Q4 FY2025

SHAREHOLDER LETTER

May 14, 2025

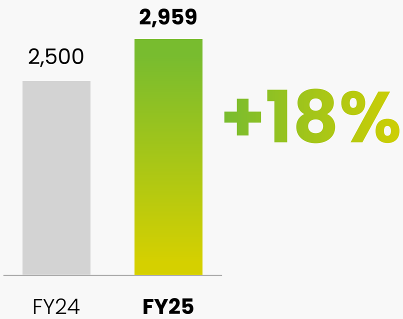
Winneke Solar Farm powering Melbourne Water's Water Treatment Plant in Melbourne's northeast, featured technology: Nextracker NX Horizon-XTR™ all terrain tracker

nextracker

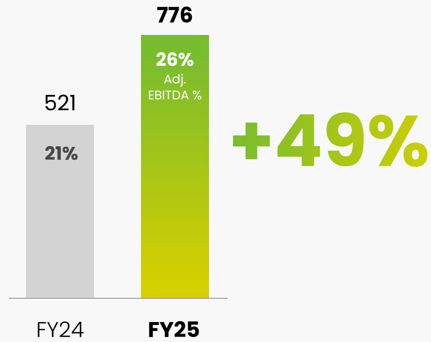
Financial Highlights

Performance Through Q4 FY25

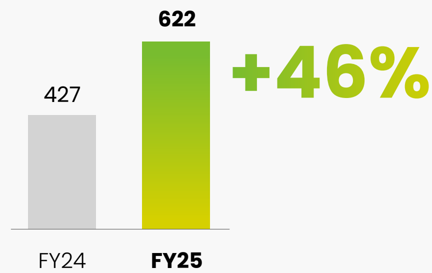
Revenue ($M)



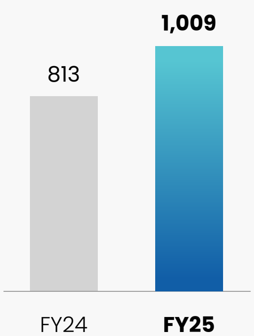
Adjusted EBITDA ($M)



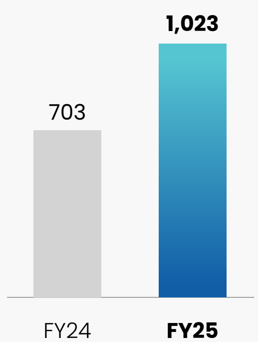
Adjusted Free Cash Flow ($M)



GAAP
Gross Profit ($M)



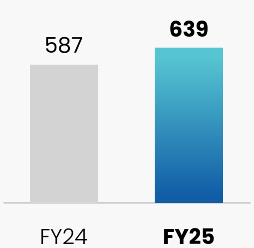
Adjusted
Gross Profit ($M)



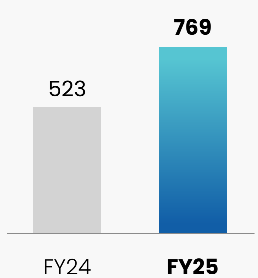
Full Year 2025 Financial Highlights

- 18% revenue growth YoY
- Adjusted gross profit of $1 billion; adjusted EBITDA of $776 million (see IRA 45x credits disclosure)
- Total backlog* increased QoQ; significantly over $4.5 billion
- $766 million in total cash and cash equivalents, no debt, and nearly $1.7 billion total liquidity
- Adjusted free cash flow of $622 million

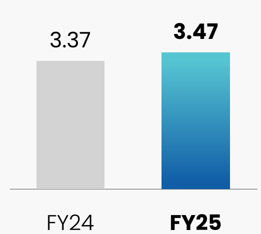
GAAP
Operating Income ($M)



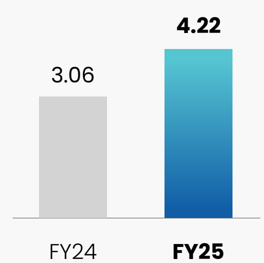
Adjusted
Operating Income ($M)



GAAP
Diluted EPS ($)



Adjusted
Diluted EPS ($)



See Appendix for reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

QoQ and YoY change percentages are calculated using rounded numbers in thousands.

**Our backlog is defined as executed EPC or VCA contracts or purchase orders with deposits of cash paid or financial equivalents, identified named project sites, product and volume requirements, and ship dates.*

Dear Nextracker Shareholder,

We are pleased to share the results of our fourth quarter and full fiscal year 2025. On our earnings conference call, we will provide short opening remarks and a Q&A session. We look forward to speaking with you on our call, scheduled for May 14 at 2:00 p.m. PT.

Nextracker delivered another year of strong financial results in fiscal year 2025. We are proud of the contributions of our employees, and grateful for the trust and partnership of our customers and suppliers. We significantly increased our backlog this year, exceeded our financial targets, and continued to localize manufacturing around the world. We have now shipped over 130 GWs of our tracker systems since the company was founded, helping meet the accelerating demand for electricity while decarbonizing the power generation mix.

We closed two important acquisitions in FY25 and announced a new transaction today that adds electrical balance of systems (eBOS) products and solutions to our tracker and power plant platform. In addition, we continued to accelerate investment in R&D resulting in the release of a variety of organically developed technologies, further differentiating our product portfolio and extending our competitive advantage.

NX Horizon™ at Bannerton Farm, Victoria, Australia (110 MW)

Q4 and FY25 Results

We ended another year of strong financial performance by posting record quarterly and annual results, including revenue, adjusted EBITDA, and cash flow. Our performance was driven by solid execution across all aspects of our business and geographic regions, with extreme focus on providing exceptional customer service. We achieved excellent on time delivery, and fielded valuable product innovation while continuing to expand customer partnerships and order backlog.

Our sales teams once again delivered a strong bookings quarter, with backlog increasing sequentially, supported by robust demand in all key regions and with meaningful contribution from new products. With a record quarter of $924 million in Q4 we closed out the year at nearly $3 billion in revenue, an increase of 18% compared to the prior year.

Geographic revenue mix in Q4 was approximately 66% in U.S. and 34% in Rest of World, compared with 69% U.S. and 31% Rest of World for the full year.

Our FY25 adjusted EBITDA was $776 million, up 49% compared to the prior year, with Q4 adjusted EBITDA expanding to $242 million, an increase of 52% YoY. Adjusted EBITDA margin was 26% for both Q4 and FY25 (please see 45X disclosure).

The company generated strong adjusted free cash flow; $227 million in Q4 and $622 million for the full fiscal year. This compared with prior-year amounts of $113 million and $427 million, respectively.

Our performance during FY25 positions the company for further growth this year and enables continued investment in key strategic initiatives such as today's announcement that we are expanding our product platform with the acquisition of Bentek Corporation, an eBOS company. This transaction extends our strategy of incorporating complementary technologies around our core market-leading tracker platform with a singular focus on delivering key customer benefits including accelerated solar power plant construction timelines, increased system operating performance, and enhanced long-term reliability.

