UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2024

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-41617

Nextracker Inc.

(Exact name of registrant as specified in its charter)

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

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

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.0001 par value	NXT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of January 27, 2025, there were 143,710,209 shares of the registrant's Class A common stock outstanding and 1,908,827 shares of the registrant's Class B common stock outstanding.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

ITEM 1. ***FINANCIAL STATEMENTS***

Nextracker Inc.

Unaudited condensed consolidated balance sheets

(In thousands, except share and per share amounts)

	As of December 31, 2024	As of March 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 693,543	$ 474,054
Accounts receivable, net of allowance of $2,845 and $3,872, respectively	457,918	382,687
Contract assets	279,027	397,123
Inventories	217,301	201,736
Other current assets	346,732	312,635
Total current assets	1,994,521	1,768,235
Property and equipment, net	47,985	9,236
Goodwill	370,613	265,153
Other intangible assets, net	47,503	1,546
Deferred tax assets	472,189	438,272
Other assets	50,748	36,340
Total assets	$ 2,983,559	$ 2,518,782
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 377,466	$ 456,639
Accrued expenses	72,863	82,410
Deferred revenue	297,007	225,539
Current portion of long-term debt	6,563	3,750
Other current liabilities	150,746	123,148
Total current liabilities	904,645	891,486
Long-term debt, net of current portion	138,770	143,967
Tax receivable agreement (TRA) liability	375,002	391,568
Other liabilities	140,182	99,733
Total liabilities	1,558,599	1,526,754
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Class A common stock, $0.0001 par value, 900,000,000 shares authorized, 143,688,057 shares and 140,773,223 shares issued and outstanding, respectively	14	14
Class B common stock, $0.0001 par value, 500,000,000 shares authorized, 1,908,827 shares and 3,856,175 shares issued and outstanding, respectively	—	—
Accumulated deficit	(2,714,204)	(3,066,578)
Additional paid-in-capital	4,121,940	4,027,560
Accumulated other comprehensive (loss) income	(1,200)	17
Total Nextracker Inc. stockholders' equity	1,406,550	961,013
Non-controlling interest	18,410	31,015
Total stockholders' equity	1,424,960	992,028
Total liabilities and stockholders' equity	$ 2,983,559	$ 2,518,782

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

Nextracker Inc.

Unaudited condensed consolidated statements of operations and comprehensive income

(In thousands, except share and per share amounts)

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Revenue	$ 679,363	$ 710,426	$ 2,034,855	$ 1,763,326
Cost of sales	438,460	500,701	1,331,717	1,290,747
Gross profit	240,903	209,725	703,138	472,579
Selling, general and administrative expenses	70,573	48,356	203,527	126,865
Research and development	20,094	12,897	55,806	29,270
Operating income	150,236	148,472	443,805	316,444
Interest expense	3,798	3,227	10,743	9,975
Other income, net	(13,778)	(21,534)	(16,292)	(18,464)
Income before income taxes	160,216	166,779	449,354	324,933
Provision for income taxes	42,842	38,818	89,922	51,918
Net income and comprehensive income	117,374	127,961	359,432	273,015
Less: Net income attributable to non-controlling interests and redeemable non-controlling interests	2,091	86,565	7,058	171,937
Net income attributable to Nextracker Inc.	$ 115,283	$ 41,396	$ 352,374	$ 101,078
Earnings per share attributable to Nextracker Inc. common stockholders				
Basic	$ 0.80	$ 0.67	$ 2.46	$ 1.78
Diluted	$ 0.79	$ 0.87	$ 2.41	$ 1.86
Weighted-average shares used in computing per share amounts:				
Basic	143,663,514	62,108,835	143,102,231	56,789,399
Diluted	149,027,858	147,344,370	149,134,004	147,160,053

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

Nextracker Inc.

