



Q4 FY24 Earnings Presentation

May 14, 2024

Horizon XTR™ terrain following tracker, first delivered in 2019

Forward-Looking Statements

Cautionary Note About Forward-Looking Statements

This presentation is made by Nextracker Inc. (the "Company") and contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. All statements other than historical factual information are forward-looking statements, including without limitation statements regarding: our financial and operating outlook and guidance; our strategies, mission, plans, objectives and goals; the market demand for our products, solutions and services; our ability to compete with existing and new competitors in existing and new markets; estimates of the cost of solar, the Company's carbon offsets, installation and operations savings, energy yields, and improvements to levelized cost of energy; projections regarding the U.S. and global demand for solar and our addressable market and market size; macro-economic trends; panel availability; growth opportunities and plans for future operations, products and services; the expansion of our US manufacturing and production volumes; and any other statements that address events or developments that we intend or believe will or may occur in the future. Terminology such as "will," "may," "should," "could," "would," "believe," "anticipate," "intend," "plan," "expect," "estimate," "project," "target," "possible," "potential," "forecast" and "positioned" and similar references to future periods are intended to identify forward-looking statements, although not all forward-looking statements are accompanied by such words. Forward-looking statements are based on assumptions and assessments made by our management in light of their experience and perceptions of historical trends, current conditions, expected future developments and other factors they believe to be appropriate, and speak only as of the date of this presentation.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or other events to be materially different from any future results, performance or other events expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on forward-looking statements. Our actual future results, performance or other events may be materially different from what we expect. Important factors that could cause actual results, performance or other events to differ materially from our expectations include: the demand for solar energy and, in turn, our products; competitive pressures within the solar tracker industry; competition from conventional and other renewable energy sources; variability in our results of operations, including as a result of fluctuations in our customers' businesses as well as seasonal weather-related disruptions; the reduction, elimination or expiration of government incentives for or regulations mandating the use of, renewable energy and solar energy, including the IRA 45X vendor tax credit rebates; our reliance on our suppliers and any problems with our suppliers or disruptions in our supply chain, and supply chain capacity; changes in the global trade environment, including the imposition of import tariffs; an increase in interest rates, or a reduction in the availability of tax equity or project debt financing, impacting the ability of project developers and owners to finance the cost of a solar energy system; a loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment to us; defects or performance problems in our products; delays, disruptions or quality control problems in our product development operations; severe weather events, natural disasters and other catastrophic events; our continued expansion into new markets; electric utility industry policies and regulations; decreases in the price of electricity; our failure to protect our intellectual property and trade secrets or to successfully defend against third-party claims of infringement; and cybersecurity or other data incidents.

For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see the Company's periodic filings with the Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the year ended March 31, 2023, our Quarterly Report on Form 10-Q for the quarter ended December 31, 2023, and any current and periodic reports filed thereafter. Except as required by law, the Company assumes no obligation and does not intend to update these forward-looking statements or to conform these statements to actual results or to changes in the Company's expectations, even if new information becomes available in the future.

Industry and Market Data

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable as of their respective dates, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

Trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the solutions and services described herein.

Non-GAAP Financial Measures

We present adjusted EBITDA, adjusted EBITDA margin, adjusted free cash flow, and adjusted EPS as supplemental measures of performance that are neither required by, nor presented in accordance with generally accepted accounting principles in the United States of America ("GAAP"). We present these non-GAAP 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 adjusted EBITDA as a factor in evaluating management's performance when determining incentive compensation and to evaluate the effectiveness of our business strategies.

Among other limitations, these measures do not reflect our cash expenditures or future capital expenditures or contractual commitments (including under the Tax Receivable Agreement), 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 these measures differently from us, which further limits their usefulness as comparative measures. Because of these limitations, non-GAAP financial measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP financial measures on a supplemental basis. You should review the reconciliations of these non-GAAP measures to the most directly comparable GAAP measure included as an appendix to this presentation and not rely on any single financial measure to evaluate our business.

Q4 and Full Fiscal Year 2024 Highlights

Q4 Revenue
\$737M

42% Y/Y Growth

Q4 Adj. EBITDA
\$160M

120% Y/Y Growth

FY24 Revenue
\$2.5B

31% Y/Y Growth

FY24 Adj. EBITDA
\$521M

150% Y/Y Growth

FY24 Financial Highlights

- Record revenue and profits
 - Revenue growth of 31% YoY
 - Adj. EBITDA increased >2X from prior year
- Record backlog of >\$4B¹; more than tripled backlog in 2 years
- High-quality balance sheet with over \$800M in total liquidity
- Strong adj. free cash flow generation of \$113M in Q4 and \$427M in FY24

¹ Backlog is defined to a strict standard; executed contracts or purchase orders with deposits, bill of materials, and ship dates. All results on this slide exclude \$121M of IRA 45X advanced mfg. tax credit vendor rebates earned on eligible deliveries from January 1, 2023 through March 31, 2024. See Appendix for reconciliation of each non-GAAP financial measure to most directly comparable financial measure stated in accordance with GAAP.

