The LLC's ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our

business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may still incur substantially more debt or take other actions which would intensify the risks discussed above.

We and our subsidiaries may be able to incur substantial additional debt in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt. Our New Credit Agreement restricts our ability to incur certain additional subsidiary indebtedness, but if the facility matures or is repaid, we may not be subject to such restrictions under the terms of any subsequent indebtedness.

Risks related to our common stock

The price of our common stock may continue to fluctuate substantially, and you could lose all or part of your investment.

The market price of our common stock has since the IPO fluctuated substantially, is highly volatile and may continue to fluctuate substantially due to many factors, including those described in this "Risk Factors" section, many of which are beyond our control and may not be related to operating performance. These fluctuations could cause you to lose all or part of your investment in our common stock. Factors that could cause fluctuations in trading price of our common stock include the following:

- volume and customer mix for our products;
- the introduction of new products by us or others in our industry;
- the impact of inflation, higher interest rates or tariffs;
- the reduction, elimination or expiration of government incentives for our products or the solar industry generally;
- disputes or other developments with respect to our or others' intellectual property rights;
- product liability claims or other litigation;
- quarterly variations in our results of operations or those of others in our industry;
- media exposure of our products or of those of others in our industry;
- changes in governmental regulations or in the status of our regulatory approvals or applications;
- changes in earnings estimates or recommendations by securities analysts;
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors; and
- changes in our capital structure or dividend policy, including as a result of future issuances of securities, sales of large blocks of common stock by our stockholders and our employees, or our incurrence of debt.

In addition, in the past, class action litigation has often been instituted against companies whose securities have experienced periods of volatility in market price. For example, in December 2024, a class action lawsuit alleging violations of federal securities laws was filed by a purported stockholder, naming as defendants us and certain of our officers, for allegedly making false and misleading statements about our business, financial results and prospects, and in January 2025 and March 2025, derivative actions were filed against our directors and certain of our officers based on the same factual allegations. On April 13, 2026, the court dismissed the securities class action with prejudice, and, after the plaintiffs elected not to appeal, that judgment became final. The related stockholder derivative actions were dismissed without prejudice in May 2026. We may nonetheless be the target of additional litigation of this type in the future. Securities litigation brought against us following volatility in our stock price, regardless of the merit or ultimate results of such litigation, could result in substantial costs, which would harm our financial condition and operating results and divert management's attention and resources from our business.

Securities analysts may not publish favorable research or reports about our business or may publish no information at all, which could cause our stock price or trading volume to decline.

The trading market for our common stock may be influenced to some extent by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts. If any of the analysts who cover us provide inaccurate or unfavorable research or issue an adverse opinion regarding our stock price, our stock price could decline. If one or more of these analysts cease coverage of us or fail to publish reports covering us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our unaudited condensed consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. It is possible that interpretation, industry practice and guidance may evolve over time. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay or prevent a merger, acquisition or other change in control of us that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the DGCL, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation specifies that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the federal district court for the District of Delaware) will be the sole and exclusive forum for most legal actions involving actions brought against us by stockholders. Notwithstanding the foregoing, the exclusive forum provision will not apply to any claim to enforce any liability or duty created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. We believe this exclusive forum provision benefits us by providing increased consistency in the application of Delaware law by chancellors particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. However, such provisions may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the

choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in such action.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation provides that we will indemnify our directors and officers to the fullest extent permitted by Section 145 of the DGCL.

In addition, as permitted by the DGCL, our amended and restated certificate of incorporation and our indemnification agreements that we have entered into with our directors and officers provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by applicable law. Such law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to our best interests and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;
- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- the rights conferred in our amended and restated certificate of incorporation are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and
- we may not retroactively amend our amended and restated certificate of incorporation provisions to reduce our indemnification obligations to directors, officers, employees and agents.

Under the Tax Matters Agreement, Nextpower will be restricted from taking certain actions that could adversely affect the intended tax treatment of the Spin Distribution or the Merger, and such restrictions could significantly impair Nextpower's ability to implement strategic initiatives that otherwise would be beneficial.

The Tax Matters Agreement entered into by us, Yuma and Flex immediately prior to the Spin Distribution, which governs the rights, responsibilities and obligations of such parties with respect to taxes (including taxes arising in the ordinary course of business and taxes incurred as a result of the Tax Distributions, as defined in Note 6 in the notes to the consolidated financial statements included in our Form 10-K (the "Distributions"), and the Merger), tax attributes, tax returns, tax contests and certain other matters (the "Tax Matters Agreement"), generally restricts Nextpower from taking certain actions that could adversely affect the intended tax treatment of the Spin Distribution or the Merger, subject to certain exceptions. As a result of these restrictions, Nextpower's ability to engage in certain transactions, such as the issuance or purchase of stock or certain business combinations, may be limited.

If we take any enumerated actions or omissions, or if certain events relating to us occur that would cause the Spin Distribution or the Merger to become taxable, we may be required to bear the cost of any resulting tax liability under the Tax Matters Agreement. Any such indemnification obligation likely would be substantial and likely would have a material adverse effect on us. These restrictions may reduce our ability to engage in certain business transactions that otherwise might be advantageous to us, which could adversely affect our business, results of operations or financial condition.

General risk factors

If we fail to manage our future growth effectively, we may be unable to execute our business plan, maintain high levels of customer service or adequately address competitive challenges.

We have experienced significant growth in recent periods. We intend to continue to expand our business significantly within existing and new markets. This growth has placed, and any future growth may place, a significant strain on our management, operational and financial infrastructure. In particular, we will be required to expand, train and manage our growing employee

base and scale and improve our IT infrastructure in tandem with that headcount growth. Our management will also be required to maintain and expand our relationships with customers, suppliers and other third parties and attract new customers and suppliers, as well as manage multiple geographic locations.

