Shareholder Letter

NEXTPOWER

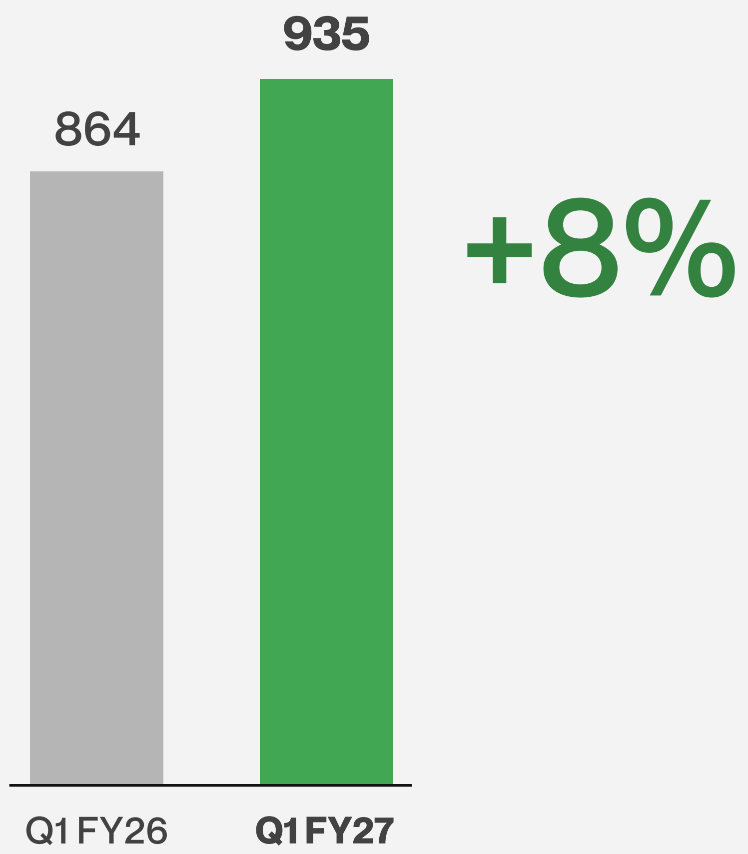
Q1 FY2027

July 30, 2026

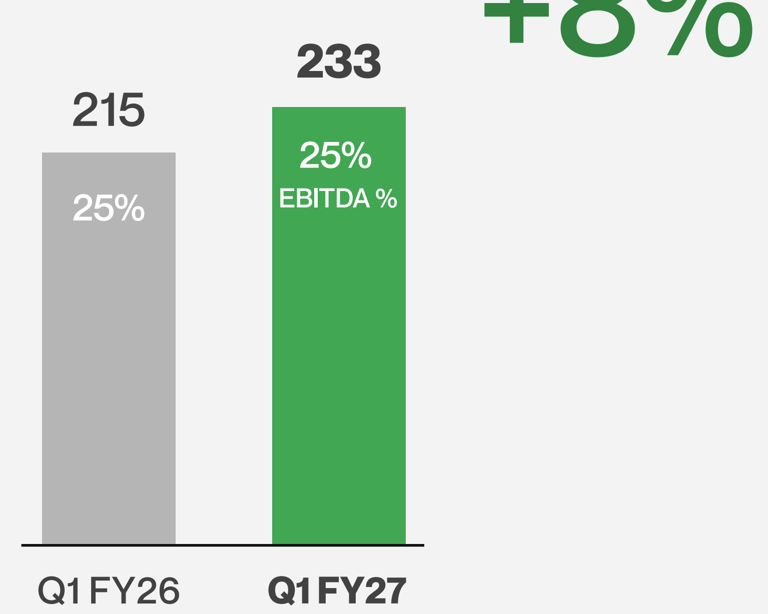
Financial Highlights

Performance Through Q1 FY27

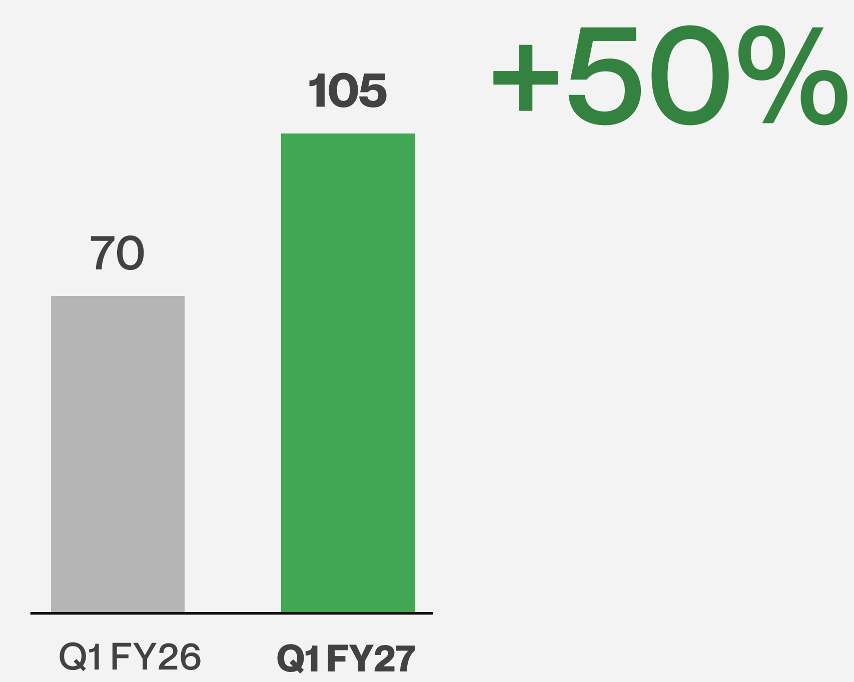
Revenue ($M)



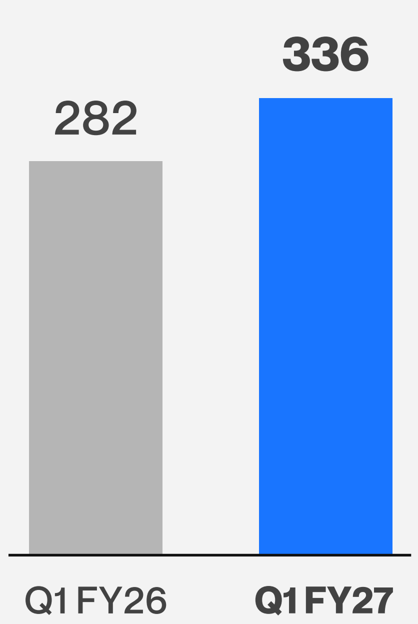
Adjusted EBITDA ($M)



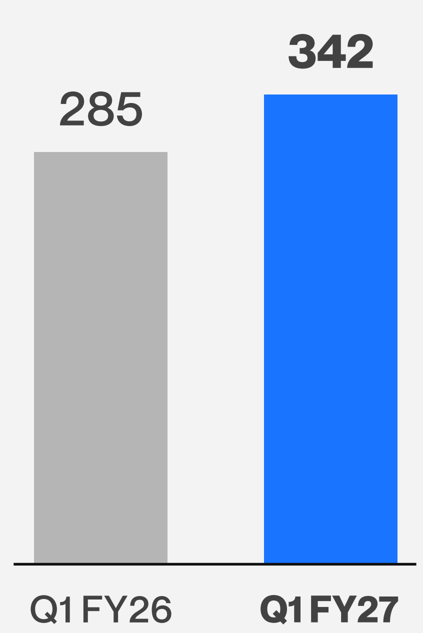
Adjusted Free Cash Flow ($M)



GAAP Gross Profit ($M)



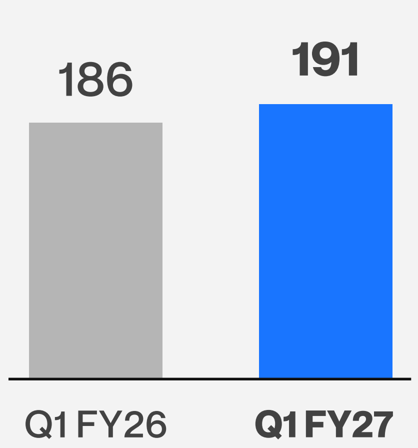
Adjusted Gross Profit ($M)