Business Highlights & Milestones Through FY24

Innovation & New Product Launches

Hail Pro™

Low Carbon Tracker™

NX Horizon-XTR™ 1.5

Zonal Diffuse™

Talent and Operations

>1,000

Global
Headcount

9

Global
Offices

ISO45001

Achieved

Global Supply Chain

100_{GW}

First U.S. Solar
Company to
Reach 100 GW
Shipments

20

U.S. New or
Expanded
Mfg. Facilities

80+

Worldwide
Partner Mfg.
Facilities

Global Customer Base

~40

Countries
Served

TrueCapture™
Software
Projects*

50_{GW}

1,000+

PowerworX™ Industry
Workers Trained

NX Horizon-XTR™
Utility-Scale
Projects*

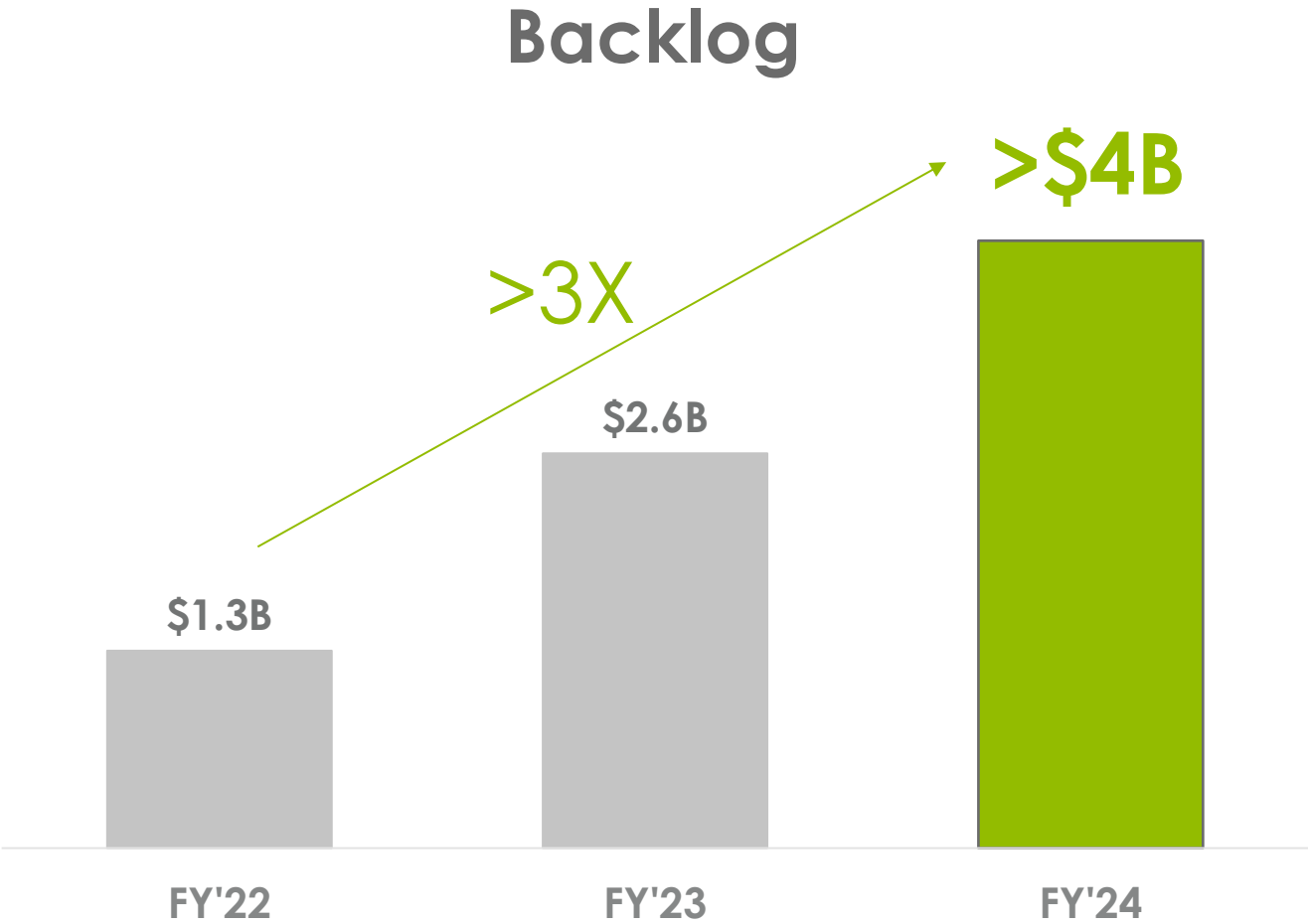
15_{GW}

Record Backlog Reflects Strong Sales Momentum Globally



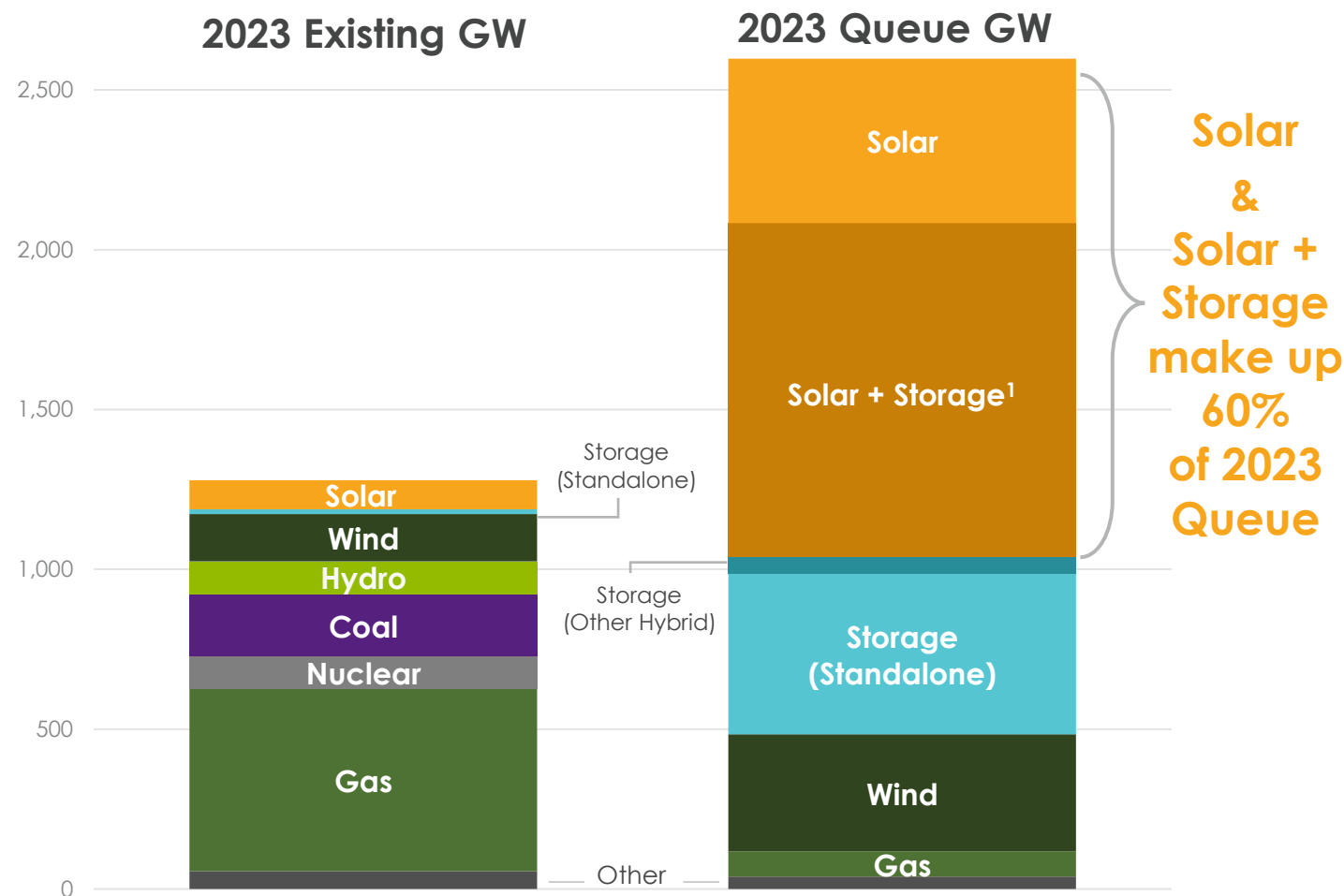
Significant orders in FY24 and new tracker fleets operating across U.S. and international markets

Backlog is defined to a strict standard; executed contracts or purchase orders with deposits, bill of materials, and ship dates.



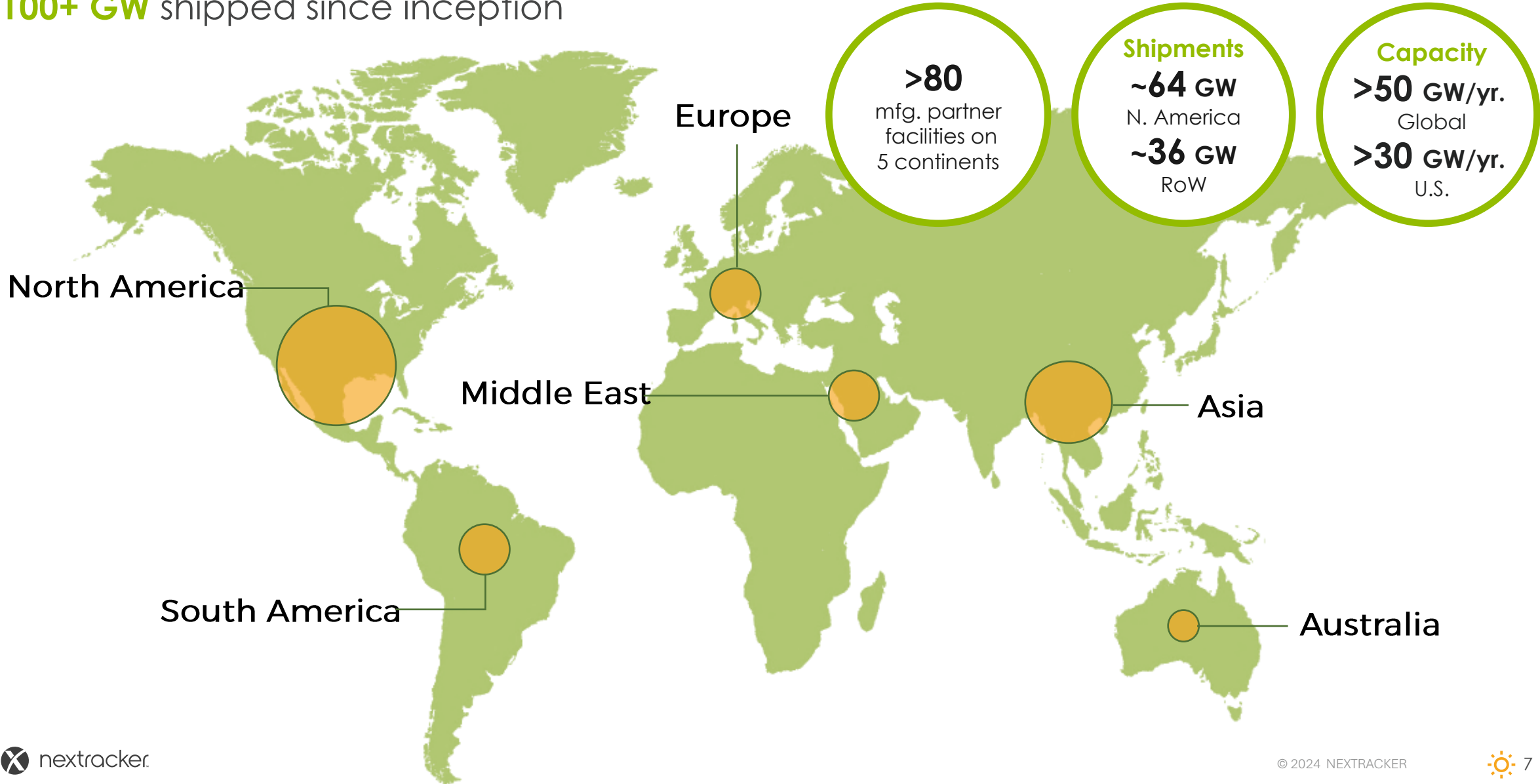
Nearly 7,000 Solar & Solar + Storage Projects in U.S. Interconnection Queue