Our current and planned operations, personnel, IT and other systems and procedures might be inadequate to support our future growth and may require us to make additional unanticipated investment in our infrastructure. Our success and ability to further scale our business will depend, in part, on our ability to manage these changes in a cost-effective and efficient manner. If we cannot manage our growth effectively, we may be unable to take advantage of market opportunities, execute our business strategies or respond to competitive pressures. This could also result in declines in quality or customer satisfaction, increased costs, difficulties in introducing new offerings or other operational difficulties. Any failure to effectively manage growth could adversely impact our reputation and could have a material adverse effect on our business, financial condition and results of operations.

If we fail to retain our key personnel or if we fail to attract additional qualified personnel, we may not be able to achieve our anticipated level of growth and our business could suffer.

Our future success and ability to implement our business strategy depends, in part, on our ability to attract and retain key personnel, and on the continued contributions of members of our senior management team and key technical personnel, each of whom would be difficult to replace. All of our employees, including our senior management, are free to terminate their employment relationships with us at any time.

Competition for highly skilled individuals with technical expertise is extremely intense, and we face challenges identifying, hiring and retaining qualified personnel in many areas of our business. Integrating new employees into our team could prove disruptive to our operations, require substantial resources and management attention and ultimately prove unsuccessful. An inability to retain our senior management and other key personnel or to attract additional qualified personnel could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

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

Recent Sales of Unregistered Securities; Purchases of Equity Securities by the Issuer or Affiliated Purchaser

On January 27, 2026, we announced that our board of directors approved a share repurchase program to repurchase up to an aggregate of $500.0 million of our outstanding shares of common stock. The following table provides information relating to our repurchase of common stock, excluding excise tax, during the three-month period ended October 2, 2026 (in thousands, except share and per share amounts):

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
July 4 - July 31, 2026	15,491	$ 97.95	15,491	$ 498,087
August 1 - August 28, 2026	967,372	$ 95.93	967,372	$ 405,291
August 29 - October 2, 2026	818,895	$ 82.74	818,895	$ 337,537
	1,801,758		1,801,758	

(1) During the period from July 4, 2026 through October 2, 2026, all purchases were made pursuant to the share repurchase program. All purchases were made in accordance with Rule 10b-18 under the Securities Exchange Act of 1934.

As of October 2, 2026, approximately $337.5 million remained available for future share repurchases under the program.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three-month period ended October 2, 2026, certain of our officers or directors listed below adopted or terminated trading arrangements for the purchase or sale of shares of our common stock in amounts and prices determined in accordance with a formula set forth in each such plan:

Name and Title	Action	Date	Rule 10b5-1[(1)]	Non- Rule 10b5-1[(2)]	Aggregate Number of Securities/Total Dollar Value to be Purchased	Aggregate Number of Securities/Total Dollar Value to be Sold	Expiration
David Bennett, CAO	Termination	August 11, 2026	X			Up to 182,564 shares[(3)]	March 12, 2027
David Bennett, CAO	Adoption	August 11, 2026	X			Up to 174,664 shares[(3)]	August 13, 2027
Charles Boynton, CFO	Termination	September 3, 2026	X			Up to 143,445 shares[(3)]	June 17, 2027
Charles Boynton, CFO	Adoption	September 3, 2026	X			Up to 257,908 shares[(3)]	June 16, 2028
Dan Shugar, CEO	Termination	August 19, 2026	X			Up to 659,268 shares[(3)]	December 11, 2026
Dan Shugar, CEO	Adoption	August 19, 2026	X			Up to 441,213 shares[(3)]	August 18, 2027
Howard Wenger, President	Adoption	September 11, 2026	X			Up to 308,504 shares[(3)]	September 10, 2027

(1) Intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

(2) Not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

(3) Subject to minimum selling price thresholds established by the individual.

ITEM 6. EXHIBITS

Exhibit No.	Description	Filed Herewith	Incorporated by reference			
			Form	File No.	Exhibit	Filing Date
3.1	Third Amended and Restated Certificate of Incorporation of Nextpower Inc.		8-K	001-41617	3.1	August 19, 2026
3.2	Third Amended and Restated Bylaws of Nextpower Inc.		8-K	001-41617	3.2	August 19, 2026
31.1	Certification of Principal Executive Officer 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.	X				
31.2	Certification of Principal Financial Officer 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.	X				
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.	X				
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.	X				
101.INS	Inline XBRL Instance Document.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	X				

** The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.*

SIGNATURES

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.

Nextpower Inc.

Date: October 30, 2026

By: /s/ Charles Boynton

Charles Boynton
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel Shugar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nextpower 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 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)) 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 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.

Dated: October 30, 2026

/s/ Daniel Shugar

Daniel Shugar

Chief Executive Officer and Director

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Charles Boynton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nextpower 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 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)) 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 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.

Dated: October 30, 2026

/s/ Charles Boynton

Charles Boynton

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER 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 Nextpower Inc. (the "Company") on Form 10-Q for the quarter ended October 2, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel Shugar, Chief Executive Officer of the Company, 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 result of operations of the Company.

Dated: October 30, 2026

/s/ Daniel Shugar

Daniel Shugar

Chief Executive Officer and Director

(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER 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 Nextpower Inc. (the "Company") on Form 10-Q for the quarter ended October 2, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Charles Boynton, Chief Financial Officer of the Company, 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 result of operations of the Company.

Dated: October 30, 2026

/s/ Charles Boynton

Charles Boynton
Chief Financial Officer
(Principal Financial Officer)