See Appendix for reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

FY25 Revenue +18% YoY
$3 Billion

FY25 Adjusted EBITDA +49% YoY
$776 Million

Total backlog significantly over
$4.5 Billion

NX Horizon™ paired with TrueCapture® energy yield management system on Wright Solar Farm, California

Business Highlights

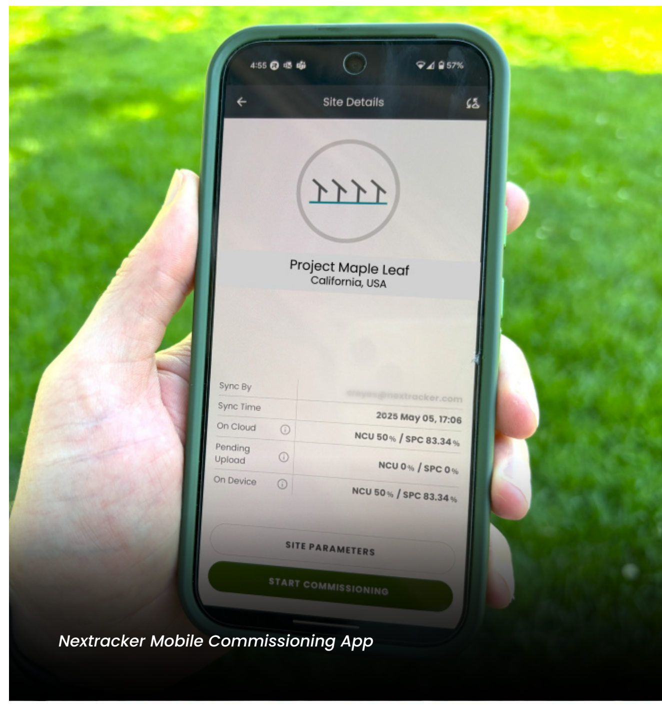
In Q4 and throughout fiscal year 2025, we delivered significant results from our legacy investments in product innovation, reinforcing our position as the global leader in large-scale solar power deployment solutions comprising trackers, foundations, installation tools, system monitoring and controls, and services.

Guided by our customers' evolving needs as well as expanding geographic solar deployment, we advanced our core technologies and added talent and capabilities across domains including mechanical and electrical engineering, software development, and AI/machine learning.

Selected business highlights included:

- Nextracker achieved record revenue of approximately $3 billion and increased backlog again in Q4. YoY revenue increased 18%
- We are seeing significant uptake in our new product offerings:
  - We saw strong uptake of our latest, differentiated Hail Pro series trackers with over 9 GW of Hail Pro-60 and Hail Pro-75™ booked in FY25. These products are widening the addressable and insurable market for solar in extreme weather locations
  - Demand for our XTR tracker series, including our recently released XTR 1.5 tracker, was also strong. With over 17 GW of XTR sold in FY25, customers are clearly validating the value of these products for undulating terrain
  - We exceeded our booking plan for our recently acquired foundations business, booking over 1 GW in the last 2 quarters of FY25
- We achieved record TrueCapture® bookings in FY25, with solid international momentum and increasing attach rates
- We further expanded our geographic footprint, now serving over 40 countries from over 90 global partner factory facilities and three R&D innovation centers
- We delivered the first 100% domestic content tracker as measured by U.S. Treasury Department safe harbor statement, with increasing domestic capacity served by over 25 U.S. partner facilities

Nextracker power electronics production line. Bahia, Brazil



Nextracker Mobile Commissioning App

Nextracker Brazil Center for Solar Excellence

Nextracker's Strategic Evolution

Our market opportunity is expanding rapidly, driven by structurally increasing global demand for electricity to power AI data centers, EVs, manufacturing, and buildings. This unprecedented surge in electricity demand is testing the limits of existing generation capacity, with thousands of gigawatts of incremental new capacity needed within the next five years.

According to the IEA's most recent global electricity report, renewables, led by solar power, are expected to become the leading source of electricity in most major economies by 2030[1].

At Nextracker our strategy is to continue developing and improving large-scale solar power deployment solutions that will increase installation speed, improve system performance, and enhance long-term operating reliability. We are accelerating our innovation engine and leveraging free cash flow to invest in new products and capabilities that we believe will allow the company to further expand our market leadership.

We are systematically executing on this strategy and acquired two foundations companies in FY25 that are now driving meaningful contribution. Today's announcement of the Bentek acquisition is the next step in implementing this strategy.

As we continue to incorporate adjacent products and services around our core tracker technology through a combination of acquisition and organic development, Nextracker's business model is evolving from a single product category to a power solutions platform. We believe that over the next five years, sales of non-tracker products and services can grow to over one third of our total company revenue. We are planning an Analyst Day in the fall of 2025 to provide greater detail on this strategy.

We are excited about this next phase of our company's growth and appreciate the continued support of our customers, partners, employees, and shareholders.

[1] *International Energy Agency, 2024, https://www.iea.org/reports/electricity-2024*

Dan Shugar
Founder & CEO

Howard Wenger
President

Chuck Boynton
CFO

Fiscal Year 2026 Outlook

For FY26 we expect revenue to be in the range of $3.2 billion to $3.4 billion, adjusted EBITDA in the range of $700 million to $775 million and adjusted diluted EPS to be in the range of $3.65 to $4.03 per share.

We anticipate the year will be more heavily weighted to the first half with structural gross margins in the low 30s for the full year.

We plan to increase our investments in both organic and inorganic growth initiatives in FY26.

We are pleased that our financial strength enables increased investment in our business while driving profitable growth. Our FY26 guidance incorporates these growth investments as well as the following assumptions around tariffs and key policy variables.


NX Horizon™ featured at Millington Naval Base, Tennessee

Photo: Silicon Ranch Corporation

Outlook Summary

	FY25 Actual	FY26 Outlook
Revenue	$3.0B	$3.2 to $3.4B
GAAP Net Income	$517M	$445 to $503M
GAAP Diluted EPS	$3.47	$2.91 to $3.29
Adjusted EBITDA	$776M	$700 to $775M
Adjusted Diluted EPS	$4.22	$3.65 to $4.03

- 45X incentives will continue for the full year
- Other income, net of $15 to $20 million
- GAAP Effective Tax Rate 23%, Adjusted Effective Tax Rate 21%
- Weighted Average Shares Outstanding of approximately 153 million

While we have been prudent in our guidance due to the current macro uncertainties, we are confident in the continued progress of our business based on the visibility provided by our record backlog, the continuing flight to quality, our loyal customer base, and the capability and drive of the global Nextracker team.

Unlocking Greater Value in Utility-Scale Solar through Integrated eBOS Solutions

Strengthening Our Position in the Fastest Growing Energy Market

The utility-scale solar industry is undergoing a rapid transformation, fueled by innovation, cost reduction, policy support, and increasing global demand for energy and electricity. Today, solar offers the lowest levelized cost of energy (LCOE) of any source in the world. Against this backdrop, Nextracker is taking a major step forward.

By integrating our award-winning solar tracker systems with the electrical balance of system (eBOS) components—including combiner boxes, wire harnesses, and trunk bus solutions—we are providing solar developers and EPCs (engineering, procurement, and construction firms) with streamlined, plug-and-play solutions for utility-scale projects. These integrated offerings reduce costs, simplify and accelerate construction, increase reliability, and improve long-term performance.

To enhance our capability in this space, Nextracker has acquired Bentek Corporation, a proven leader in eBOS solutions with a 15-year track record in utility-scale solar and a highly complementary customer base. This acquisition enables us to offer pre-designed, American-made eBOS solutions with seamless integration into our tracker systems, giving customers more choice, less risk, and greater value.

Why This is the Right Move for Nextracker—and for the Industry

Tapping into a Multi-Billion Dollar Market Opportunity

In utility-scale solar, eBOS accounts for significant spend and is a critical product category that directly impacts performance, cost, and construction speed. As the solar power market matures, there is a growing emphasis on quality and reliability which is in turn driving product innovation and a focus on system interaction and integration. By virtue of the Bentek acquisition, Nextracker will now support eBOS solutions both in the U.S. and abroad across a variety of solar applications including multiple tracker types, fixed-tilt systems, and selected DG applications.