- Solar and Solar + Storage make up 60% of 2023 interconnection queues GW
- Storage standalone provides an additional 20% of interconnection queues GW
- Solar and Storage have 25X the queue GW position vs. Gas
- Active capacity in queues is 2X the installed capacity of U.S. power plant fleet



Nextracker's Global and Diversified Supply Chain

100+ GW shipped since inception



NX Horizon Low Carbon Solution



Low Greenhouse Gas Manufacturing Option, with Emissions Verification



Extractive Steelmaking

Blast Furnace / Basic Oxygen Furnace



~2.3
TONS CO₂ /
TON STEEL

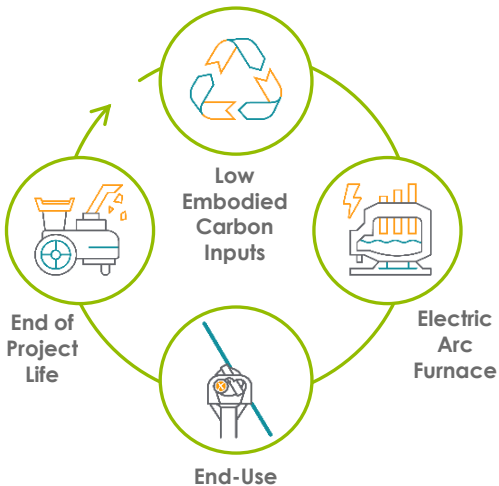


Circular Steelmaking

Allocates Electric Arc Furnace Recycled Steel



~0.8
TONS CO₂ /
TON STEEL



Enhanced U.S. Sourcing Model



Impact

- Up to 35% less embodied CO₂e* vs. traditional, imported tracker products
- Reduced Resources: less water, minerals, land required for production & fulfillment

Accountability

- Includes 3rd party validated Life Cycle Assessment (LCA) report

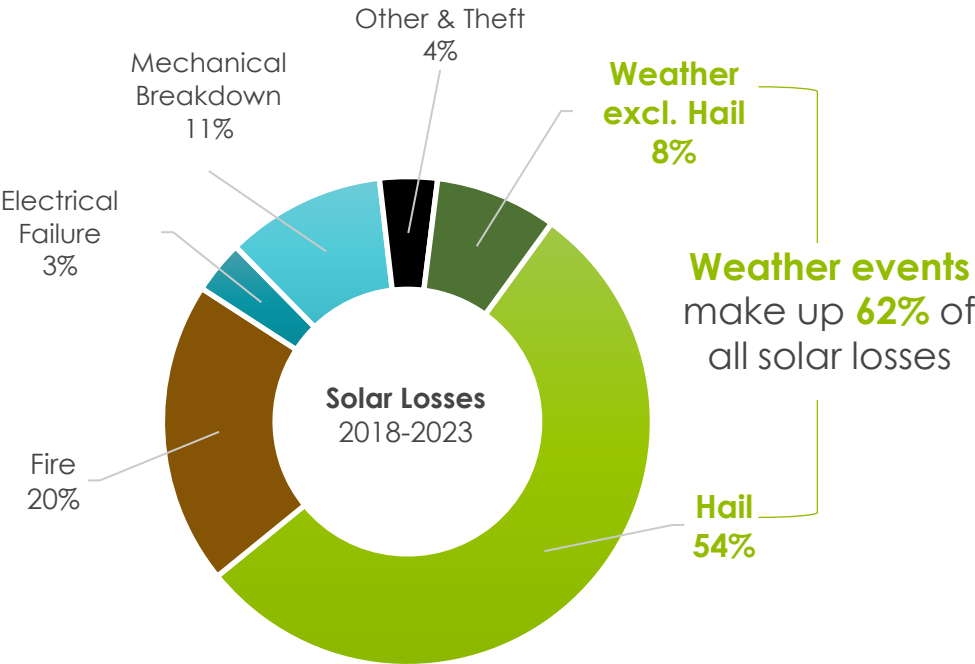
Source: Nucor® and Nextracker

*CO₂e indicates CO₂ equivalent greenhouse gas emissions as reported by third party LCAs

**Electric Arc Furnace. A low carbon steelmaking process

Nextracker's Proven Solutions to Mitigate Severe Weather

Losses from Solar PV Claims



According to Gcube, "hail claims are rare but expensive, accounting for 1.4% of the total number of claims, but 54.21% of the incurred costs."

Graph source: GCube Hail No! Q4 2023 Report: solar losses in North America between 2018-2023 based on types of claims and incurred costs as % of total claims. Also includes Nextracker's reasonable assumptions from Gcube's data/graph report. Nextracker defined weather excluding hail category as storm, flood, hurricane, wind, and lightning, and grouped Other & Theft into one category.