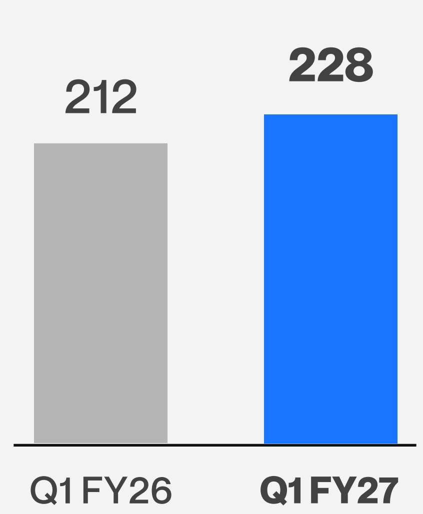
Financial Highlights

- 8% YoY growth in revenue to $935 million
- $342 million adjusted gross profit; $233 million adjusted EBITDA
- Strong balance sheet with approximately $1.2 billion in total cash and cash equivalents and no debt
- 50% YoY growth in adjusted free cash flow to $105 million

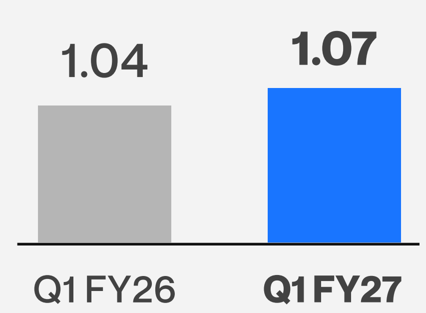
GAAP Operating Income ($M)



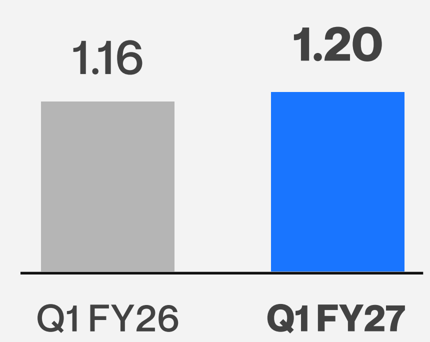
Adjusted Operating Income ($M)



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.

YoY change percentages are calculated using rounded numbers in thousands.

Cover Photo: Golden Triangle I and II Solar Plus Storage Projects in Mississippi


NX Horizon-XTR™ terrain following tracker

Dear Nextpower Shareholder,

We are pleased to share highlights from the first quarter of fiscal year 2027. On our earnings conference call, we will provide short opening remarks followed by a Q&A session. We look forward to speaking with you on our call, scheduled for July 30 at 2:00 p.m. PT.

Nextpower delivered strong Q1 financial performance, including record revenue with continued bookings momentum, driven by growing demand for our core tracker products, disciplined execution by our global team, expanding market share, and increasing attach rate of new products across our power technology platform. Customers are responding positively to our strategy of offering integrated solutions that enhance value across the entire project life cycle in multiple applications, including utility-scale solar, energy storage, and data centers.

Global demand for electricity continues to surge, driven by the "electrification of everything," highlighting the need for more scalable, reliable, and resilient energy infrastructure. The combination of utility-scale solar power and battery energy storage is delivering the majority of new firm power generation capacity globally, driven by a structural cost advantage and rapid time-to-power deployment. With our recent energy storage and power conditioning acquisitions, Nextpower is at the epicenter of this new energy industry paradigm. As the market approaches terawatt-scale solar and storage combined annual deployment volumes, Nextpower is positioned to provide our customers with fully integrated, high-performing, reliable energy infrastructure solutions at scale.

Our corporate focus has always revolved around maximizing customer value. For most of our history, that meant developing tracker technologies that helped our customers reduce Levelized Cost of Energy (LCOE) by accelerating installation, improving reliability, reducing risk, and enhancing yield. We believe that the success of this customer-centric approach is reflected in our sustained market leadership. According to Wood Mackenzie*, Nextpower was recognized for the eleventh consecutive year in 2025 as the global solar tracker leader with 55% market share in the U.S. and 30% market share globally.

Nextpower's leading tracker market position and deep customer relationships provide a scaled, global market footprint across which to drive growth of our integrated platform. As projects become larger and more complex, we are now offering our

*Through 2025 based on GW trackers shipped – Wood Mackenzie Ltd., Global Solar PV Tracker Market Share 2026 and Wood Mackenzie Ltd., 2026, The Global PV Tracker Landscape 2016: Prices, Forecasts, Market Shares and Vendor Profiles, October 2016 customers comprehensive, integrated solutions comprising foundations, trackers, eBOS, module frames, power conditioning, storage, digital, robotics, and a suite of associated life-cycle services. As we roll out these new products and services, we are seeing strong customer adoption and increasing attach rates. eBOS is a clear example—a little over a year after acquiring and launching the product line, we have delivered multiple quarters of record bookings and revenue, including this quarter, and remain on track to generate well over $100 million of revenue this year. This reflects the capability of our engineering, sales, and operations teams as well as the deep relationships and trust we have built with customers over the years.

We believe that the expansion of our technology platform creates a flywheel effect that strengthens both our customer value proposition and our long-term growth opportunity. By solving complex tracker-related project challenges, we have achieved market leadership, earned repeat business from Tier 1 customers, and deployed our technology on approximately 2,000 projects totaling more than 160 gigawatts globally. Each project deepens our insight into the evolving needs of utility-scale solar and storage customers, helping us develop and deliver solutions that address additional customer needs over time. Supported by our investment-grade credit profile and strong cash generation, we are able to invest in both organic and inorganic innovation that broadens our market reach, increases our participation in each project, and strengthens customer relationships. Our recently announced strategic initiatives across trackers, foundations, digital, eBOS, robotics, module frames, power conditioning, storage, and an expanded European footprint follow the same logic: solve customer problems, expand our addressable opportunity, increase project scope, and drive durable revenue and profit growth.

Looking ahead, we believe Nextpower is well positioned to help address the challenges associated with expanding global electricity demand. Our customer-centric innovation and execution model has built our market-leading tracker franchise and is now driving adoption of our integrated technology platform.

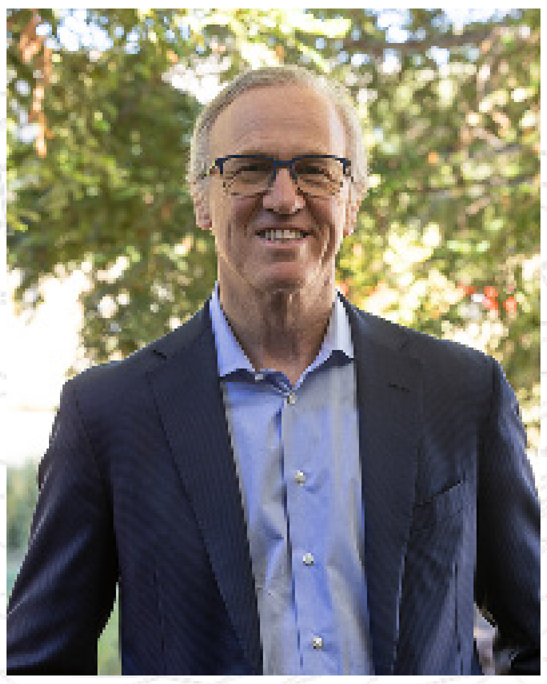
As our business momentum continues, we believe Nextpower can deliver more—more value for customers, more project scope, and more value for shareholders.

We will be hosting our second Capital Markets Day on November 16th at RE+ in Las Vegas, where we will provide an update to our 2030 outlook that will reflect a material acceleration due to our strong market momentum, recent strategic acquisitions, and exemplary operational execution. We look forward to seeing many of you there.

Thank you to our customers, partners, employees, and shareholders for your continued support.

Sincerely,

Dan Shugar
Founder & CEO



Howard Wenger
President

Chuck Boynton
CFO

Q1 FY2027 Results

Q1 revenue increased 8% YoY to $935 million, with adjusted EBITDA of $233 million, also up 8% over the same period. Geographic revenue mix for the quarter was approximately 83% U.S. and 17% Rest of World, compared with 69% U.S. and 31% Rest of World for Q1 FY26.

We once again delivered solid adjusted free cash flow of $105 million, up 50% YoY, and maintained a strong cash balance of $1.2 billion of cash and cash equivalents and no debt.

We continue to see strong demand for our products. Our sales team delivered another quarter of strong bookings, resulting in a record backlog of over $5.5 billion.