Unaudited condensed consolidated statements of stockholders' equity (deficit) and redeemable interest

(In thousands, except share amounts)

	Class A common stock		Class B common stock							
Three-month period ended December 31, 2024	**Shares outstanding**	**Amounts**	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Accumulated other comprehensive income (loss)**	**Total Nextracker Inc. stockholders' equity**	**Non-controlling interests**	**Total stockholders' equity**
BALANCE AT SEPTEMBER 27, 2024	143,620,486	$ 14	1,908,827	$ —	$4,096,658	$(2,829,487)	$ (1,186)	$ 1,265,999	$ 16,319	$ 1,282,318
Net income	—	—	—	—	—	115,283	—	115,283	2,091	117,374
Stock-based compensation expense	—	—	—	—	26,980	—	—	26,980	—	26,980
Vesting of Nextracker Inc. RSU awards	67,571	—	—	—	—	—	—	—	—	—
Stock-based compensation tax benefits	—	—	—	—	(1,698)	—	—	(1,698)	—	(1,698)
Total other comprehensive loss	—	—	—	—	—	—	(14)	(14)	—	(14)
BALANCE AT DECEMBER 31, 2024	143,688,057	$ 14	1,908,827	$ —	$4,121,940	$(2,714,204)	$ (1,200)	$ 1,406,550	$ 18,410	$ 1,424,960

		Class A common stock		Class B common stock				
Three-month period ended December 31, 2023	**Redeemable non-controlling interests**	**Shares outstanding**	**Amounts**	**Shares outstanding**	**Amounts**	**Additional paid-in-capital**	**Accumulated deficit**	**Total stockholders' deficit**
BALANCE AT SEPTEMBER 29, 2023	$ 3,316,130	62,096,475	$ 6	82,572,960	$ 8	$ 672,102	$ (3,313,137)	$ (2,641,021)
Net income	86,565	—	—	—	—	—	41,396	41,396
Stock-based compensation expense and other	—	—	—	—	—	13,037	(212)	12,825
Vesting of Nextracker Inc. RSU awards	—	13,329	—	—	—	—	—	—
Tax distribution	(64,365)	—	—	—	—	—	—	—
Redemption value adjustment	530,213	—	—	—	—	(530,213)	—	(530,213)
BALANCE AT DECEMBER 31, 2023	$ 3,868,543	62,109,804	$ 6	82,572,960	$ 8	$ 154,926	$ (3,271,953)	$ (3,117,013)

Nextracker Inc.

Unaudited condensed consolidated statements of stockholders' equity (deficit) and redeemable interest (continued)

(In thousands, except share amounts)

Nine-month period ended December 31, 2024	Class A common stock Shares outstanding	Class A common stock Amounts	Class B common stock Shares outstanding	Class B common stock Amounts	Additional paid-in-capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total Nextracker Inc. stockholders' equity	Non-controlling interests	Total stockholders' equity
BALANCE AT MARCH 31, 2024	140,773,223	$ 14	3,856,175	$ —	$4,027,560	$(3,066,578)	$ 17	$ 961,013	$ 31,015	$ 992,028
Net income	—	—	—	—	—	352,374	—	352,374	7,058	359,432
Stock-based compensation expense	—	—	—	—	78,766	—	—	78,766	—	78,766
Vesting of Nextracker Inc. RSU awards	967,486	—	—	—	—	—	—	—	—	—
Shares exchanged by non-controlling interest holders	1,947,348	—	(1,947,348)	—	13,551	—	—	13,551	(13,551)	—
TRA revaluation	—	—	—	—	3,761	—	—	3,761	—	3,761
Stock-based compensation tax benefits	—	—	—	—	(1,698)	—	—	(1,698)	—	(1,698)
Tax distribution	—	—	—	—	—	—	—	—	(6,112)	(6,112)
Total other comprehensive loss	—	—	—	—	—	—	(1,217)	(1,217)	—	(1,217)
BALANCE AT DECEMBER 31, 2024	143,688,057	$ 14	1,908,827	$ —	$4,121,940	$(2,714,204)	$ (1,200)	$ 1,406,550	$ 18,410	$ 1,424,960