Nextracker is well-positioned with operational tools to assist owners in mitigating severe weather risk

NX NAVIGATOR™

Advanced tracker health monitoring & weather risk mitigation software



Enhanced Safety

- Hurricane stow
- Hail stow
- Snow shedding
- Flood stow

Other Features

- Map view total control interface
- Mow & cleaning stow features
- Alert & issue notifications

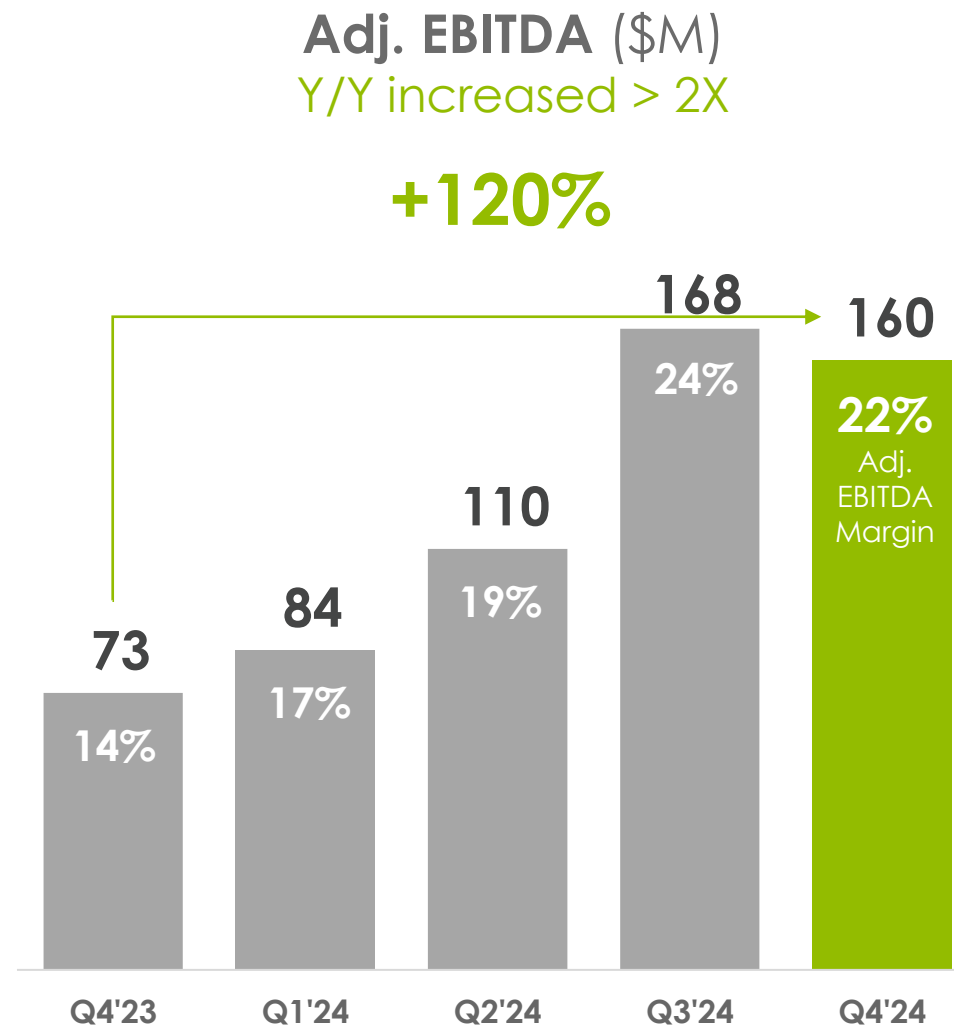
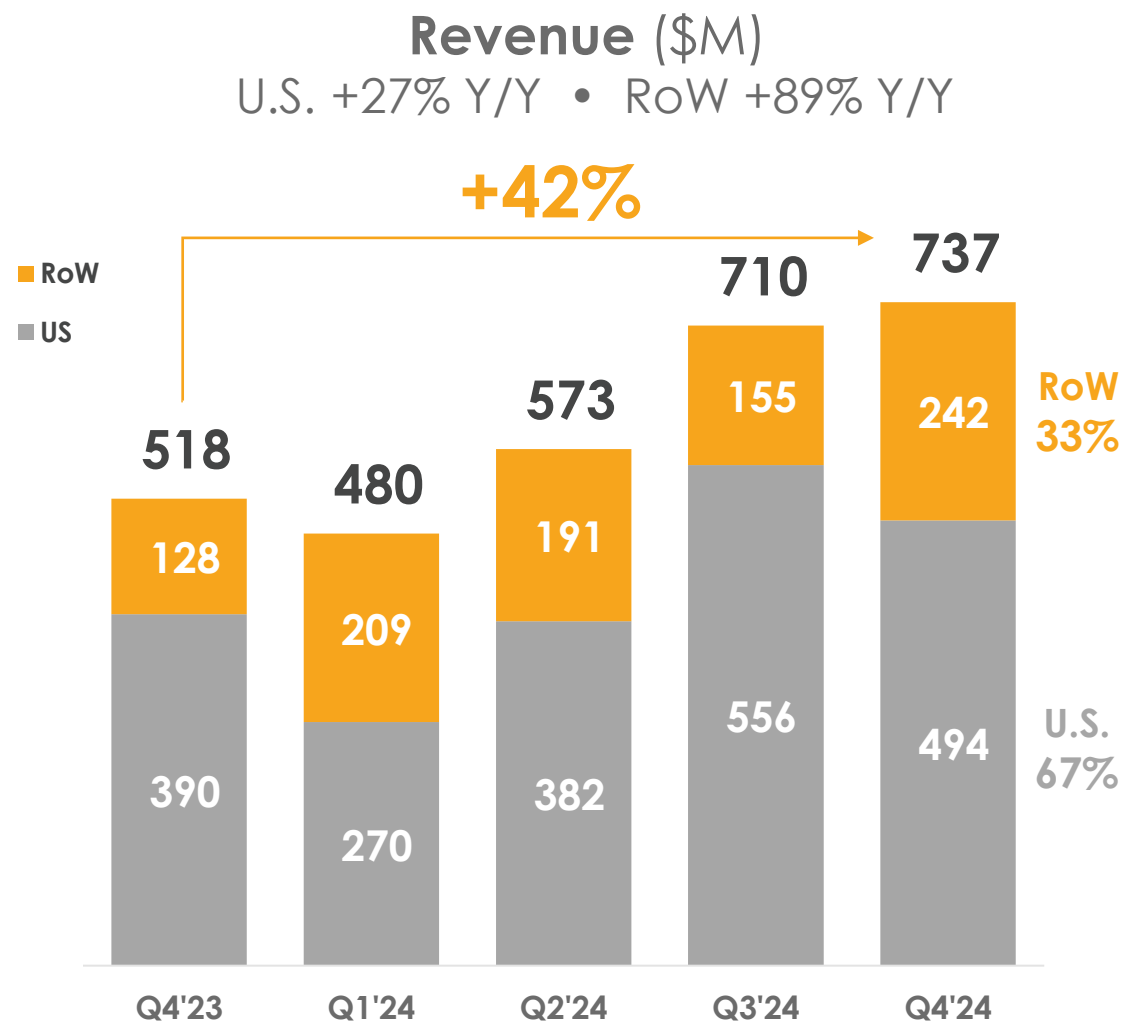