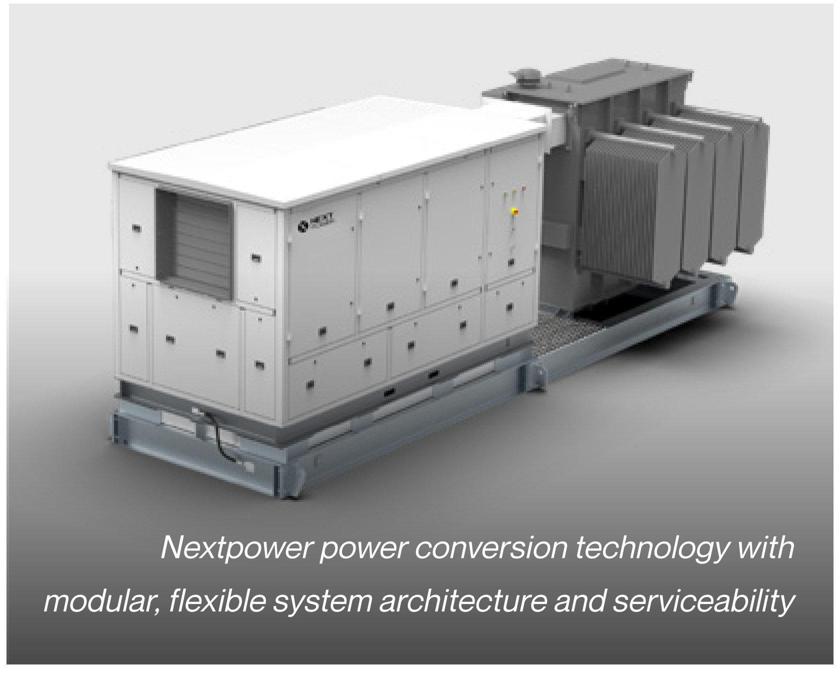
See Appendix for reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

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

Revenue +8% YoY	Adjusted EBITDA +8% YoY	Backlog
$935 Million	$233 Million	>$5.5 Billion

Nokh Power Plant (306 MW), Rajasthan, India

Business Highlights



Nextpower power conversion technology with modular, flexible system architecture and serviceability

Zimmermann PV-Steel Group's 195 MWp Fixed Tilt PV System in Bartow, Germany

NX PowerMerge™ next-generation trunk combiner

NX Earth Truss™ integrated foundation solution on AC Ranch, Permian Basin, New Mexico

Corporate Updates

- Expanded into energy storage solutions through the acquisition of Prevalon, broadening Nextpower's opportunity across solar-plus-storage, standalone storage, and data center power infrastructure (closed in July 2026)
- Added inverter and power conversion capabilities through the acquisition of key assets of Zigor Corporation's inverter business and its U.S.-based subsidiary, Apex Power, enabling Nextpower to serve a broader portion of the electrical architecture for utility-scale solar and energy storage projects (closed in July 2026)
- Announced the pending acquisition of Zimmermann PV-Steel Group, which, upon closing, is expected to expand Nextpower's offering with five new product lines, extending the Company's reach into 15 additional countries, and create new commercial channels for Nextpower's complementary products
- Maintained the #1 U.S. and global tracker market share for the 11th consecutive year according to Wood Mackenzie*, growing share to 55% in the U.S. and to 30% globally

Market Momentum

- Grew backlog to more than $5.5 billion, reflecting strong customer demand and bookings momentum across core tracker products and accelerating growth in complementary platform technologies. Prevalon, closed in July 2026, adds incremental backlog significantly above $300 million.
- Delivered record quarterly eBOS bookings, with eBOS revenue on track to exceed well over $100 million for the year, achieved UL certification of NX PowerMerge™ and grew cumulative PowerMerge bookings to over 850 MW.
- Delivered record TrueCapture® revenue, reflecting continued adoption of Nextpower's differentiated software and control capabilities
- Expanded Nextpower's global project footprint, adding projects in three new countries during the quarter and bringing cumulative country coverage to more than 50. Upon closing, the pending Zimmermann acquisition is expected to extend Nextpower's reach into 15 additional countries
- Increased revenue from non-tracker products to approximately 14% of total revenue, reflecting contribution from complementary technologies across Nextpower's platform

Product Updates

- Received UL certification for NX PowerMerge, achieving an important milestone in advancing commercial deployment of Nextpower's eBOS portfolio
- Received UL certification for Apex's inverter system, supporting broad commercialization of our power conversion products in the U.S. market
- Expanded international product portfolio with NX Anchor™ and 2P tracker solutions in Europe

*Through 2025 based on GW trackers shipped – Wood Mackenzie Ltd., Global Solar PV Tracker Market Share 2026 and Wood Mackenzie Ltd., 2026, The Global PV Tracker Landscape 2016: Prices, Forecasts, Market Shares and Vendor Profiles, October 2016

Fiscal Year 2027 Outlook

For FY27, we have increased our revenue outlook to be in the range of $4.1 billion to $4.4 billion. Adjusted EBITDA is expected to be in the range of $870 million to $930 million, and adjusted diluted EPS is expected to be in the range of $4.42 to $4.73 per share.

Our outlook includes a planned incremental investment of approximately $50 million related to growth initiatives, primarily in the acceleration of our entry into the power conversion market. We believe this strategy should yield a very strong return on investment and, importantly, a strong return on invested capital as we accelerate this business.

For the remainder of FY27, we expect revenue to increase modestly on a sequential basis each quarter, with the strongest weighting in Q4. From a margin perspective, we expect some quarterly variability driven by timing and mix-related factors, including higher steel and logistics costs. We expect tariff-related benefits to return toward more normalized levels. In Q2 specifically, we expect margins to reflect the initial impact of Prevalon and the Apex/Zigor transactions, and the costs of 45X monetization. These dynamics are reflected in our outlook, and we expect FY27 gross margins to continue to be in the low 30s and operating margins in the low 20s.

Our outlook assumes the current U.S. policy environment remains intact and that permitting processes and timelines will remain consistent with historical levels. We are closely monitoring potential updates to federal and state public policies and regulatory actions, which could impact project timing, investment decisions, and our financial results.

Our increased outlook is supported by several key factors, including the strength and diversity of our backlog, a continued flight to quality among our customers, strong demand traction of our expanding portfolio of products and services, and the proven execution capability of our global team.

	Updated Outlook	Previous Outlook
Revenue	$4.1 to $4.4B	$4.0 to $4.4B
GAAP Net Income	$540 to $573M	$507 to $573M
GAAP Diluted EPS	$3.42 to $3.64	$3.22 to $3.64
Adjusted EBITDA	$870 to $930M	$845 to $930M
Adjusted Diluted EPS	$4.42 to $4.73	$4.30 to $4.73

Additional Modeling Assumptions

- 45X incentives and tariffs will continue for the full year
- Other income, net of $30 to $35 million
- GAAP Effective Tax Rate of 22%, Adjusted Effective Tax Rate of 21%
- Weighted Average Shares Outstanding of approximately 158 million
- Adjusted EBITDA range of $870 million to $930 million includes approximately $50 million of costs related to the acceleration of our entry into the power conversion market, and excludes approximately $199 million for stock-based compensation, net intangible amortization, and acquisition related costs

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

Major Growth Initiatives: Expanding Our Platform to Enhance Customer Value

Over the past three months we have announced three new major growth initiatives in the areas of power conversion, energy storage, and an expansion of our European market footprint. With these acquisitions, Nextpower will be able to provide our customers with fully integrated, high-performing, reliable energy infrastructure solutions across an expanded range of applications.

Targeted Acquisitions Expand Our Market Access and Technology Platform

Each initiative adds an established product, team, or market channel that addresses a clear customer need and accelerates our route to market. We believe Nextpower can strengthen these businesses by applying our customer relationships, engineering, software, supply chain, and global scale. Together, they expand our participation across projects and provide identifiable opportunities to improve performance and economics over time.