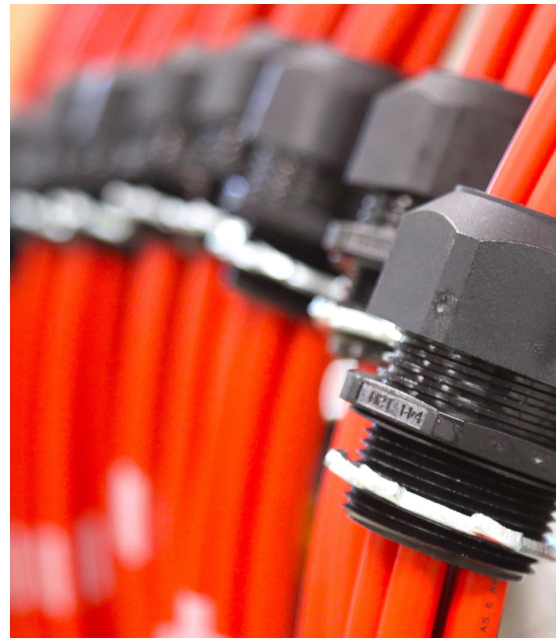
Solving Key Challenges for EPCs and Power Plant Owners

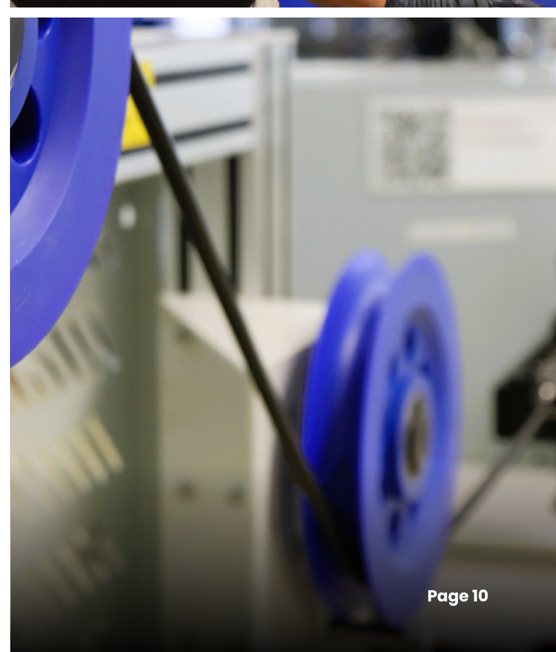
EPCs face rising labor costs and tight schedules. Traditional field-assembled electrical connections can be labor-intensive, error-prone, and expensive. Bentek's pre-assembled, factory-tested solutions—including both combiner box and trunk bus architectures—minimize field labor, reduce project risk, and increase construction speed.

Nextracker will continue to offer eBOS solutions on a stand-alone basis as well as on a combined and optimized basis with our trackers and other products. By integrating eBOS with our tracker platform, customers benefit from a single-source procurement model, reduced coordination time, fewer vendor handoffs, and optimized system design. This ensures faster commissioning, better grid integration, and higher energy yield over the system's lifetime.

Why Integration Matters

When tracker and eBOS sales are decoupled, EPCs and developers face added coordination costs, mismatched components, and longer timelines. Many of our customers have explicitly asked for an integrated offering—and now we can deliver. Nextracker's global brand, supply chain scale, and reputation for execution and reliability position us uniquely to provide an integrated system from a single supplier, with superior service and performance.





We Offer Choice, Including Our Trunk Bus Solution

We offer customers a choice between the two leading eBOS configuration types: conventional harness-based combiner box solutions, and a newer trunk bus solution which can deliver lower cost and higher reliability for some projects. The trunk bus solution offers a new level of value to customers by consolidating wiring within the tracker rows and routing power directly to inverters. This approach can offer:

- Reduced labor costs by minimizing on-site terminations
- Improved reliability and fewer maintenance needs
- Higher long-term energy yield and lower LCOE
- Future-ready design for evolving grid requirements (1,500V+ architectures, energy storage integration)

A Bankable, Proven Partner with American-Made Quality

Bentek, now part of Nextracker, brings over 15 years of proven utility-scale eBOS experience, robust ISO and UL certifications, patents, and other IP across a number of product families, and a portfolio of NRTL-listed products that meet the most stringent North American safety standards.

- ISO 9001:2015, ISO 45001:2018 certified
- UL, CSA, and NRTL-listed across multiple key standards

These certifications offer peace of mind for customers, financiers, and project stakeholders.

On site field supervisors at Pirapora solar plant, Brazil

Customer Wins, Bookings, and Backlog

Nextracker continues to enjoy strong repeat business, as well as selling into new markets and winning new customers.

We operate our business on an annual and multi-year basis to reflect the nature of large-scale projects. As we scale our business long-term, we will continue to pursue a healthy backlog, which is commensurate with how we manage our business.

Q4 marks our ninth consecutive quarter of sequential growth in backlog as a public company, and a record total backlog of significantly over $4.5 billion.

Our backlog and robust pipeline coverage gives us confidence in our FY26 outlook.

U.S. Business

In Q4, we achieved record new U.S. booking volumes, further extending the company's industry leadership position.

Our differentiated value-driven products along with strategic alignment with EPC partners and developers/owners continued to drive our bookings momentum.

Pricing for Nextracker was stable in Q4, and the company continues to manage costs well. Pricing and costs vary by region, customer, project size and location, soil condition, panel types, and other factors.

Project timing in Q4 was stable on a portfolio basis, with some projects accelerating and some pushing out.

Rest of World

In Q4, we also achieved a strong bookings pace outside of the U.S.

In Q4, we signed contracts in 17 different countries globally and signed 39 new Utility and DG projects with capacities ranging up to 962 MW.

In Europe we had the strongest year ever delivering record breaking margin and believe we are now the market share leader.

In Latin America, we had a very solid year led by Brazil, and we extended our reach into new countries.

We had excellent gains and big wins in other markets including Australia, New Zealand, India, Saudi Arabia, and South Africa.

The global pipeline continues to grow, and we are seeing more countries installing solar.

Industry Update

There have been significant developments across the U.S. policy landscape since our last shareholder letter. New tariffs have been implemented, and in some cases quickly changed or removed, with respect to the flow of goods into the U.S. Nextracker is well positioned in this regard by virtue of our domestic supply chain, with dozens of facilities across the country.

However, certain key solar power plant components outside of Nextracker's scope, including solar panels and battery cells, are not yet domestically produced in volumes sufficient to meet the demand. Many of our customers are therefore exposed to potential price volatility with respect to these key components. We are hopeful that the administration will stabilize import tariffs in a manner that will allow projects to move forward within the envelope of their PPA and grid interconnection queue requirements, especially considering the critical role our industry plays in meeting increasing electricity demand.

There is also widespread speculation that some of the provisions in the Inflation Reduction Act may be modified or rescinded by Congress as part of an upcoming tax reconciliation process. During the past few months, we have been in frequent and intensive discussions with our customers, power industry leaders, and politicians on both sides of the aisle regarding the challenge we collectively face to meet surging electricity demand caused the rapid buildout of AI data centers, EVs, and building electrification.

We have found a strong consensus across political and philosophical boundaries that America needs an "all of the above" energy policy including a diversified mix of renewables, fossil fuels, and nuclear, to meet the country's increasing energy demands, maintain grid reliability, and support national security.

Solar and battery storage technologies, are quick to deploy and, when combined, provide firm power, accounted for 84% of new electrical capacity in 2024, due in part to their highly competitive cost structure and rapid deployment attributes.