Financial Results



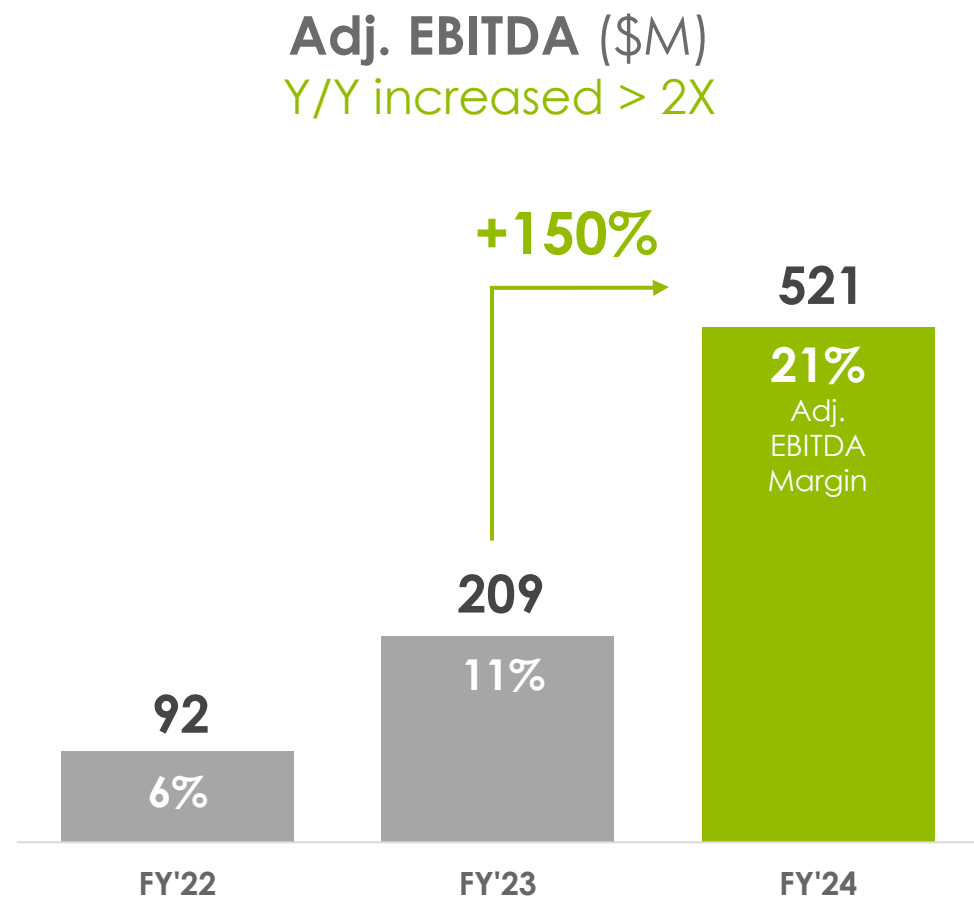
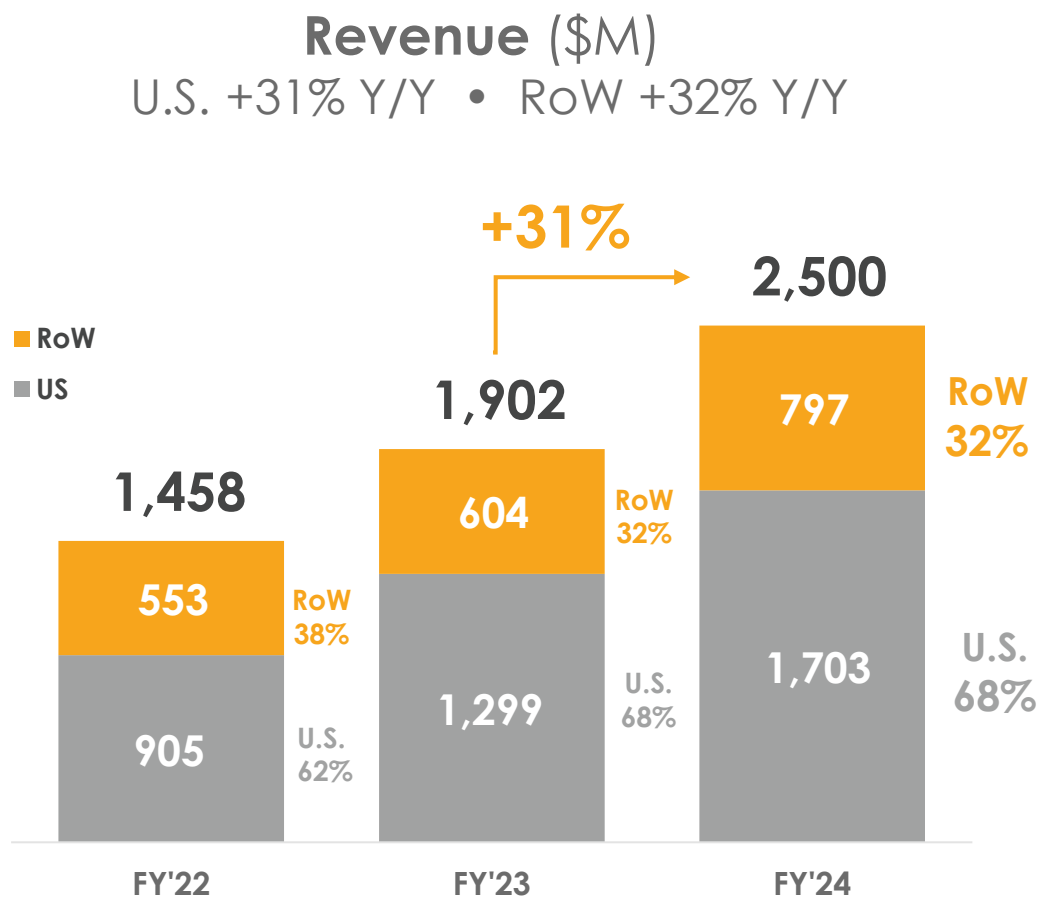
Q4 FY2024 Financial Highlights