Acquisition	Rationale & Success Drivers	Expected Financial Profile	Expected Synergy
Power Conversion (Zigor/Apex – Acquisition Closed)	**Market-ready products** designed for reliability & serviceability Serves **solar, storage, and data center** applications **Domestic manufacturing** to address cybersecurity & FEOC / PFE supply chain concerns	**Significant 45x** contribution as U.S. manufacturing scales **Investment** to scale: ~$50M P&L impact over the next four quarters **Meaningful profit dollars** per watt contribution with **expanding margins over time**	**Proven technology and team** complement our innovation roadmap **Completes solar platform,** major elements now in place Leverages NXT's plant connectivity for **enhanced performance visibility**
Energy Storage (Prevalon – Acquisition Closed)	**Large TAM and rapid market growth,** including new data center applications **Established platform and track record,** led by an experienced team Strong **customer base overlap** with Nextpower	Current **backlog > $300 M** Low **double-digit operating margins** today **Expanding margins** over time with increased software and power conversion attach **Meaningful profit dollars** per watt contribution	Enables **integrated firm power offer** with NXT PCS and plant-level controls **Enhanced bankability** for BESS customers **Cost leverage** through NXT global supply chain
European Expansion (Zimmermann – Acquisition Pending)	Five new products effectively **double addressable market** in Europe **Expanded market access** into approximately 15 additional countries **Established footprint**: >20 GW across >2,500 projects	Annual **revenue run rate of ~ €300 million** post close Annual **EBITDA run rate of ~ €45 million** post close High single digit expected growth rates	**Cross-selling opportunity** across trackers, eBOS, power conversion, storage. **Local engineering and supply chain** experience **Respected EU Brand**, especially in Germany

Power Conversion: A Key Customer Pain Point

Our decision to enter the power conversion space began with our customers. For years, as we worked with leading developers, EPCs, utilities, and asset owners, we heard repeatedly that their inverter and PCS products were not providing the required level of reliability, serviceability, and long-term operational availability. Project assets are expected to operate for decades, and when power conditioning systems underperform or fail, asset owners can be subjected to significant economic impact. In a market where system uptime, reliability, and availability have become increasingly critical to achieving the expected financial results, power conversion systems have become one of the most important customer pain points.

Power conversion technology has also become increasingly critical to modern grid infrastructure, with very significant penetration by utility-scale solar systems on many grids and rapidly increasing energy storage deployment. These assets are now required to support and stabilize the grid during times of peak demand, setting the bar even higher for inverter and PCS reliability and availability.

Our goal is to deliver inverter and PCS systems that provide industry-leading uptime and dependable performance, helping asset owners improve project returns and providing best-in-class reliability and availability to enhance utility grid resilience.

Apex inverters have now achieved full UL certification to complement their existing IEC qualification, allowing Nextpower to immediately address market demand in the U.S. as well as most of our key global markets. Nextpower will focus on rapidly scaling manufacturing capacity to meet strong customer demand in both solar and energy storage applications while continuing to drive our longer-term innovation roadmap.

In addition to their focus on best-in-class reliability and serviceability, our customers are keenly interested in sourcing domestically-produced power conversion products for reasons of supply chain predictability, bankability, cybersecurity, and serviceability. The Company is in advanced stages of developing both domestic Nextpower manufacturing operations as well complementary contract manufacturing relationships, with deliveries ramping in early 2027 and over 10 GW of capacity expected to be online within twelve months. Our operations team is highly focused on rapidly building out a scalable and flexible supply chain to respond to strong customer interest.

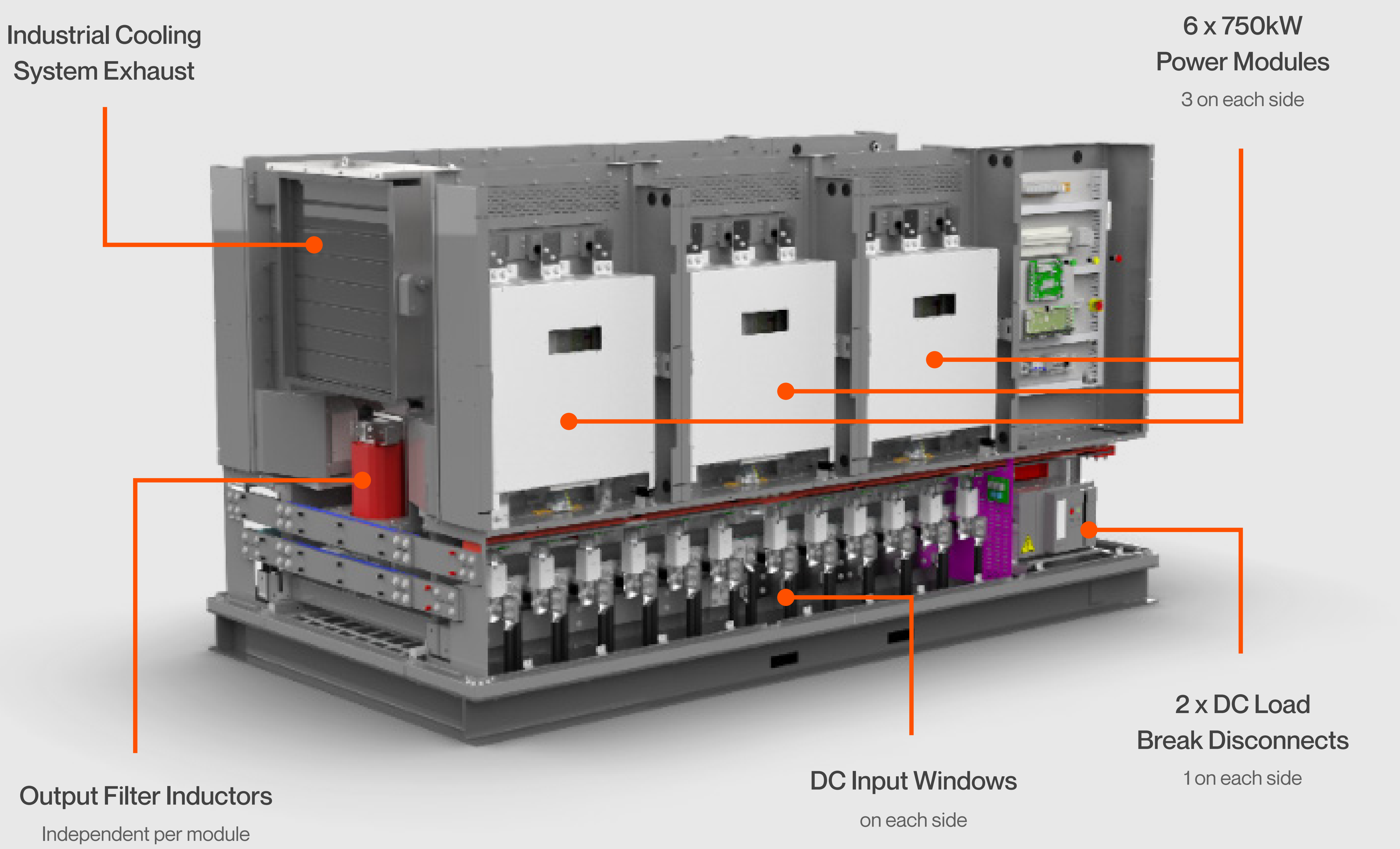
Our entry into power conversion technology represents a natural extension of Nextpower's platform, particularly in light of our Prevalon energy storage acquisition. Not only do these technologies expand our existing product portfolio, they position the company at the nerve center of the modern grid, enabling customer value creation across key grid interconnection nodes and system control strategies.

Designed for modern utility-scale solar plants, the Nextpower solar inverter expands our integrated platform with flexible architecture, high performance, and long-term serviceability, helping customers reduce life cycle complexity while supporting long-term growth

The logic of this acquisition follows the same customer-led playbook that has guided our M&A strategy to date: listen to customers, identify critical pain points, invest in differentiated technology, and scale via Nextpower's leading global footprint and trusted customer relationships.

Solutions for Utility-scale Solar

Key Features



Nextpower battery storage paired with NX Horizon® solar tracker in the Atacama desert, Chile

Energy Storage: The Next Growth Frontier

With the acquisition of Prevalon Energy, which closed approximately two weeks ago, Nextpower entered the battery energy storage business and established Nextpower Energy Storage as a new business unit.

As the percentage of solar power contribution to the overall peak electricity generation capacity continues to grow, our customers need tools to store, control, and deliver power into the grid when it is most needed. Energy storage technology has become a critical tool to manage grid congestion, shift solar generation to higher value "shoulder" periods, support grid reliability, and enable flexible, dispatchable, firm power infrastructure. Prevalon's energy storage platform addresses these needs with integrated energy storage systems, power electronics, advanced controls, energy management software, and lifecycle services.