Nine-month period ended December 31, 2023	Redeemable non-controlling interests	Class A common stock Shares outstanding	Class A common stock Amounts	Class B common stock Shares outstanding	Class B common stock Amounts	Additional paid-in-capital	Accumulated deficit	Total stockholders' deficit
BALANCE AT MARCH 31, 2023	$ 3,560,628	45,886,065	$ 5	98,204,522	$ 10	$ —	$ (3,075,782)	$ (3,075,767)
Net income	171,937	—	—	—	—	—	101,078	101,078
Stock-based compensation expense and other	—	—	—	—	—	39,894	(212)	39,682
Vesting of Nextracker Inc. RSU awards	—	592,177	—	—	—	—	—	—
Issuance of Class A common stock sold in follow-on offering	—	15,631,562	1	—	—	552,008	—	552,009
Use of Follow-on proceeds as consideration for Yuma's transfer of LLC common units	—	—	—	(15,631,562)	(2)	(552,007)	—	(552,009)
TRA revaluation	—	—	—	—	—	18,337	—	18,337
Reclassification of redeemable non-controlling interest	(622,292)	—	—	—	—	622,292	—	622,292
Tax distribution	(64,365)	—	—	—	—	—	—	—
Redemption value adjustment	822,635	—	—	—	—	(525,598)	(297,037)	(822,635)
BALANCE AT DECEMBER 31, 2023	$ 3,868,543	62,109,804	$ 6	82,572,960	$ 8	$ 154,926	$ (3,271,953)	$ (3,117,013)

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

Nextracker Inc.

Unaudited condensed consolidated statements of cash flows

(In thousands)

	Nine-month periods ended	
	December 31, 2024	December 31, 2023
Cash flows from operating activities:		
Net income	$ 359,432	$ 273,015
Depreciation and amortization of intangible assets	8,299	3,138
Changes in working capital and other, net	50,736	41,328
Net cash provided by operating activities	418,467	317,481
Cash flows from investing activities:		
Purchases of property and equipment	(23,841)	(3,850)
Payment for business acquisitions, net of cash acquired	(144,675)	—
Net cash used in investing activities	(168,516)	(3,850)
Cash flows from financing activities:		
Repayment of bank borrowings	(2,813)	(2,813)
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	(6,017)	—
TRA payment	(15,520)	—
Distribution to non-controlling interest holders	(6,112)	(64,365)
Net transfers to Flex	—	(8,335)
Other financing activities	—	(308)
Net cash used in financing activities	(30,462)	(75,821)
Net increase in cash and cash equivalents	219,489	237,810
Cash and cash equivalents beginning of period	474,054	130,008
Cash and cash equivalents end of period	$ 693,543	$ 367,818
Non-cash investing and financing activities:		
Unpaid purchases of property and equipment	$ 387	$ 1,480
Reduction of lease liabilities and right-of-use assets from lease termination	(8,667)	—
Right-of-use assets obtained in exchange of lease liabilities	28,461	—
Unpaid purchase of intangible assets	—	500
TRA revaluation	3,761	18,337
Stock-based compensation tax benefits	1,698	—
Reclassification of redeemable non-controlling interest	—	622,292

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

1. Description of business and organization of Nextracker Inc.

Nextracker Inc. and its subsidiaries ("Nextracker," "we," the "Company") is a leading provider of integrated solar trackers, foundations, and software solutions used in ground-mounted utility-scale and distributed generation solar projects around the world. Nextracker's product portfolio enables solar photovoltaic power plants to follow the sun's movement across the sky and optimize plant performance. Nextracker has operations in the United States, Brazil, Argentina, Peru, Mexico, Spain and other countries in Europe, India, Australia, the Middle East and Africa.