5th Consecutive Quarter of Double-Digit Growth YoY Since IPO



Full FY2024 Financial Highlights

3rd Consecutive Year of Double-Digit Revenue Growth YoY



Strong Execution and Record Performance in Q4 & FY24

Fiscal Q4 Results

Non-GAAP P&L (\$M, except % and per share amounts)	Q4'23	Q3'24	Q4'24	Growth Y/Y
Revenue	518	710	737	42%
Gross Profit	102	212	222	118%
Gross Margin	20%	30%	30%	1,049 bps
Operating Income	70	162	166	138%
Operating Margin	13%	23%	23%	910 bps
Net Income	56	142	142	155%
Diluted EPS	\$0.02	\$0.96	\$0.96	\$0.94
Adj. EBITDA	73	168	160	120%
Adj. EBITDA Margin	14%	24%	22%	769 bps

Fiscal Year 2024 Results

Non-GAAP P&L (\$M, except % and per share amounts)	FY'22	FY'23	FY'24	Growth Y/Y
Revenue	1,458	1,902	2,500	31%
Gross Profit	153	300	703	134%
Gross Margin	10%	16%	28%	1,234 bps
Operating Income	90	203	523	157%
Operating Margin	6%	11%	21%	1,023 bps
Net Income	70	153	451	195%
Diluted EPS	N/A	\$0.02	\$3.06	\$3.04
Adj. EBITDA	92	209	521	150%
Adj. EBITDA Margin	6%	11%	21%	987 bps

High-Quality Balance Sheet and Cash Flow Management

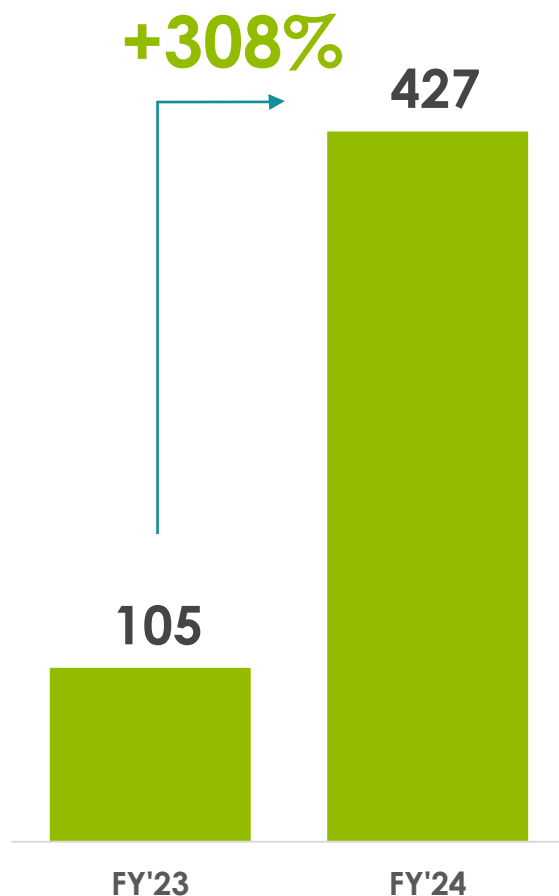
Strong Capital Structure

- Total liquidity > \$800M
- Debt-to-adj. EBITDA < 1x
 - Limited debt, ~\$150M term loan with no significant repayments until FY 2028