Nextpower Energy Storage represents a scaled and proven platform, with more than 6 GWh deployed and contracted, 35+ projects, and capabilities across utilities, IPPs, developers, industrial infrastructure, grid modernization, resiliency, and AI data-center-applications. Like solar power, energy storage is a highly competitive, large scale, and rapidly maturing market. As our approach in solar power, our strategy is not to compete as a commodity component supplier, but to innovate at the system level around the battery stack, and to differentiate through superior supply chain execution, solid reliability and availability, and customer-centric life cycle service strategies. The Prevalon acquisition provides a strong springboard from which to launch our energy storage business, and we plan to enhance that platform by integrating our power conversion innovation roadmap including next-generation power conversion technology, software, and controls.

The logic behind the Prevalon acquisition was also customer-driven. Most of our existing customers are already incorporating storage into their solar projects and are also active with standalone storage projects.

Nextpower Energy Storage expands our ability to serve our solar customers with a broader set of integrated solutions, while expanding our customer base to include hyperscalers, stand-alone storage developers, and a large range of utility customers.

Nextpower Energy Storage also adds an important lifecycle services component to our platform. Energy storage systems typically require higher levels of ongoing service compared with solar only systems, including predictable future upgrades or augmentations. Prevalon brings a set of existing services capabilities including commissioning, remote monitoring, diagnostics, preventive maintenance, spare parts, performance support, and capacity augmentation. We believe that we can achieve meaningful economies of operational scale and accelerated response times by combining these service capabilities into Nextpower's global service organization already serving over 160 GW of projects in over 50 countries.

Beyond solar and storage applications, we see an exciting opportunity to serve data center power systems, where customers need the ability to follow very rapid power demand fluctuations with high operational reliability and availability, all backed by an industrial grade, bankable supply chain. Prevalon's hybrid power stabilizer (HPS) products and deep historical experience with leading Tier 1 power systems suppliers position us well to grow this business, which we view as an attractive upside to Nextpower's legacy applications.

Zimmermann PV-Group's Fixed Tilt-PV Mounting System in Osterberg, Germany

Expanded European Footprint and Platform Cross-Sell

We expect our announced acquisition of Zimmermann PV-Steel Group, when closed, to expand Nextpower's product portfolio, customer reach, and project scope across Europe, which is a key market for Nexpower. Upon closing, Zimmermann is expected to add five complementary product offerings to Nextpower's portfolio: fixed-tilt systems, floating PV systems, AgriPV systems, high-density 1P trackers, and wire management solutions. Europe is a highly diverse solar market, with project design strategies shaped by land use, permitting, terrain, customer economics, and regional requirements.

Nextpower has a historically strong market presence in projects and markets which favor tracker technology, while Zimmermann has a strong presence in markets that are dominated by fixed tilt support structures, including Germany, which represented around 20% of Europe's total ground-mount solar PV market in 2025. Across Europe, fixed tilt systems are used on around half of all ground mounted systems. Zimmermann also has mature product solutions for emerging AgriPV and floating PV applications.

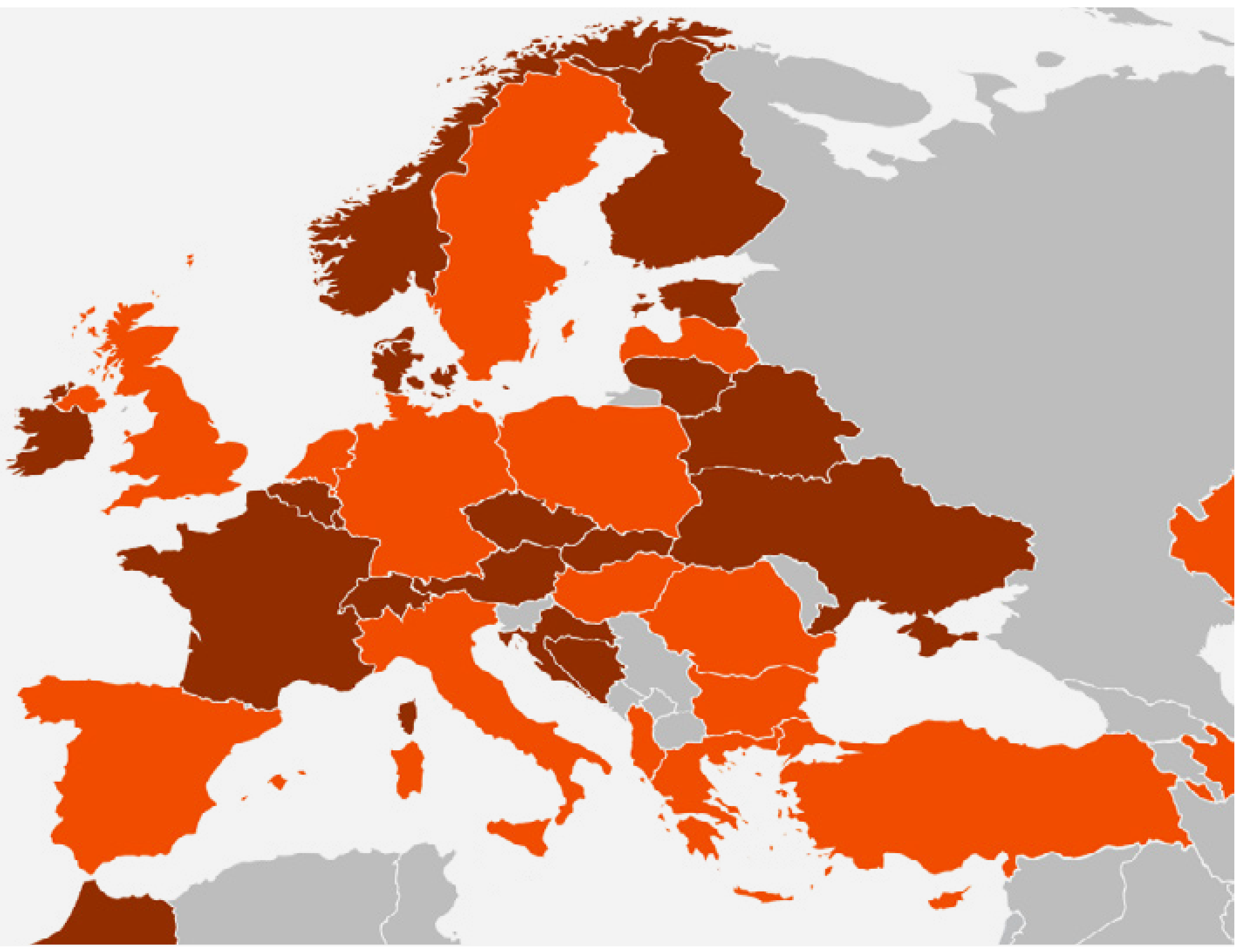
Zimmermann brings a proven go-to-market platform to Nextpower, with over 20 gigawatts deployed across more than 2,500 contracted projects. We expect the acquisition to materially expand our European footprint, with established channels across developers, EPCs, IPPs, and DG customers, extending Nextpower's reach into more than 15 additional countries. This incremental market access creates opportunities to cross-sell our broader platform, including trackers, eBOS, PowerMerge, power conversion, storage, software, and future technologies, to hundreds of existing and new customers. In Germany, Europe's largest market, where the Company was founded and headquartered, Zimmermann has a widely recognized and trusted brand, which we plan to preserve.

In short, we expect the Zimmermann acquisition, when closed, to expand our presence and reach in Europe, and to leverage their channel and customer base to enable opportunities to cross-sell eBOS, power conversion, storage, software, and other platform technologies.