2. Summary of accounting policies

Variable interest entities ("VIE") and consolidation

The Company's sole material asset is its member's interest in Nextracker LLC. In accordance with the Nextracker LLC Operating Agreement, the Company was named the managing member of Nextracker LLC. As a result, the Company has all management powers over the business and affairs of Nextracker LLC and to conduct, direct and exercise full control over the activities of Nextracker LLC. The Company has concluded that Nextracker LLC is a VIE. Due to the Company's power to control the activities most directly affecting the results of Nextracker LLC, the Company is considered the primary beneficiary of the VIE. Accordingly, the Company consolidates the financial results of Nextracker LLC and its subsidiaries. On January 2, 2024, Flex Ltd. ("Flex") closed the spin-off of all its remaining interests in Nextracker LLC common units held by Yuma, Inc., a Delaware corporation ("Yuma"), Yuma Subsidiary, Inc., a Delaware corporation and wholly-owned subsidiary of Yuma ("Yuma Sub"), to Flex shareholders. As a result of the spin-off, Flex no longer directly or indirectly holds a financial interest in the Company. Nextracker LLC common units held by Yuma, Yuma Sub, TPG Rise Flash, L.P. ("TPG Rise") and the following affiliates of TPG Inc. ("TPG"): TPG Rise Climate Flash Cl BDH, L.P., TPG Rise Climate BDH, L.P. and The Rise Fund II BDH, L.P. (collectively, the "TPG Affiliates") were presented on the consolidated balance sheets as temporary equity under the caption "Redeemable non-controlling interests," up until January 2, 2024 as redemption was outside of the control of the Company. Post January 2, 2024, redemption is no longer outside the control of the Company subsequent to the spin-off from Flex and, therefore, the non-controlling interests owned by the TPG Affiliates are now presented on the consolidated balance sheets as permanent equity under the caption "non-controlling interests."

Basis of presentation

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the SEC for reporting financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements, and should be read in conjunction with the Company's audited consolidated financial statements as of and for the fiscal year ended March 31, 2024, contained in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2024 (the "Form 10-K"). In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary to present the Company's financial statements fairly have been included. Operating results for the three and nine-month periods ended December 31, 2024 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2025 or any future period. The condensed consolidated balance sheet as of March 31, 2024 was derived from the Company's audited consolidated financial statements included in the Form 10-K. All intercompany transactions and accounts within Nextracker have been eliminated.

The first quarters for fiscal years 2025 and 2024 ended on June 28, 2024 (89 days) and June 30, 2023 (91 days), respectively. The second quarters for fiscal years 2025 and 2024 ended on September 27, 2024 (91 days) and September 29, 2023 (91 days), respectively. The third quarters for fiscal years 2025 and 2024 ended on December 31 of each year, which are comprised of 95 days and 93 days, respectively.

Translation of foreign currencies

The reporting currency of the Company is the United States dollar ("USD"). The functional currency of the Company and its subsidiaries is primarily the USD. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in other (income) expense, net in the accompanying condensed consolidated statements of operations and comprehensive income. The Company recognized foreign currency exchange gains of $3.6 million during the three-month period ended December 31, 2024 driven by favorable exchange rate fluctuations in Europe. Additionally, during the nine-month period ended December 31, 2024, the Company recognized foreign currency exchange losses of $3.8 million due to unfavorable exchange rate fluctuations primarily in Latin America. The Company recognized foreign currency exchange gains of $5.2 million and $2.6 million during the three and nine-month periods ended December 31, 2023, respectively, due to favorable exchange rate fluctuations in certain currencies.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. Estimates are used in accounting for, among other things: impairment of goodwill, impairment of long-lived assets, allowance for credit losses, provision for excess or obsolete inventories, valuation of deferred tax assets, warranty reserves, contingencies, operation-related accruals, fair values of awards granted under stock-based compensation plans and fair values of assets obtained and liabilities assumed in business combinations. Due to geopolitical conflicts (including the Russian invasion of Ukraine and the Israel-Hamas conflict), there has been and will continue to be uncertainty and disruption in the global economy and financial markets. The Company has made estimates and assumptions taking into consideration certain possible impacts due to the Russian invasion of Ukraine and the Israel-Hamas conflict. These estimates may change as new events occur and additional information is obtained. Actual results may differ from previously estimated amounts, and such differences may be material to the condensed consolidated financial statements. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the period they occur. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the condensed consolidated financial statements.

Accounting for business acquisitions

From time to time, the Company pursues business acquisitions. The fair value of the net assets acquired and the results of the acquired businesses are included in the Company’s condensed consolidated financial statements from the acquisition dates forward. The Company is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and results of operations during the reporting period. Estimates are used in accounting for, among other things, the fair value of acquired net operating assets, property and equipment, intangible assets, contingent earnout, useful lives of plant and equipment and amortizable lives for acquired intangible assets. Any excess of the purchase consideration over the fair value of the identified assets and liabilities acquired is recognized as goodwill.