We are hopeful that any changes to the IRA and other relevant energy policy will be done in a fashion that preserves our industry's ability to meaningfully contribute to meeting our nation's rapidly growing electricity demand.

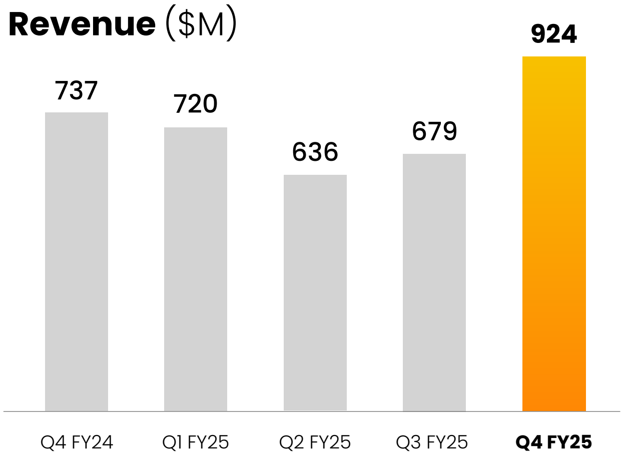
Photo: Forum Mobility


Photo: rPlus Energies

NX Horizon™ smart solar tracker featured at Janauba Solar Power Plant, Brazil (1.3 GW)

Financial Results

Revenue ($M)



+26% Q4 FY25 YoY

Revenue Mix

Revenue $M, except %	**Q4 FY24**	**Q1 FY25**	**Q2 FY25**	**Q3 FY25**	**Q4 FY25**
U.S.	**494**	**511**	**462**	**450**	**608**
YoY Change	27%	89%	21%	-19%	23%
RoW	**242**	**208**	**174**	**229**	**316**
YoY Change	89%	0%	-9%	48%	31%
U.S. %	**67%**	**71%**	**73%**	**66%**	**66%**
RoW %	**33%**	**29%**	**27%**	**34%**	**34%**

FY25 revenue increased 18% YoY to approximately $3 billion, driven by record Q4 revenue of $924 million, which increased 26% YoY. The geographic mix of total revenue for Q4 and FY25 was 66% and 69% U.S., respectively, and 34% and 31% Rest of World, respectively.

Q4 adjusted EBITDA expanded to a record $242 million, a 52% increase compared to this quarter last year, representing an adjusted EBITDA margin of 26%. FY25 adjusted EBITDA of $776 million, also a record, increased 49% YoY at a margin of 26%.

We generated $227 million of adjusted free cash flow in the quarter and $622 million of adjusted free cash flow for the full year.

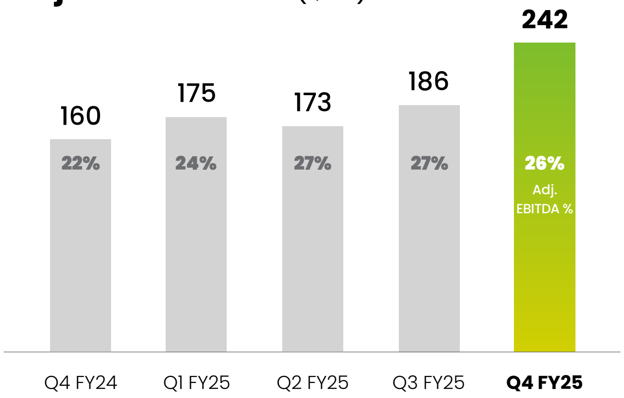
Our revenue mix is comprised of predominantly solar tracker system sales. In Q4, we again achieved significant YoY growth from sales of our TrueCapture® energy yield management system driven by a higher rate of commissioned projects. Looking forward, we continue to expect our TrueCapture revenue to be approximately 2% of total revenue.

CEO, Dan Shugar (fourth from right) participating in the Treaty Oak Clean Energy's Redfield Solar Facility groundbreaking: Grant County, Arkansas, USA

Profitability

$M, except % and per share	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Adj. Gross Profit	**222**	**241**	**228**	**245**	**309**
YoY Change	118%	109%	50%	15%	39%
Adj. Gross Margin	**30%**	**34%**	**36%**	**36%**	**33%**
Adj. EBITDA	**160**	**175**	**173**	**186**	**242**
YoY Change	120%	109%	57%	11%	52%
Adj. EBITDA Margin	**22%**	**24%**	**27%**	**27%**	**26%**
Adj. Diluted EPS	**0.96**	**0.93**	**0.97**	**1.03**	**1.29**
YoY Change		94%	49%	7%	**34%**

Adjusted EBITDA ($M)



+52% Q4 FY25 YoY

Q4 was a quarter of strong execution that exceeded our gross and operating margin targets. Execution benefits resulted primarily from higher than forecasted U.S. revenue mix and higher 45X credits, partially offset by higher operating expenses.

Q4 adjusted EBITDA was $242 million, a 52% increase from the prior year. Q4 adjusted EBITDA margin of 26% was up nearly 5 percentage points from the prior year, driven by 45X credits* of $75 million, partially offset by increased operating expenses.

Adjusted gross margins for the quarter expanded by approximately 3 percentage points from the prior year to 33% primarily due to 45X credits as mentioned above.

Adjusted operating expense, which includes R&D expense, was approximately 8% of total revenue in Q4. Sequentially, we increased our investment in both SG&A and R&D.

See Appendix for reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

** Q4 FY25 and Q3 FY25 GAAP and adjusted results include approximately $75 million and $52 million, respectively, of IRA 45X advanced manufacturing tax credit vendor rebates (45X credits). Q4 FY24 results do not include 45X credits.*

Q4 net interest and other income was $3 million, primarily driven by higher interest income on a higher average cash and cash equivalents balance, partially offset by tax-related other expense.

Our Q4 adjusted effective tax rate of approximately 20% benefited from an overall mix of profit at applicable tax rates across the regions we serve, executed tax credits related to the two foundations company acquisitions, and the implementation of transfer pricing strategies.

Q4 diluted share count was approximately 150 million shares, and adjusted diluted EPS was $1.29. Adjusted diluted EPS did not include stock-based compensation expense, intangible amortization, adjustment for taxes, and acquisition-related costs of $36 million in the quarter.

Quarterly Results

$M, except % and per share	Q4 FY25	Q3 FY25	Q4 FY24	YoY Change	FY25	YoY Change
Revenue	**924**	679	737	26%	2,959	18%
Adj. Gross Profit	**309**	245	222	39%	1,023	46%
Adj. Gross Margin	**33%**	36%	30%	3 pts	35%	6 pts
Adj. SG&A	**49**	47	45	8%	184	26%
Adj. SG&A %	5%	7%	6%	-1 pt	6%	0 pts
Adj. R&D	**22**	18	11	108%	71	105%
Adj. R&D %	2%	3%	1%	1 pt	2%	1 pt
Adj. Total Operating Expense	**71**	65	56	27%	255	42%
Adj. Total Operating Expense %	8%	10%	8%	0 pts	9%	1 pt
Adj. Operating Income	**238**	180	166	43%	769	47%
Adj. Operating Margin	**26%**	27%	23%	3 pts	26%	5 pts
Adj. EBITDA	**242**	186	160	52%	776	49%
Adj. EBITDA Margin	**26%**	27%	22%	5 pts	26%	5 pts
Adj. Net Income	**193**	154	142	36%	631	40%
Adj. Diluted EPS	**$1.29**	$1.03	$0.96	34%	$4.22	38%

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Balance Sheet and Cash Flow

Our strong balance sheet, cash flow generation, and ample liquidity remain competitive advantages. We closed the quarter with $766 million in total cash and zero debt.