Zimmermann Significantly Expands Nextpower's European footprint*

Expanded Market Coverage

- Existing Nextpower footprint
- Incremental Zimmermann countries



*Zimmermann acquisition pending closing

NX Horizon® supports higher bifacial energy production through design features that increase backside irradiance and minimize structural shading

Financial Highlights

Financial Results

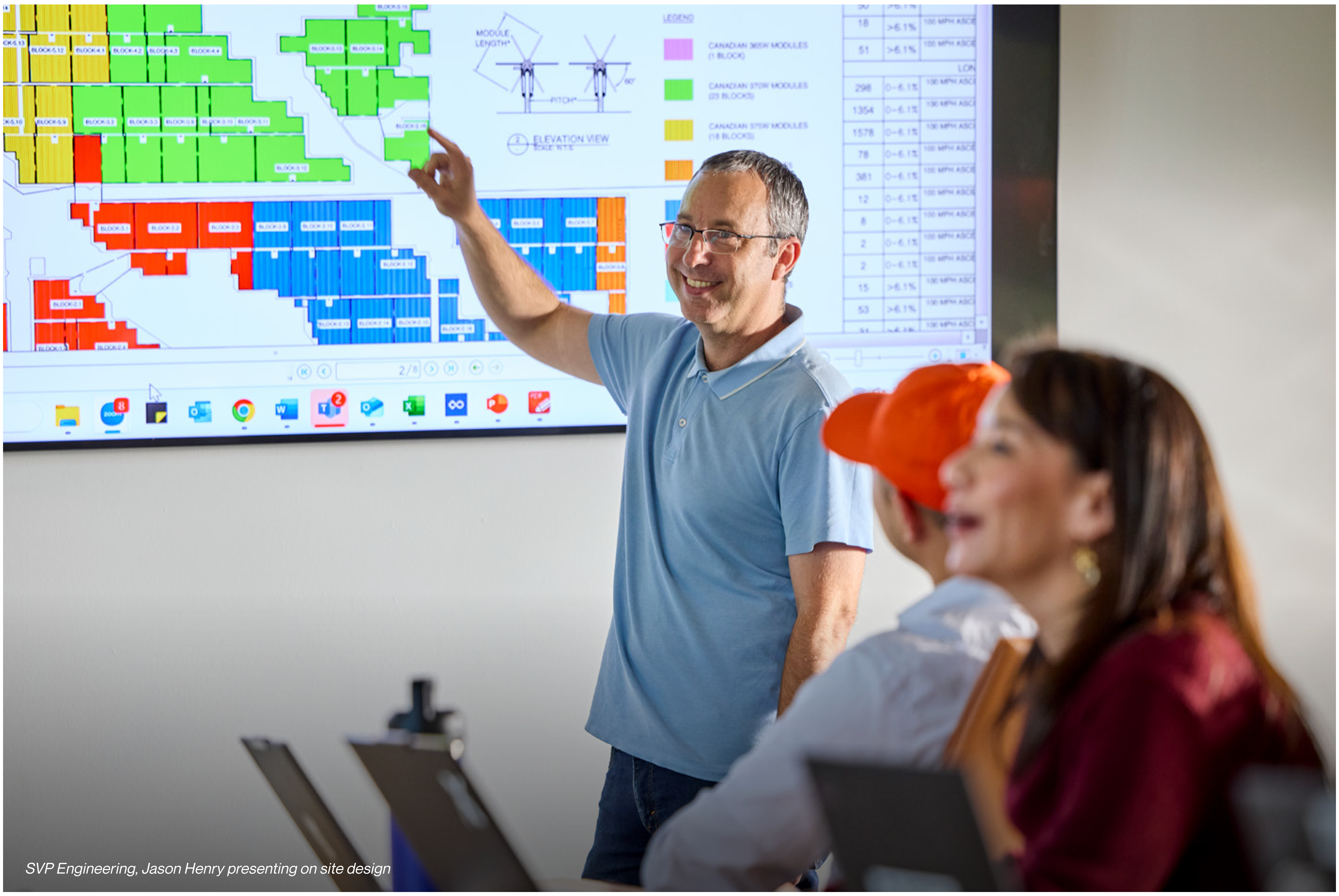
Q1 FY27 revenue increased to a record $935 million, representing a growth of 8% YoY and 6% sequentially. The geographic mix of total revenue for Q1 was 83% U.S. and 17% Rest of World.

Our revenue mix is comprised predominantly of solar tracker system sales. In addition, in Q1 we recognized revenue for TrueCapture®, eBOS, foundations, robotic solutions, and other. In Q1 FY27, the growth in our non-tracker platform solutions sales was higher than our solar tracker system sales, a trend we expect to continue, driven by our strong and expanding sales in our foundations and eBOS offerings. Solar tracker system sales were approximately 86% of total revenue, and non-tracker sales were approximately 14% of total revenue.

Revenue ($M)

Revenue Mix

Revenue $M, except %	Q1 FY26	Q2 FY26	Q3 FY26	Q4 FY26	Q1 FY27
U.S.	599	687	735	709	776
YoY Change	17%	49%	63%	17%	29%
RoW	265	218	174	171	160
YoY Change	27%	26%	-24%	-46%	-40%
U.S. %	69%	76%	81%	81%	83%
RoW %	31%	24%	19%	19%	17%



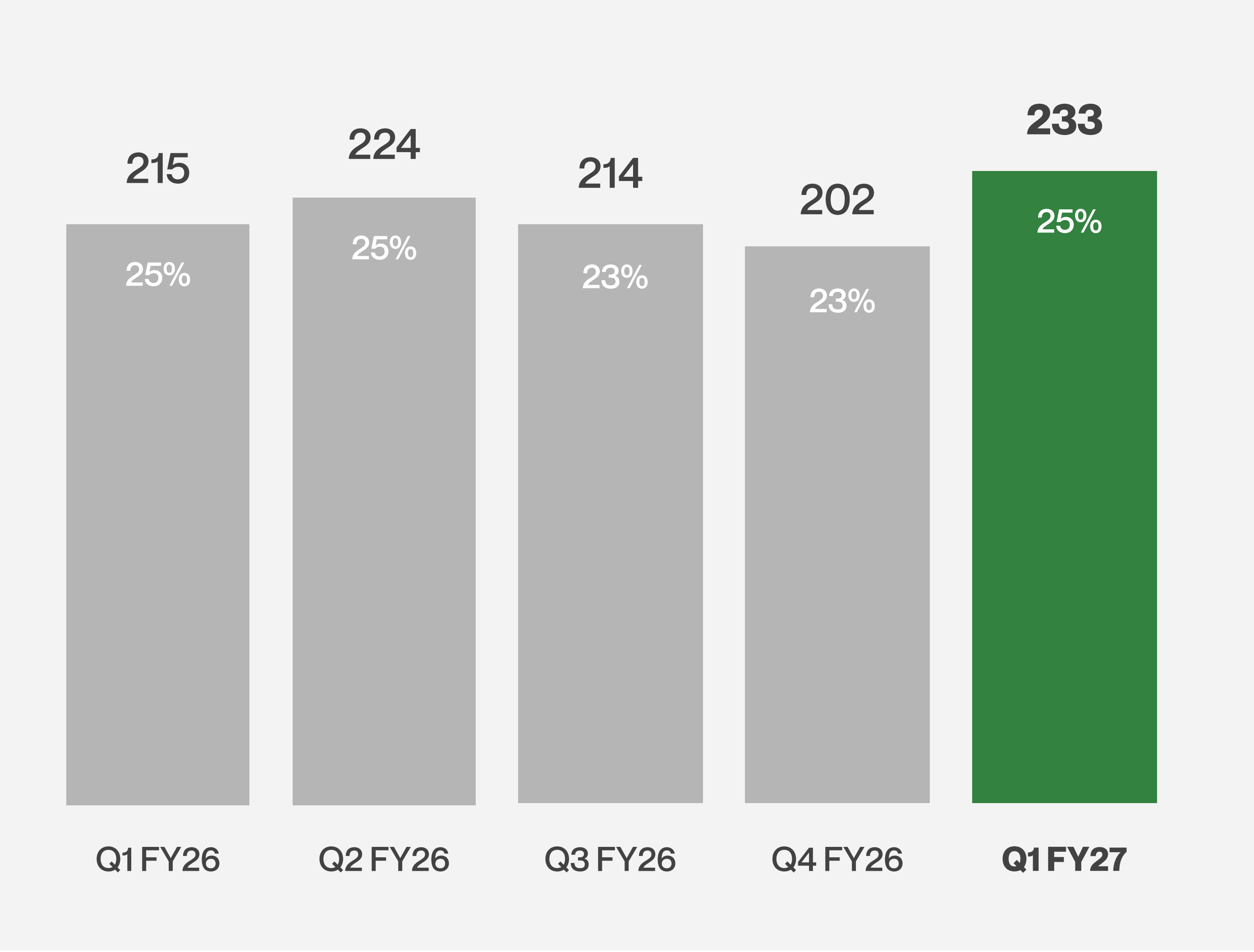
SVP Engineering, Jason Henry presenting on site design

Financial Results

Q1 saw solid execution that exceeded our gross margin targets, benefiting from accelerated TrueCapture® growth and tariff recoveries. Q1 adjusted EBITDA was $233 million, representing growth of 8% compared to the prior year driven by higher gross margins, partially offset by higher operating expenses as we expanded our platform and increased our investment in research and development. Q1 adjusted EBITDA margin of 25% was in-line compared to the prior year.