The Company estimates the preliminary fair value of acquired assets and liabilities as of the date of acquisition based on information available at that time. The valuation of these tangible and identifiable intangible assets and liabilities is subject to further review from management and may change materially between the preliminary allocation and end of the purchase price allocation period. Any changes in these estimates may have a material effect on the Company’s condensed consolidated financial position and results of operations.

Product warranty

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

The following table summarizes the activity related to the estimated accrued warranty reserve for the nine-month periods ended December 31, 2024 and December 31, 2023:

	Nine-month periods ended	
	December 31, 2024	December 31, 2023
	(In thousands)	
Beginning balance	$ 12,511	$ 22,591
Provision (release) for warranties issued	10,528	(4,130)
Payments	(4,401)	(1,253)
Ending balance	$ 18,638	$ 17,208

Inventories

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

Other current assets

Other current assets includes short-term deposits and advances of $69.7 million and $104.7 million as of December 31, 2024 and March 31, 2024, respectively, primarily related to advance payments to certain vendors for procurement of inventory. In addition, it includes $209.9 million and $125.4 million as of December 31, 2024 and March 31, 2024, respectively, in vendor rebates receivable related to the 45X Credit as described under the section "*Inflation Reduction Act of 2022 Vendor Rebates*" of Note 2 in the notes to the consolidated financial statements in the Form 10-K.

Deferred tax assets

Deferred tax assets of $472.2 million and $438.3 million as of December 31, 2024 and March 31, 2024, respectively, are primarily related to the Company's investment in Nextracker LLC as described in Note 13 in the notes to the consolidated financial statements included in the Form 10-K and release of valuation allowance related to the foundations business acquisitions described in Note 11.

Accrued expenses

Accrued expenses include accruals primarily for freight and tariffs of $32.1 million and $43.2 million as of December 31, 2024 and March 31, 2024, respectively. In addition, it includes $40.8 million and $39.2 million of accrued payroll as of December 31, 2024 and March 31, 2024, respectively.

TRA liability

TRA liability related to the amount expected to be paid to Flex, TPG and the TPG Affiliates pursuant to the Tax Receivable Agreement, were $394.6 million and $391.6 million, as of December 31, 2024 and March 31, 2024, respectively, of which $19.6 million and zero, respectively, were included in other current liabilities on the condensed consolidated balance sheets. During the nine-month period ended December 31, 2024, a payment of $15.5 million was made to Flex, TPG and the TPG Affiliates, which is presented as financing activity on the condensed consolidated statement of cash flows.

Other liabilities

Other liabilities primarily consist of the long-term portion of standard product warranty liabilities of $6.4 million and $6.4 million, and the long-term portion of deferred revenue of $94.8 million and $69.3 million as of December 31, 2024 and March 31, 2024, respectively.

Recently issued accounting pronouncement

Accounting Standards Update 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures*: In November 2024, the Financial Accounting Standards Board issued a new accounting standard requiring a public business entity to provide disaggregated disclosures, in the notes to the financial statements, of certain categories of expenses that are included in expense line items on the face of the income statement. The annual reporting requirements of the new standard are effective for the Company beginning in fiscal year 2028 and interim reporting requirements are effective beginning in the first quarter of fiscal year 2029, with early adoption permitted. The Company is still in the process of evaluating the impact of the new standard on its consolidated financial statements and expects to adopt the new guidance in its fiscal year 2028 annual report.

Accounting Standards Update 2023-07, *Segment Reporting—Improvement to Reportable Segment Disclosures*: In November 2023, the Financial Accounting Standards Board issued a new accounting standard which updates reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses and information used to assess segment performance. The annual reporting requirements of the new standard are effective for the Company beginning in fiscal year 2025 and interim reporting requirements beginning in the first quarter of fiscal year 2026, with early adoption permitted. The Company expects to adopt the new guidance in the fourth quarter of fiscal year 2025 with an immaterial impact on its consolidated financial statements.