We have a capital efficient business and remain focused on maintaining and improving our cash conversion cycle. Operating cash flow was $237 million in Q4 and capital expenditures were $10 million, driving adjusted free cash flow of $227 million in Q4 and $622 million for the full year.

During FY25, we funded acquisitions of approximately $152 million with cash from the balance sheet.

In our capital allocation model, we are prioritizing growth that includes both organic and M&A business strategies. In looking at M&A, we have a disciplined approach, focusing on our core competencies, technological differentiation, and value for customers.

Total liquidity at the end of Q4 increased to nearly $1.7 billion.

$M except % and CCC days	Q4 FY25	Q3 FY25	Q4 FY24	QoQ Change	YoY Change
Ending Cash & Cash Equivalents	**766**	694	474	10%	62%
Debt, Current & Long-Term	**0**	145	148	-100%	-100%
AR & Contract Assets	**878**	761	780	15%	13%
Inventories	**209**	217	202	-4%	4%
AP & Accrued Expenses	**682**	457	539	49%	27%
Net Working Capital	**358**	403	406	-11%	-12%
Cash Conversion Cycle	**44**	66	55	-33%	-19%
Adj. Free Cash Flow Conversion	**94%**	72%	71%	21 pts	23 pts
Cash From Operations	**237**	144	111	65%	113%
Capital Expenditures	**10**	9	2	13%	336%
Adjusted Free Cash Flow	**227**	135	113	68%	101%

Adjusted free cash flow defined as cash from operations less capital expenditures.

NWC defined as current assets minus total cash minus current liabilities excluding current portion of long-term debt.

Adjusted free cash flow conversion defined as adjusted free cash flow divided by adjusted EBITDA.

QoQ and YoY change percentages are calculated using rounded numbers in thousands.

See Appendix for reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

NX Anchor™ foundation solution tackles frost heave and expansive soils at Leeds Solar Farm in Maine

About Nextracker

We at Nextracker envision a world powered by renewable energy where clean, affordable power is available for all. Our mission is to be the most trusted and valued renewable energy company by delivering intelligent, reliable, and productive solar power.

Nextracker is a global leader of advanced solar technology solutions used in power plants around the world. Our products enable solar power plants to follow the sun's movement across the sky and optimize performance. With products operating in more than forty countries worldwide, Nextracker offers solar tracker technologies and innovative solutions that accelerate solar power plant construction, increase performance, and enhance long-term reliability.

Nextracker Product Portfolio

Tracker Systems

Nextracker offers customers the industry's most comprehensive smart solar tracker portfolio, optimized for all panels. Designed with independent-row and windproof architecture, Nextracker solutions deliver greater flexibility to reliably configure systems on project sites for industry-leading performance and maximum energy output across a broad range of project sites and weather conditions. Backed by Nextracker's global asset management, digital O&M services, and with more than 130 GW shipped, Nextracker is the trusted global market leader.

NX Horizon™

Field-proven performance and reliability

Learn More

Watch Video

Download Datasheet

NX Horizon-XTR™

Advanced terrain-following tracker

Learn More

Watch Video

Download Case Study

NX Horizon Hail Pro™

Industry-first solution to threat of hailstorms

Watch Video

Download Datasheet

Foundation Solutions

Nextracker's solar foundation systems are engineered to deliver high performance and reliability in all soil types — from hard rock to expansive soils. Advanced engineering and innovative design mitigate risk and ensure successful solar projects across all terrain while minimizing environmental impact and being light on land.

NX Anchor™

Unique blade pile and A-frame provide stability in soft and frost-prone soils

Download Datasheet

Watch Video

NX Earth Truss®

Precision engineered for rocky and variable soils, eliminating the need for pre-drilling

Download Datasheet

NX Foundation System Services

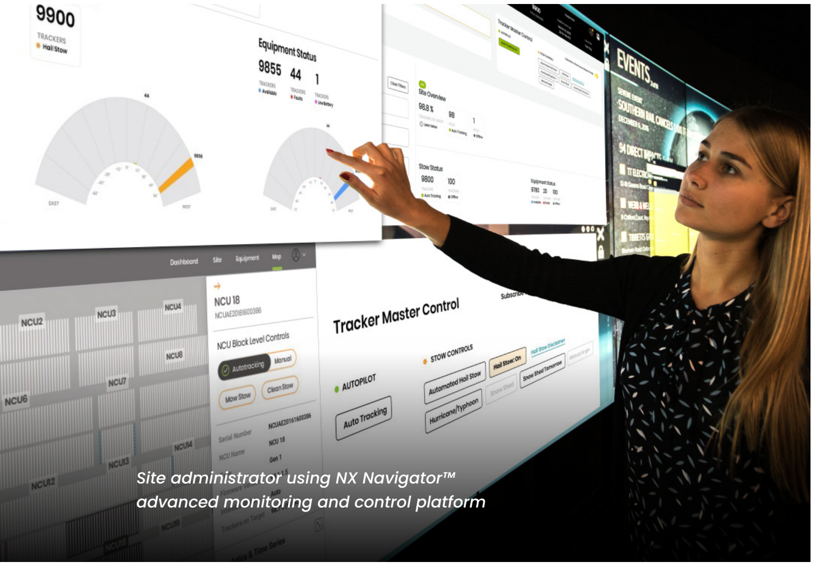
Offering full suite of services for solar foundations

Download Datasheet

Nextracker Product Portfolio

Energy Yield Management System and Controls

Our field-proven TrueCapture® energy yield management and NX Navigator™ advanced monitoring and control platforms are the most advanced in the solar tracker sector. Validated by independent engineers and embraced by financial institutions and developers, they have been successfully deployed across tens of gigawatts of solar power systems worldwide. **Learn More**



Site administrator using NX Navigator™ advanced monitoring and control platform

Global Services

Nextracker offers a complete range of services including project design, training, asset management, and spare parts. Our global team applies a data and customer-centric approach, delivering support and value across the entire project lifecycle. **Learn More**

A Global and Diversified Supply Chain

Nextracker's 130 GW+ shipments demonstrate the global scale of our supply chain. We have more than 80 GW shipped in the U.S. and more than 50 GW shipped globally.

Our annual global capacity remains over 80 GW, including over 50 GW of capacity in the U.S.

We have nearly 20 GW operational and under fulfillment in Latin America, and more than 15 GW in Middle East, India, and Africa regions combined.

We have started delivering piers and tubes from our regional manufacturing facility in Saudi Arabia. This facility was completed in record time and, once fully ramped up, will have an annual capacity of 36 GW.

We continue to expand our global supply chain network and are strategically positioned with more than 90 partnering facilities worldwide that manufacture and support our products and ongoing customer activities.

Robust Supply Chain with Unparalleled Capacity

130+	GW trackers shipped worldwide
40+	Countries served worldwide
90+	Facilities operated by more than 70 manufacturing partners
19	Countries with manufacturing partners
100%	U.S. domestic content*
95%	India domestic content

**Per U.S. Treasury Safe Harbor Guidance*

Go-to-Market Strategy and Operations

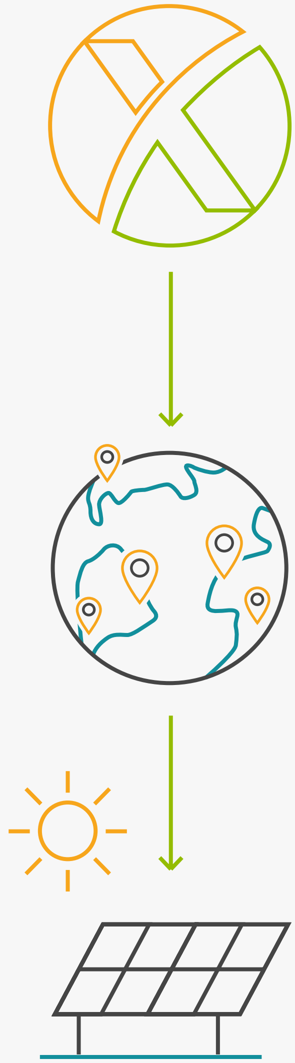
Nextracker provides intelligent, integrated utility-scale solutions to customers through a capex-light manufacturing model, in which most of our components are produced by outside qualified vendors through contract manufacturing agreements. We have more than 70 manufacturing partners operating over 90 facilities located in 19 countries across five continents.