Adjusted operating expense, which includes R&D expense, was approximately 12% of total revenue in Q1, an increase of approximately four percentage points YoY. Sequentially, our operating expense as a percent of revenue was flat compared to the prior quarter.

Adjusted EBITDA ($M)



Profitability

$M, except % and per share	Q1 FY26	Q2 FY26	Q3 FY26	Q4 FY26	Q1 FY27
Adj. Gross Profit	285	300	295	304	342
YoY Change	18%	31%	20%	-2%	20%
Adj. Gross Margin	33%	33%	32%	35%	37%
Adj. EBITDA	215	224	214	202	233
YoY Change	23%	29%	15%	-17%	8%
Adj. EBITDA Margin	25%	25%	23%	23%	25%
Adj. Diluted EPS	$1.16	$1.19	$1.10	$1.05	$1.20
YoY Change	25%	23%	7%	-19%	3%

The Solarkraft Freienwill project in Germany showcases ZIMMERMANN PV-Steel Group's agrivoltaic technology, enabling large-scale solar generation while preserving productive agricultural land

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

*Q1 FY26, Q2 FY26, Q3 FY26, Q4 FY26, and Q1 FY27 results include approximately $82 million, $67 million, $53 million, $47 million, and $99 million, respectively, of IRA 45X advanced manufacturing tax credit vendor rebates ('45X credits') and tariffs, net.

Financial Results

Our Q1 adjusted effective tax rate of approximately 21% benefited from an overall mix of profit at applicable tax rates across the regions we serve, executed tax credits related to acquisitions, and the implementation of transfer pricing strategies.

For Q1 FY27, weighted average diluted share count was approximately 155 million shares, and adjusted diluted EPS was $1.20, excluding stock-based compensation expense, intangible amortization, and acquisition-related and other costs of approximately $37 million, net of impacts for tax.

Quarterly and Fiscal Year Results

$M, except % and per share	**Q1 FY27**	Q4 FY26	Q1 FY26	YoY Change
Revenue	**935**	881	864	8%
Adj. Gross Profit	**342**	304	285	20%
Adj. Gross Margin	**37%**	35%	33%	4 pts
Adj. SG&A	**74**	68	53	38%
Adj. SG&A %	**8%**	8%	6%	2 pts
Adj. R&D	**40**	40	20	103%
Adj. R&D %	**4%**	4%	2%	2 pts
Adj. Total Operating Expense	**114**	108	73	56%
Adj. Total Operating Expense %	**12%**	12%	8%	4 pts
Adj. Operating Income	**228**	196	212	8%
Adj. Operating Margin	**24%**	22%	24%	0 pts
Adj. EBITDA	**233**	202	215	8%
Adj. EBITDA Margin	**25%**	23%	25%	0 pts
Adj. Net Income	**186**	162	176	6%
Adj. Diluted EPS	**$1.20**	$1.05	$1.16	3%

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.

Featured technology: NX Horizon® on a utility-scale solar plant

Financial Results

Our strong balance sheet, solid cash flow generation, and ample liquidity remain competitive advantages. We closed the quarter with over $1.2 billion in total cash and cash equivalents and no debt.

We operate a capital-efficient business and remain focused on maintaining and improving our cash conversion cycle. Our investment-grade credit rating speaks to the strength of our balance sheet and capital structure.

Operating cash flow was $121 million in Q1, and capital expenditures were $16 million, driving adjusted free cash flow of $105 million.

Our capital allocation priorities are consistent with our long-standing approach: investments in organic growth and M&A remain our top priorities. We have a disciplined M&A approach, focusing on our core competencies, technological differentiation, and value for customers. Return of capital to shareholders remains the third pillar of our capital allocation framework, and we retain flexibility under our Board-approved $500 million share repurchase authorization while continuing to prioritize organic growth and disciplined M&A.

Capital Allocation Priorities:

1. Organic Growth
2. M&A
3. Return to Shareholders

Balance Sheet and Cash Flow

$M, except % and CCC days	Q1 FY27	Q4 FY26	Q1 FY26	QoQ Change	YoY Change
Ending Cash & Cash Equivalents	**1,214**	1,095	743	11%	63%
Debt, Current & Long-Term	**-**	-	-		
AR & Contract Assets	**1,052**	950	938	11%	12%
Inventories	**262**	262	227	0%	15%
AP & Accrued Expenses	**649**	664	667	-2%	-3%
Net Working Capital	**688**	588	458	17%	50%
Cash Conversion Cycle	**61**	57	46	7%	34%
Adj. Free Cash Flow Conversion	**45%**	76%	33%	-31 pts	13 pts
Operating Cash Flow	**121**	171	81	-29%	49%
Capital Expenditures	**16**	18	11	-11%	41%
Adjusted Free Cash Flow	**105**	154	70	-32%	50%

Net working capital 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.

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

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.

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 statements of historical fact are forward-looking statements, including (but not limited to), statements regarding: our financial and operating outlook and guidance, including under the heading “Fiscal Year 2027 Outlook”; our strategies, mission, plans, objectives and goals; market demand for our products, solutions and services, including our offerings; trends in energy demand and solar adoption; our ability to grow our core tracker business; our bookings and backlog, including our ability to convert backlog into revenue; our competitiveness and global market share; our expansion into energy storage solutions, power conversion, data center power infrastructure and our ability to provide integrated solutions across solar, energy storage and data center applications; expected benefits of the Prevalon and Apex/Zigor acquisitions and the proposed acquisition of Zimmermann PV-Steel Group and other recent acquisitions, including benefits our customers may realize as a result of integrating these businesses and assets into Nextpower’s; the benefits of UL certification for NX PowerMerge and the Apex inverter system; and the expansion of our international product portfolio with NX Anchor™ and 2P tracker solutions in Europe; our ability to compete in existing and new markets; projections regarding U.S. and global demand for electricity and solar power, and our addressable market; macroeconomic trends; growth opportunities and plans for future operations, products and services; the impact and integration of artificial intelligence, machine learning and advanced robotics technologies; anticipated benefits from our share repurchase program; and expectations regarding the impact of the U.S. policy and regulatory environment on our business, as well as other statements that address events or developments we expect or believe 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 and import duties 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 regulations mandating or promoting the use of, renewable energy and solar energy; the near and long-term impacts on our business caused by the "One Big Beautiful Bill Act," Executive Orders, or other regulatory or public policy actions, including those related to permitting solar projects, "safe harbor" rules that influence investment decisions and project timelines, and restrictions on eligibility for 45X and investment tax credits relating to foreign entities of concern (FEOC); 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 tariffs and import duties; 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 ability to complete the pending acquisition of Zimmermann PV-Steel Group and to satisfy the transaction’s closing conditions, including obtaining the requisite government approvals; our ability to integrate our recently completed acquisitions and to realize their anticipated benefits and synergies; the market demand for our products, solutions and services and our ability to deliver them to customers; projections regarding the U.S. and global demand for electricity and solar power; 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, 2026, and when available, our Quarterly Report for the quarter ended July 3, 2026. 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 Q1 FY27 earnings press release, on the investor relations section of our website at investors.nextpower.com.

Channels for Disclosure of Information

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

Unaudited condensed consolidated statements of operations
(In thousands, except per share data)

	Three-month periods ended	
	July 3, 2026	June 27, 2025
Revenue	$ 935,170	$ 864,253
Cost of sales	599,317	582,527
Gross profit	335,853	281,726
Selling, general and administrative expenses	100,438	73,936
Research and development	44,508	21,560
Operating income	190,907	186,230
Interest expense	253	1,216
Other income, net	(8,271)	(5,953)
Income before income taxes	198,925	190,967
Provision for income taxes	33,570	33,784
Net income	165,355	157,183
Earnings per share:		
Basic	$ 1.10	$ 1.06
Diluted	$ 1.07	$ 1.04
Weighted-average shares used in computing per share amounts:		
Basic	150,778	147,631
Diluted	155,142	150,901

Nextpower Inc.