3. Revenue

Based on Accounting Standards Codification ("ASC") 606 provisions, the Company disaggregates its revenue from contracts with customers by those sales recorded over time and sales recorded at a point in time. The following table presents Nextracker's revenue disaggregated based on timing of transfer-point in time and over time for the three and nine-month periods ended December 31, 2024 and December 31, 2023:

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(In thousands)			
Timing of Transfer				
Point in time	$ 15,800	$ 6,042	$ 46,806	$ 32,946
Over time	663,563	704,384	1,988,049	1,730,380
Total revenue	$ 679,363	$ 710,426	$ 2,034,855	$ 1,763,326

Contract balances

The timing of revenue recognition, billings and cash collections results in contract assets and contract liabilities (deferred revenue) on the condensed consolidated balance sheets. Nextracker's contract amounts are billed as work progresses in accordance with agreed-upon contractual terms, which generally coincide with the shipment of one or more phases of the project. When billing occurs subsequent to revenue recognition, a contract asset results. Contract assets of $279.0 million and $397.1 million as of December 31, 2024 and March 31, 2024, respectively, are presented in the condensed consolidated balance sheets, of which $140.6 million and $141.4 million, respectively, will be invoiced at the end of the projects as they represent funds withheld until the products are installed by a third party, arranged by the customer, and the project is declared operational. The remaining unbilled receivables will be invoiced throughout the project based on a set billing schedule such as milestones reached or completed rows delivered. Contract assets decreased $118.1 million from March 31, 2024 to December 31, 2024 due to fluctuations in the timing and volume of billings for the Company's revenue recognized over time.

During the nine-month periods ended December 31, 2024 and December 31, 2023, Nextracker converted $182.7 million and $141.8 million of deferred revenue to revenue, respectively, which represented 62% and 67%, respectively, of the beginning period balance of deferred revenue.

Remaining performance obligations

As of December 31, 2024, Nextracker had $391.8 million of the transaction price allocated to the remaining performance obligations. The Company expects to recognize revenue on approximately 76% of these performance obligations in the next 12 months. The remaining long-term unperformed obligation primarily relates to extended warranty and deposits collected in advance on certain tracker projects.

4. Goodwill and intangible assets

Goodwill

During the nine-month period ended December 31, 2024, the additions to the Company's goodwill is driven by its acquisitions of Ojjo, Inc. ("Ojjo") and the solar foundations business held by Solar Pile International ("SPI") as further described in Note 11.

The following table summarizes the activity in the Company's goodwill during the nine-month period ended December 31, 2024 (in thousands):

Balance as of March 31, 2024	$	265,153
Additions		103,565
Purchase accounting adjustments		1,895
Balance as of December 31, 2024	$	370,613

Other intangible assets

During the nine-month period ended December 31, 2024, the total gross value of other intangible assets increased by $49.7 million as a result of the Company's estimated value of other intangible assets from its business acquisitions, which contributed an additional $31.7 million of developed technology and $18.0 million of customer relationships. Refer to Note 11 for additional information.

The components of identifiable intangible assets are as follows:

	As of December 31, 2024			As of March 31, 2024		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	(In thousands)					
Developed technology	$ 31,700	$ (1,601)	$ 30,099	$ —	$ —	$ —
Customer relationships	18,000	(1,879)	16,121	—	—	—
Trade name and other intangibles	3,000	(1,717)	1,283	3,000	(1,454)	1,546
Total	$ 52,700	$ (5,197)	$ 47,503	$ 3,000	$ (1,454)	$ 1,546

The gross carrying amount of other intangible assets are removed when fully amortized. The Company amortized $3.7 million of intangible assets during the nine-month period ended December 31, 2024, of which $1.9 million is included in cost of sales and $1.8 million is included in selling, general and administrative expenses, on the condensed consolidated statements of operations and comprehensive income. An immaterial amount of intangible assets was amortized during the nine-month period ended December 31, 2023.

The estimated future annual amortization expense for other intangible assets is as follows:

Fiscal year ending March 31,		Amount
		(In thousands)
2025 (1)	$	1,780
2026		7,120
2027		7,120
2028		7,091
2029		6,945
Thereafter		17,447
Total amortization expense	$	47,503

(1) Represents estimated amortization for the remaining fiscal three-month period ending March 31, 2025.