Our sales and marketing strategy is focused on building long-term relationships with key parties involved in developing, building, owning, and maintaining utility-scale solar projects. We educate those parties on the benefits of our solutions, including increased energy yield performance, superior constructability, reliability, ease of maintenance, and advanced sensor capabilities compared to competing products.

Our customers include engineering, procurement, and construction firms (EPCs), as well as solar project developers and owners.

We have regional sales leaders based in each market that are supported by local project engineering teams and other specialists to help customers evaluate our solutions and optimize system designs in the context of local market characteristics.

Our globally-diversified operational footprint places sales, engineering, and key support functions in close proximity to major tracker markets around the world.



Nextracker is a global leader of advanced solar technology solutions used in power plants around the world. Our products enable solar power plants to follow the sun's movement across the sky and optimize performance. With products operating in more than forty countries worldwide, Nextracker offers solar tracker technologies and innovative solutions that accelerate solar power plant construction, increase performance, and enhance long-term reliability.

For more information, visit www.nextracker.com.

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Forward Looking Statements

This shareholder letter 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 including statements under the heading "Fiscal Year 2026 Outlook" of this letter; 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; projections regarding the U.S. and global demand for electricity and solar power 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 U.S. manufacturing and production volumes and domestic content capability; our bookings and backlog, including the recognition of our backlog; our ability to integrate our recent acquisitions, including Bentek Corporation, on the timelines we expect, and the benefits we expect for our customers and us; 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 shareholder letter.

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 impact of tariffs on our products and our customers; policy changes in the renewable energy industry under the current U.S. presidential administration; the reduction, elimination, alteration, or expiration of government incentives for or regulations mandating the use of, renewable energy and solar energy, the final rules and regulations applicable to IRA domestic content requirements and the accuracy of our interpretation of such requirements, including the IRA 45X vendor tax credit rebates, and the ability of taxpayers to transfer U.S. federal income tax credits in respect of the foregoing; 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 our business in general, see our periodic filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, our Quarterly Reports on Form 10Q for the fiscal quarters ended June 28, 2024, September 27, 2024 and December 31, 2024 and when available our Annual Report on Form 10K for the fiscal year ended March 31, 2025. Except as required by law, we assume no obligation and do not intend to update these forward-looking statements or to conform these statements to actual results or to changes in our expectations, even if new information becomes available in the future.

Use of Adjusted Financial Information

An explanation and reconciliation of non-GAAP financial measures to GAAP financial measures is presented in Schedules III, IV and V attached to this Shareholder Letter, and can be found, along with other financial information including the Q4 FY25 earnings press release, on the investor relations section of our website at investors.nextracker.com.

Channels for Disclosure of Information

Nextracker intends to announce material information to the public through the Nextracker Investor Relations website investors.nextracker.com, SEC filings, press releases, public conference calls, and public webcasts. Nextracker uses these channels to communicate with its investors, customers, and the public about the company, its offerings, and other issues. As such, Nextracker encourages investors, the media, and others to follow the channels listed above and to review the information disclosed through such channels.

Nextracker Inc.

Unaudited condensed consolidated statements of operations and comprehensive income

(In thousands, except per share data)

	Three-month periods ended	
	March 31, 2025	March 31, 2024
Revenue	$ 924,342	$ 736,515
Cost of sales	618,655	396,045
Gross profit	305,687	340,470
Selling, general and administrative expenses	86,794	56,706
Research and development	23,586	13,090
Operating income	195,307	270,674
Interest expense	2,353	3,845
Other income, net	(5,708)	(16,235)
Income before income taxes	198,662	283,064
Provision for income taxes	40,848	59,864
Net income and comprehensive income	157,814	223,200
Less: Net income attributable to non-controlling interests	1,020	18,037
Net income attributable to Nextracker Inc.	$ 156,794	$ 205,163
Earnings per share attributable to Nextracker Inc. common stockholders		
Basic	$ 1.08	$ 1.48
Diluted	$ 1.05	$ 1.51
Weighted-average shares used in computing per share amounts:		
Basic	144,888	138,389
Diluted	149,740	148,144

Nextracker Inc.
Unaudited condensed consolidated statements of operations and comprehensive income (continued)
(In thousands, except per share data)

	Twelve-month periods ended	
	March 31, 2025	March 31, 2024
Revenue	$ 2,959,197	$ 2,499,841
Cost of sales	1,950,372	1,686,792
Gross profit	1,008,825	813,049
Selling, general and administrative expenses	290,321	183,571
Research and development	79,392	42,360
Operating income	639,112	587,118
Interest expense	13,096	13,820
Other income, net	(22,000)	(34,699)
Income before income taxes	648,016	607,997
Provision for income taxes	130,770	111,782
Net income and comprehensive income	517,246	496,215
Less: Net income attributable to non-controlling interests	8,078	189,974
Net income attributable to Nextracker Inc.	$ 509,168	$ 306,241
Earnings per share attributable to Nextracker Inc. common stockholders		
Basic	$ 3.55	$ 3.97
Diluted	$ 3.47	$ 3.37
Weighted-average shares used in computing per share amounts:		
Basic	143,539	77,068
Diluted	149,276	147,284

Nextracker Inc.

Unaudited condensed consolidated balance sheets

(In thousands)

	As of March 31, 2025	As of March 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 766,103	$ 474,054
Accounts receivable, net of allowance of $1,472 and $3,872, respectively	472,462	382,687
Contract assets	405,890	397,123
Inventories	209,432	201,736
Section 45X credit receivable	215,616	125,415
Other current assets	88,483	187,220
Total current assets	2,157,986	1,768,235
Property and equipment, net	60,395	9,236
Goodwill	371,018	265,153
Other intangible assets, net	53,241	1,546
Deferred tax assets	498,778	438,272
Other assets	51,098	36,340
Total assets	$ 3,192,516	$ 2,518,782
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 585,299	$ 456,639
Accrued expenses	97,000	82,410
Deferred revenue	247,127	225,539
Current portion of long-term debt	—	3,750
Other current liabilities	104,086	123,148
Total current liabilities	1,033,512	891,486
Long-term debt, net of current portion	—	143,967
Tax receivable agreement (TRA) liability	394,879	391,568
Long-term deferred revenue	96,635	69,331
Other liabilities	39,360	30,402
Total liabilities	1,564,386	1,526,754
Total stockholders' equity	1,628,130	992,028
Total liabilities and stockholders' equity	$ 3,192,516	$ 2,518,782