Balance Sheet (\$M)	As of Mar. 31, 2023	As of Mar. 31, 2024
Cash	130	474
AR & Contract Assets	569	780
Inventories	138	202
Other Current Assets	35	312
Current Assets	872	1,768
Non-Current Assets	547	751
TOTAL ASSETS	1,420	2,519
AP and Accrued Expenses	271	539
Deferred Revenue	176	226
Other Current Liabilities	60	127
Current Liabilities	507	891
Long-Term Debt	147	144
Other Non-Current Liabilities	280	491
Non-Current Liabilities	427	635
Equity	485	992
TOTAL EQUITY & LIABILITIES	1,420	2,519

Capital Allocation Supported by Strong Cash Flow Generation

Adj. Free Cash Flow (\$M)



Capital Allocation Framework

- Growth-focused capital deployment
- Asset-light model generates cash with strong 70%+ FCF conversion, excl. M&A
- Maintain high-quality balance sheet
- Given projected business growth and post spin-out limitations, currently not planning to execute a dividend or a share buyback program; evaluating M&A opportunities with discipline
- Focused on execution and value creation for stakeholders

Full Year FY2025 Guidance

Revenue **\$2.8 - \$2.9B**

14% Y/Y Growth at Midpoint

Adj. EBITDA¹ **\$600 - \$650M**

20% Y/Y Growth at Midpoint

Adj. EPS² **\$2.89 - \$3.09**

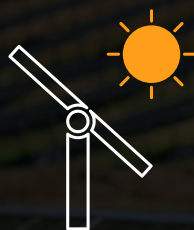
GAAP \$2.41 - \$2.61

Guidance Assumptions

- Interest and other expense \$15M - \$20M
- Adjusted income tax rate 20% - 25%
- WASO of ~153M



Appendix



Reconciliation of GAAP to Non-GAAP Measures

In millions, except percentages and per share data	Fiscal Period					Fiscal Period		
	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	FY'22	FY'23	FY'24
GAAP gross profit	90	114	149	210	340	147	287	813
Stock-based compensation expense	12	2	3	2	3	2	13	11
Intangible amortization	0	0	0	0	0	4	0	0
Advanced manufacturing tax credit vendor rebate	-	-	-	-	(121)	-	-	(121)
Non-GAAP gross profit	102	116	152	212	222	153	300	703
GAAP gross margin	17%	24%	26%	30%	46%	10%	15%	33%
Non-GAAP gross margin	20%	24%	27%	30%	30%	10%	16%	28%
GAAP operating income	41	74	94	148	271	66	168	587
Stock-based compensation expense	29	8	18	13	17	3	32	57
Intangible amortization	0	0	0	0	0	8	1	0
Legal costs and other	-	-	-	-	-	13	1	-
Advanced manufacturing tax credit vendor rebate	-	-	-	-	(121)	-	-	(121)
Non-GAAP operating income	70	82	112	162	166	90	203	523
GAAP operating margin	8%	15%	16%	21%	37%	5%	9%	23%
Non-GAAP operating margin	13%	17%	20%	23%	23%	6%	11%	21%
GAAP net income	28	64	81	128	223	51	121	496
Stock-based compensation expense	29	8	18	13	17	3	32	57
Intangible amortization	0	0	0	0	0	8	1	0
Adjustment for taxes	(1)	(1)	(4)	1	24	(5)	(3)	20
Legal costs and other	-	-	-	-	-	13	1	-
Advanced manufacturing tax credit vendor rebate	-	-	-	-	(121)	-	-	(121)
Non-GAAP net income	56	71	96	142	142	70	153	451

Reconciliation of GAAP to Non-GAAP Measures

In millions, except percentages and per share data	Fiscal Period					Fiscal Period		
	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	FY'22	FY'23	FY'24
GAAP net income	28	64	81	128	223	51	121	496
Interest, net	2	1	(0)	(0)	1	0	2	2
Provision for income taxes	13	9	4	39	60	14	48	112
Depreciation expense	1	1	1	1	1	3	3	4
Intangible amortization	0	0	0	0	0	8	1	0
Stock-based compensation expense	29	8	18	13	17	3	32	57
Legal costs and other	-	-	-	-	-	13	1	-
Advanced manufacturing tax credit vendor rebate	-	-	-	-	(121)	-	-	(121)
Other tax related income, net	-	-	6	(13)	(21)	-	-	(28)
Adjusted EBITDA	73	84	110	168	160	92	209	521
<i>Adjusted EBITDA (% of revenue)</i>	<i>14%</i>	<i>17%</i>	<i>19%</i>	<i>24%</i>	<i>22%</i>	<i>6%</i>	<i>11%</i>	<i>21%</i>
Diluted earnings per share								
GAAP	\$0.02	\$0.43	\$0.55	\$0.87	\$1.51	N/A	\$0.02	\$3.37
Earnings per share attributable to Non-GAAP adjustments	\$ -	\$0.05	\$0.10	\$0.09	(\$0.55)	N/A	\$ -	(\$0.30)
Non-GAAP	\$0.02	\$0.48	\$0.65	\$0.96	\$0.96	N/A	\$0.02	\$3.06
Diluted shares used in computing per share amounts	146	147	147	147	148	N/A	146	147
Net cash provided by operating activities	35	226	27	65	111	(147)	108	429
Purchase of property and equipment	(1)	(1)	(1)	(2)	(2)	(6)	(3)	(6)
Proceeds from disposition of property and equipment	-	-	-	-	-	0	0	-
Other financing	-	-	-	-	4	-	-	4
Adjusted free cash flow	35	225	26	62	113	(153)	105	427