5. Stock-based compensation

The Company adopted the First Amended and Restated 2022 Nextracker LLC Equity Incentive Plan in April 2022 (the "LLC Plan"), which provides for the issuance of options, unit appreciation rights, performance units, performance incentive units, restricted incentive units and other unit-based awards to employees, directors and consultants of the Company. Additionally, in connection with the Company's initial public offering in February 2023 (the "IPO"), the Company approved the Second Amended and Restated 2022 Nextracker Inc. Equity Incentive Plan (together with the LLC Plan, the "2022 Plan") to reflect, among other things, that the underlying equity interests with respect to awards issued under the LLC Plan shall, in lieu of common units of Nextracker LLC, relate to Class A common stock of Nextracker for periods from and after the closing of the IPO.

The following table summarizes the Company's stock-based compensation expense:

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(In thousands)			
Cost of sales	$ 3,084	$ 2,497	$ 9,345	$ 7,668
Selling, general and administrative expenses	21,482	5,163	62,186	26,849
Research and development	2,414	5,377	7,235	5,377
Total stock-based compensation expense	$ 26,980	$ 13,037	$ 78,766	$ 39,894

During the nine-month period ended December 31, 2024, the Company granted 1.7 million time-based unvested restricted share units ("RSU") awards to certain of its employees under the 2022 Plan. The vesting for these unvested RSU awards is contingent upon time-based vesting with continued service over a three-year period from the grant date, with a portion of the awards vesting at the end of each year. The weighted average fair value per share of the RSUs granted during the period was estimated to be $41.39 per award.

In addition, the Company also granted 0.4 million performance-based vesting ("PSU") awards whereby vesting is generally contingent upon (i) time-based vesting with continued service through March 31, 2027, and (ii) the achievement of certain metrics specific to the Company, which could result in a range of 0-300% of such PSUs ultimately vesting. The weighted average fair value per share of the PSUs granted during the period was estimated to be $58.30 per award. The fair value of these PSU awards granted during the nine-month period ended December 31, 2024 was determined using Monte-Carlo simulation models, which is a probabilistic approach for calculating the fair value of the awards. Also, 0.3 million PSU awards related to the third tranche of performance-based awards granted in fiscal year 2023 met the criteria for a grant date under ASC 718 as the performance metrics for these awards were determined during the nine-month period ended December 31, 2024. The weighted average fair value per share of these PSU awards granted in fiscal year 2023 was estimated to be $111.56 per award, determined using a Monte-Carlo simulation model.

Further, the Company granted 0.3 million option awards that will cliff-vest on the third anniversary of the grant date, subject generally to continuous service through such vesting date. The exercise price for the shares underlying such option is equal to $47.05 per award, which corresponds to the Company's closing price per share as of the grant date of the awards. The fair value of these option awards granted during the nine-month period ended December 31, 2024 was estimated to be $29.05 based on a Black-Scholes option pricing model.

Additionally, during the nine-month period ended December 31, 2024, an immaterial number of awards were forfeited due to employee terminations.

The total unrecognized compensation expense related to unvested awards under the 2022 Plan as of December 31, 2024 was approximately $134.2 million, which is expected to be recognized over a weighted-average period of approximately 1.6 years.

6. Earnings per share

Basic earnings per share excludes dilution and is computed by dividing net income attributable to Nextracker Inc. common stockholders by the weighted-average number of shares of Class A common stock outstanding during the applicable periods.

Diluted earnings per share reflects the potential dilution from stock-based compensation awards. The potential dilution from awards was computed using the treasury stock method based on the average fair market value of the Company's common stock for the period. Additionally, the potential dilution impact of Class B common stock convertible into Class A common stock was also considered in the calculation.