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

	Three-month periods ended			Twelve-month periods ended	
	March 31, 2025	December 31, 2024	March 31, 2024	March 31, 2025	March 31, 2024
Cash flows from operating activities:					
Net income	$ 157,814	$ 117,374	$ 223,200	$ 517,246	$ 496,215
Depreciation and amortization of intangible assets	5,108	4,416	1,225	13,407	4,363
Changes in working capital and other, net	74,405	22,050	(112,933)	125,141	(71,605)
Net cash provided by operating activities	237,327	143,840	111,492	655,794	428,973
Cash flows from investing activities:					
Purchases of property and equipment	(10,080)	(8,941)	(2,310)	(33,921)	(6,160)
Payment for acquisitions, net of cash acquired	(7,500)	—	—	(152,175)	—
Purchase of intangible assets	—	—	(500)	—	(500)
Net cash used in investing activities	(17,580)	(8,941)	(2,810)	(186,096)	(6,660)
Cash flows from financing activities:					
Repayment of bank borrowings	(147,187)	(938)	2,813	(150,000)	—
Net proceeds from issuance of Class A shares	—	—	—	—	552,009
Purchase of LLC common units from Yuma, Inc.	—	—	—	—	(552,009)
Payment of revolver issuance costs	—	(2,302)	—	(6,017)	—
TRA payment	—	—	—	(15,520)	—
Distribution to non-controlling interest holders	—	—	(2,516)	(6,112)	(66,881)
Net transfers to Flex	—	—	—	—	(8,335)
Other financing activities	—	—	(2,743)	—	(3,051)
Net cash used in financing activities	(147,187)	(3,240)	(2,446)	(177,649)	(78,267)
Net increase in cash and cash equivalents	72,560	131,659	106,236	292,049	344,046
Cash and cash equivalents beginning of period	693,543	561,884	367,818	474,054	130,008
Cash and cash equivalents end of period	$ 766,103	$ 693,543	$ 474,054	$ 766,103	$ 474,054

	Three-month periods ended			Twelve-month periods ended	
Adjusted free cash flow	March 31, 2025	December 31, 2024	March 31, 2024	March 31, 2025	March 31, 2024
Net cash provided by operating activities	$ 237,327	$ 143,840	$ 111,492	$ 655,794	$ 428,973
Purchases of property and equipment	(10,080)	(8,941)	(2,310)	(33,921)	(6,160)
Other financing	—	—	3,750	—	3,750
Adjusted free cash flow	$ 227,247	$ 134,899	$ 112,932	$ 621,873	$ 426,563
Adjusted free cash flow conversion (1)	93.7 %	72.4 %	70.7 %	80.1 %	81.8 %

(1) Free cash flow conversion is calculated by dividing adjusted free cash flow by adjusted EBITDA for the same period. Refer to Schedule IV for the reconciliation of GAAP net income to adjusted EBITDA.

Nextracker Inc.
Reconciliation of GAAP to Non-GAAP Financial measures
(In thousands, except percentages and per share data)

	Three-month periods ended									
	March 31, 2025		December 31, 2024		September 27, 2024		June 28, 2024		March 31, 2024	
GAAP gross profit & margin	$ 305,687	33.1%	$ 240,903	35.5%	$ 224,795	35.4%	$ 237,440	33.0%	$ 340,470	46.2%
Stock-based compensation expense	2,582		3,084		2,481		3,780		3,096	
Intangible amortization	880		880		896		88		87	
Advanced manufacturing tax credit vendor rebate	—		—		—		—		(121,405)	
Adjusted gross profit & margin	$ 309,149	33.4%	$ 244,867	36.0%	$ 228,172	35.9%	$ 241,308	33.5%	$ 222,248	30.2%
GAAP operating income & margin	$ 195,307	21.1%	$ 150,236	22.1%	$ 133,475	21.0%	$ 160,094	22.2%	$ 270,674	36.8%
Stock-based compensation expense	40,114		26,980		29,885		21,901		16,889	
Intangible amortization	1,780		1,780		1,875		88		87	
Acquisition related costs	643		1,038		2,177		1,480		—	
Advanced manufacturing tax credit vendor rebate	—		—		—		—		(121,405)	
Adjusted operating income & margin	$ 237,844	25.7%	$ 180,034	26.5%	$ 167,412	26.3%	$ 183,563	25.5%	$ 166,245	22.6%
GAAP net income & margin	$ 157,814	17.1%	$ 117,374	17.3%	$ 117,264	18.5%	$ 124,794	17.3%	$ 223,200	30.3%
Stock-based compensation expense	40,114		26,980		29,885		21,901		16,889	
Intangible amortization	1,780		1,780		1,875		88		87	
Adjustment for taxes	(6,980)		6,550		(6,274)		(9,644)		23,567	
Acquisition related costs	643		1,038		2,177		1,480		—	
Advanced manufacturing tax credit vendor rebate	—		—		—		—		(121,405)	
Adjusted net income & margin	$ 193,371	20.9%	$ 153,722	22.6%	$ 144,927	22.8%	$ 138,619	19.3%	$ 142,338	19.3%
GAAP net income & margin	$ 157,814	17.1%	$ 117,374	17.3%	$ 117,264	18.5%	$ 124,794	17.3%	$ 223,200	30.3%
Interest, net	(6,544)		(1,865)		455		(1,292)		988	
Provision for income taxes	40,848		42,842		19,928		27,152		59,864	
Depreciation expense	3,328		2,636		1,067		853		1,138	
Intangible amortization	1,780		1,780		1,875		88		87	
Stock-based compensation expense	40,114		26,980		29,885		21,901		16,889	
Acquisition related costs	643		1,038		2,177		1,480		—	
Advanced manufacturing tax credit vendor rebate	—		—		—		—		(121,405)	
Other tax related loss (income), net	4,514		(4,413)		—		—		(21,138)	
Adjusted EBITDA & margin	$ 242,497	26.2%	$ 186,372	27.4%	$ 172,651	27.2%	$ 174,976	24.3%	$ 159,623	21.7%
GAAP selling, general and administrative expenses	$ 86,794	9.4%	$ 70,573	10.4%	$ 72,127	11.3%	$ 60,827	8.4%	$ 56,706	7.7%
Intangible amortization	900		900		979		—		—	
Stock-based compensation expense	36,346		21,482		25,417		15,287		11,476	
Acquisition costs	643		1,038		2,177		1,480		—	
Adjusted selling, general and administrative expenses	$ 48,905	5.3%	$ 47,153	6.9%	$ 43,554	6.9%	$ 44,060	6.1%	$ 45,230	6.1%
GAAP research and development	$ 23,586	2.6%	$ 20,094	3.0%	$ 19,193	3.0%	$ 16,519	2.3%	$ 13,090	1.8%
Stock-based compensation expense	1,186		2,414		1,987		2,834		2,317	
Adjusted research and development	$ 22,400	2.4%	$ 17,680	2.6%	$ 17,206	2.7%	$ 13,685	1.9%	$ 10,773	1.5%
GAAP operating expenses	$ 110,380	11.9%	$ 90,667	13.3%	$ 91,320	14.4%	$ 77,346	10.7%	$ 69,796	9.5%
Intangible amortization	900		900		979		—		—	
Stock-based compensation expense	37,532		23,896		27,404		18,121		13,793	
Acquisition costs	643		1,038		2,177		1,480		—	
Adjusted operating expenses	$ 71,305	7.7%	$ 64,833	9.5%	$ 60,760	9.6%	$ 57,745	8.0%	$ 56,003	7.6%

Diluted earnings per share					
GAAP	$ 1.05	$ 0.79	$ 0.79	$ 0.84	$ 1.51
Earnings per share attributable to Non-GAAP adjustments	0.24	0.24	0.18	0.09	(0.55)
Adjusted	$ 1.29	$ 1.03	$ 0.97	$ 0.93	$ 0.96
Diluted shares used in computing per share amounts	149,740	149,028	149,079	149,233	148,144