Unaudited condensed consolidated balance sheets
(In thousands)

	As of July 3, 2026	As of March 31, 2026
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,213,898	$ 1,094,976
Accounts receivable, net of allowance of $2,164 and $2,078, respectively	444,711	417,043
Contract assets	607,382	533,257
Inventories	261,625	262,276
Section 45X credit receivable	311,560	352,598
Other current assets	189,070	186,406
Total current assets	3,028,246	2,846,556
Property and equipment, net	89,183	78,356
Goodwill	488,950	488,950
Other intangible assets, net	80,640	78,046
Deferred tax assets	509,009	511,815
Other assets	66,179	69,489
Total assets	$ 4,262,207	$ 4,073,212
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 535,974	$ 533,490
Accrued expenses	112,955	130,133
Deferred revenue	319,837	307,492
Other current liabilities	157,596	192,747
Total current liabilities	1,126,362	1,163,862
Tax receivable agreement (TRA) liability	373,811	372,659
Long-term deferred revenue	113,007	102,493
Other liabilities	91,924	99,801
Total liabilities	1,705,104	1,738,815
Total stockholders' equity	2,557,103	2,334,397
Total liabilities and stockholders' equity	$ 4,262,207	$ 4,073,212

Unaudited condensed consolidated statements of cash flows
(In thousands)

	Three-month periods ended		
	July 3, 2026	March 31, 2026	June 27, 2025
Cash flows from operating activities:			
Net income	$ 165,355	$ 150,603	$ 157,183
Depreciation and amortization of intangible assets	8,766	9,016	5,789
Changes in working capital and other, net	(53,062)	11,809	(81,648)
Net cash provided by operating activities	121,059	171,428	81,324
Cash flows from investing activities:			
Payment for business acquisitions, net of cash acquired	—	(525)	(86,413)
Purchases of property and equipment	(15,899)	(17,814)	(11,258)
Purchase of equity method investment	—	(9,430)	—
Other investing activities	(6,000)	(787)	(400)
Net cash used in investing activities	(21,899)	(28,556)	(98,071)
Cash flows from financing activities:			
Proceeds from exercises of options awards	26,008	—	—
TRA payment	—	—	(2,944)
Distribution to former non-controlling interest holder	—	—	(3,010)
Payment of acquisition deferred purchase price	(6,246)	(125)	—
Repurchase of common stock	—	(395)	—
Net cash provided by (used in) financing activities	19,762	(520)	(5,954)
Net increase in cash and cash equivalents	118,922	142,352	(22,701)
Cash and cash equivalents beginning of period	1,094,976	952,624	766,103
Cash and cash equivalents end of period	$ 1,213,898	$ 1,094,976	$ 743,402

	Three-month periods ended		
Adjusted free cash flow	July 3, 2026	March 31, 2026	June 27, 2025
Net cash provided by operating activities	$ 121,059	$ 166,963	$ 81,324
Purchases of property and equipment	(15,899)	(13,349)	(11,258)
Adjusted free cash flow	$ 105,160	$ 153,614	$ 70,066
Adjusted free cash flow conversion (1)	45.2%	76.1%	32.6%

(1) Adjusted 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.

Reconciliation of GAAP to Non-GAAP financial measures
(In thousands, except percentages and per share data)

	Three-month periods ended									
	July 3, 2026		March 31, 2026		December 31, 2025		September 26, 2025		June 27, 2025	
GAAP gross profit & margin	$ 335,853	35.9%	$ 297,377	33.8%	$ 288,132	31.7%	$ 292,860	32.4%	$ 281,726	32.6%
Stock-based compensation expense	4,445		4,530		4,851		5,077		2,238	
Intangible amortization	1,985		1,958		1,976		1,649		1,159	
Adjusted gross profit & margin	$ 342,283	36.6%	$ 303,865	34.5%	$ 294,959	32.4%	$ 299,586	33.1%	$ 285,123	33.0%
GAAP operating income & margin	$ 190,907	20.4%	$ 153,586	17.4%	$ 176,105	19.4%	$ 181,345	20.0%	$ 186,230	21.5%
Stock-based compensation expense	29,638		32,480		33,855		31,653		22,310	
Intangible amortization	3,375		3,718		3,272		2,918		2,059	
Acquisition related costs	4,148		6,276		398		2,577		1,079	
Adjusted operating income & margin	$ 228,068	24.4%	$ 196,060	22.3%	$ 213,630	23.5%	$ 218,493	24.1%	$ 211,678	24.5%
GAAP net income & margin	$ 165,355	17.7%	$ 150,603	17.1%	$ 131,236	14.4%	$ 146,861	16.2%	$ 157,183	18.2%
Stock-based compensation expense	29,638		32,480		33,855		31,653		22,310	
Intangible amortization	3,375		3,718		3,272		2,918		2,059	
Adjustment for taxes	(16,254)		(32,719)		857		(3,420)		(7,129)	
Acquisition related costs	4,148		6,276		398		2,577		1,079	
Other	—		1,385		—		—		—	
Adjusted net income & margin	$ 186,262	19.9%	$ 161,743	18.4%	$ 169,618	18.7%	$ 180,589	19.9%	$ 175,502	20.3%
GAAP net income & margin	$ 165,355	17.7%	$ 150,603	17.1%	$ 131,236	14.4%	$ 146,861	16.2%	$ 157,183	18.2%
Interest, net	(9,159)		(8,679)		(9,565)		(5,911)		(5,371)	
Debt extinguishment cost	—		—		—		5,121		—	
Provision for income taxes	33,570		9,032		49,263		35,864		33,784	
Depreciation expense	5,391		5,298		5,164		4,443		3,730	
Intangible amortization	3,375		3,718		3,272		2,918		2,059	
Stock-based compensation expense	29,638		32,480		33,855		31,653		22,310	
Acquisition related costs	4,148		6,276		398		2,577		1,079	
Other tax related loss, net	—		1,254		—		—		—	
Other	235		1,817		—		—		—	
Adjusted EBITDA & margin	$ 232,553	24.9%	$ 201,799	22.9%	$ 213,623	23.5%	$ 223,526	24.7%	$ 214,774	24.9%
GAAP selling, general and administrative expenses	$ 100,438	10.7%	$ 100,625	11.4%	$ 82,733	9.1%	$ 84,626	9.3%	$ 73,936	8.6%
Intangible amortization	1,390		1,760		1,296		1,269		900	
Stock-based compensation expense	21,168		24,398		25,075		24,039		18,492	
Acquisition related costs	4,148		6,276		398		2,577		1,079	
Adjusted selling, general and administrative expenses	$ 73,732	7.9%	$ 68,191	7.7%	$ 55,964	6.2%	$ 56,741	6.3%	$ 53,465	6.2%
GAAP research and development	$ 44,508	4.8%	$ 43,166	4.9%	$ 29,294	3.2%	$ 26,889	3.0%	$ 21,560	2.5%
Stock-based compensation expense	4,025		3,552		3,929		2,537		1,580	
Adjusted research and development	$ 40,483	4.3%	$ 39,614	4.5%	$ 25,365	2.8%	$ 24,352	2.7%	$ 19,980	2.3%
GAAP operating expenses	$ 144,946	15.5%	$ 143,791	16.3%	$ 112,027	12.3%	$ 111,515	12.3%	$ 95,496	11.0%
Intangible amortization	1,390		1,760		1,296		1,269		900	
Stock-based compensation expense	25,193		27,950		29,004		26,576		20,072	
Acquisition related costs	4,148		6,276		398		2,577		1,079	
Adjusted total operating expenses	$ 114,215	12.2%	$ 107,805	12.2%	$ 81,329	8.9%	$ 81,093	9.0%	$ 73,445	8.5%
Diluted earnings per share										
GAAP diluted earnings per share	$ 1.07		$ 0.97		$ 0.85		$ 0.97		$ 1.04	
Earnings per share attributable to Non-GAAP adjustments	0.13		0.08		0.25		0.22		0.12	
Adjusted diluted earnings per share	$ 1.20		$ 1.05		$ 1.10		$ 1.19		$ 1.16	
Diluted shares used in computing per share amounts	155,142		154,664		153,921		152,018		150,901	

To supplement Nextpower'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 net income margin, adjusted selling, general and administrative expenses, adjusted research and development, adjusted total operating expenses, adjusted diluted earnings per share, adjusted free cash flow, and adjusted free cash flow conversion. 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 Nextpower's results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Nextpower'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 ofaward 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.

Acquisition costs consist primarily of nonrecurring transaction costs, including integration and diligence activities.

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.

Debt extinguishment cost consists of nonrecurring costs for the termination of our prior credit agreement related to the revolver credit facilities originally entered into on February 13, 2023.

Other includes an immaterial amount of non-cash equity in loss for the Nextpower Arabia joint venture which is accounted for under the equity method investment accounting.