	Twelve-month periods ended					
	March 31, 2025			March 31, 2024		
GAAP gross profit & margin	$	1,008,825	34.1%	$	813,049	32.5%
Stock-based compensation expense		11,927			10,764	
Intangible amortization		2,744			275	
Advanced manufacturing tax credit vendor rebate		—			(121,405)	
Adjusted gross profit & margin	$	1,023,496	34.6%	$	702,683	28.1%
GAAP operating income & margin	$	639,112	21.6%	$	587,118	23.5%
Stock-based compensation expense		118,880			56,783	
Intangible amortization		5,523			275	
Acquisition related costs		5,338			—	
Advanced manufacturing tax credit vendor rebate		—			(121,405)	
Adjusted operating income & margin	$	768,853	26.0%	$	522,771	20.9%
GAAP net income & margin	$	517,246	17.5%	$	496,215	19.8%
Stock-based compensation expense		118,880			56,783	
Intangible amortization		5,523			275	
Adjustment for taxes		(16,348)			19,527	
Acquisition related costs		5,338			—	
Advanced manufacturing tax credit vendor rebate		—			(121,405)	
Adjusted net income & margin	$	630,639	21.3%	$	451,395	18.1%
GAAP net income & margin	$	517,246	17.5%	$	496,215	19.8%
Interest, net		(9,246)			2,124	
Provision for income taxes		130,770			111,782	
Depreciation expense		7,884			4,088	
Intangible amortization		5,523			275	
Stock-based compensation expense		118,880			56,783	
Acquisition related costs		5,338			—	
Advanced manufacturing tax credit vendor rebate		—			(121,405)	
Other tax related loss (income), net		101			(28,397)	
Adjusted EBITDA & margin	$	776,496	26.2%	$	521,465	20.9%
GAAP selling, general and administrative expenses	$	290,321	9.8%	$	183,571	7.3%
Intangible amortization		2,779			—	
Stock-based compensation expense		98,532			38,325	
Acquisition costs		5,338			—	
Adjusted selling, general and administrative expenses	$	183,672	6.2%	$	145,246	5.8%
GAAP research and development	$	79,392	2.7%	$	42,360	1.7%
Stock-based compensation expense		8,421			7,694	
Adjusted research and development	$	70,971	2.4%	$	34,666	1.4%
GAAP operating expenses	$	369,713	12.5%	$	225,931	9.0%
Intangible amortization		2,779			—	
Stock-based compensation expense		106,953			46,019	
Acquisition costs		5,338			—	
Adjusted operating expenses	$	254,643	8.6%	$	179,912	7.2%
Diluted earnings per share						
GAAP	$	3.47		$	3.37	
Earnings per share attributable to Non-GAAP adjustments		0.75			(0.31)	
Adjusted	$	4.22		$	3.06	
Diluted shares used in computing per share amounts		149,276			147,284	

Nextracker Inc.

Notes

To supplement Nextracker's unaudited selected financial data presented consistent with U.S. Generally Accepted Accounting Principles ("GAAP"), the Company discloses certain non-GAAP financial measures that exclude certain charges and gains, including adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA"), adjusted EBITDA margin, adjusted gross profit, adjusted gross margin, adjusted operating income, adjusted operating margin, adjusted net income, adjusted diluted earnings per share, adjusted free cash flow, adjusted free cash flow conversion, adjusted selling, general and administrative expense, adjusted research and development, and adjusted total operating expense. These supplemental measures exclude certain legal and other charges, stock-based compensation expense and intangible amortization, other discrete events as applicable and the related tax effects. These non-GAAP measures are not in accordance with or an alternative for GAAP and may be different from non-GAAP measures used by other companies. We believe that these non-GAAP measures have limitations in that they do not reflect all the amounts associated with Nextracker's results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Nextracker's results of operations in conjunction with the corresponding GAAP measures. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the most directly comparable GAAP measures. We compensate for the limitations of non-GAAP financial measures by relying upon GAAP results to gain a complete picture of the Company's performance.

In calculating non-GAAP financial measures, we exclude certain items to facilitate a review of the comparability of the Company's operating performance on a period-to-period basis because such items are not, in our view, related to the Company's ongoing operational performance. We use non-GAAP measures to evaluate the operating performance of our business, for comparison with forecasts and strategic plans, for calculating return on investment, and for benchmarking performance externally against competitors. In addition, management's incentive compensation is determined using certain non-GAAP measures. Since we find these measures to be useful, we believe that investors benefit from seeing results "through the eyes" of management in addition to seeing GAAP results. We believe that these non-GAAP measures, when read in conjunction with the Company's GAAP financials, provide useful information to investors by offering:

- the ability to make more meaningful period-to-period comparisons of the Company's ongoing operating results;
- the ability to better identify trends in the Company's underlying business and perform related trend analysis;
- a better understanding of how management plans and measures the Company's underlying business; and
- an easier way to compare the Company's operating results against analyst financial models and operating results of competitors that supplement their GAAP results with non-GAAP financial measures.

The following are explanations of each of the adjustments that we incorporate into non-GAAP measures, as well as the reasons for excluding each of these individual items in the reconciliations of these non-GAAP financial measures:

Stock-based compensation expense consists of non-cash charges for the estimated fair value of unvested restricted share unit and stock option awards granted to employees. The Company believes that the exclusion of these charges provides for more accurate comparisons of its operating results to peer companies due to the varying available valuation methodologies, subjective assumptions, and the variety of award types. In addition, the Company believes it is useful to investors to understand the specific impact stock-based compensation expense has on its operating results.

Intangible amortization consists primarily of non-cash charges that can be impacted by, among other things, the timing and magnitude of acquisitions. The Company considers its operating results without these charges when evaluating its ongoing performance and forecasting its earnings trends, and therefore excludes such charges when presenting non-GAAP financial measures. The Company believes that the assessment of its operations excluding these costs is relevant to its assessment of internal operations and comparisons to the performance of its competitors.

The 45X Advanced Manufacturing Production Tax Credit ("45X Credit") which was established as part of the Inflation Reduction Act (IRA), is a per-unit tax credit earned over time for each clean energy component domestically produced and sold by a manufacturer. The 45X Credit was eligible for domestic parts manufactured after January 1, 2023. The Company has executed agreements with certain suppliers to ramp up its U.S. manufacturing footprint. These suppliers produce 45X Credit eligible parts, including torque tubes, and structural fasteners, that will then be incorporated into a solar tracker. The Company has contractually agreed with these suppliers to share a portion of the credit related to Nextracker's purchases. The Company accounts for these credits as a reduction of the purchase price of the parts acquired from the vendor and therefore a reduction of inventory until the part is sold, at which point the Company recognizes such credit as a reduction of cost of sales on the unaudited condensed consolidated statements of operations and comprehensive income. During the fourth quarter of fiscal 2024, the Company determined the amount of the 45X vendor rebates it expects to receive in accordance with the vendor contracts and recognized a cumulative reduction to cost of sales of $121.4 million related to 45X Credit vendor rebates earned on production of eligible components shipped to projects starting on January 1, 2023 through March 31, 2024. The Company believes that the assessment of its operations excluding the benefit from the vendor credits provides a more consistent comparison of its performance given the cumulative nature of the amount recorded in the fiscal fourth quarter. Beginning in the first quarter of fiscal year 2025, these 45X credit vendor rebates are not excluded from our non-GAAP financial measures.

Acquisition costs consist primarily of nonrecurring transaction costs for business acquisitions.

Adjustment for taxes relates to the tax effects of the various adjustments that we incorporate into non-GAAP measures to provide a more meaningful measure on non-GAAP net income and certain adjustments related to non-recurring settlements of tax contingencies or other non-recurring tax charges, when applicable.