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

	Three-month periods ended					
	December 31, 2024			December 31, 2023		
	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount
	(In thousands, except share and per share amounts)					
Basic EPS						
Net income attributable to Nextracker Inc. common stockholders	$ 115,283	143,663,514	$ 0.80	$ 41,396	62,108,835	$ 0.67
Effect of Dilutive Impact						
Common stock equivalents from Options awards (1)		968,945			984,173	
Common stock equivalents from RSUs (2)		1,207,196			1,282,259	
Common stock equivalents from PSUs (3)		1,279,376			396,143	
Income attributable to non-controlling interests and common stock equivalent from Class B common stock	$ 2,091	1,908,827		$ 86,565	82,572,960	
Diluted EPS						
Net income	$ 117,374	149,027,858	$ 0.79	$ 127,961	147,344,370	$ 0.87

(1) During the three-month periods ended December 31, 2024 and December 31, 2023, approximately 0.8 million and 0.5 million Options awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(2) During the three-month periods ended December 31, 2024 and December 31, 2023, approximately 0.8 million and zero RSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(3) During the three-month periods ended December 31, 2024 and December 31, 2023, approximately 0.7 million and 0.4 million PSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

	Nine-month periods ended					
	December 31, 2024			December 31, 2023		
	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount	Income Numerator	Weighted average shares outstanding Denominator	Per share Amount
	(In thousands, except share and per share amounts)					
Basic EPS						
Net income attributable to Nextracker Inc. common stockholders	$ 352,374	143,102,231	$ 2.46	$ 101,078	56,789,399	$ 1.78
Effect of Dilutive Impact						
Common stock equivalents from Options awards (1)		1,172,201			965,050	
Common stock equivalents from RSUs (2)		1,321,654			1,091,426	
Common stock equivalents from PSUs (3)		1,249,832			416,180	
Income attributable to non-controlling interests and common stock equivalent from Class B common stock	$ 7,058	2,288,086		$ 171,937	87,897,998	
Diluted EPS						
Net income	$ 359,432	149,134,004	$ 2.41	$ 273,015	147,160,053	$ 1.86

(1) During the nine-month periods ended December 31, 2024 and December 31, 2023, approximately 0.8 million and 0.5 million Options awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(2) During the nine-month periods ended December 31, 2024 and December 31, 2023, approximately 0.6 million and zero RSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

(3) During the nine-month periods ended December 31, 2024 and December 31, 2023, approximately 0.7 million and 0.4 million PSU awards, respectively, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents.

7. Bank borrowings and long-term debt

On June 21, 2024, the Company and Nextracker LLC (the “LLC”), as the borrower, entered into an amendment (the “Amendment”) to the credit agreement, dated as of February 13, 2023 (“2023 Credit Agreement” and, together with the Amendment, the “Amended 2023 Credit Agreement”). The Amendment amended the 2023 Credit Agreement to, among other things: (i) increase the aggregate revolving commitments from $500.0 million to $1.0 billion; (ii) provide for a $1.0 billion secured debt basket for surety bonds; (iii) increase the letter of credit capacity from $300.0 million to $500.0 million; and (iv) update various covenants, baskets and thresholds to provide more financing capacity and operational flexibility to the Company and the LLC. Subject to the satisfaction of certain conditions, the LLC may be permitted to request incremental term loan facilities under the credit facility from one or more lenders. As a result of the Amendment, the Company capitalized $6.0 million of issuance cost for the revolver included in other assets in the condensed consolidated balance sheets. As of December 31, 2024, no amounts were drawn under the revolving facility, and the Company was in compliance with all applicable covenants under its Amended 2023 Credit Agreement, the term loan and the revolving credit facility.

8. Commitments and contingencies

Litigation and other legal matters

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

On February 6, 2024, pursuant to the Third Amended and Restated Limited Liability Company Agreement of Nextracker LLC (the “LLC Agreement”), Nextracker LLC made pro rata tax distributions in an aggregate amount of $94.3 million to the common members of the LLC, including an aggregate of $48.5 million to Yuma Acquisition Sub LLC and Yuma Subsidiary, Inc. As of the date of the tax distribution, Yuma Acquisition Sub LLC and Yuma Subsidiary Inc. were wholly-owned subsidiaries of Nextracker Inc. On February 1, 2024, Flex sent a dispute notice to Nextracker Inc. asserting that Flex is entitled to the distribution that was subsequently made to Yuma Acquisition Sub LLC and Yuma Subsidiary, Inc. and demanding payment of that amount to Flex. It is too early to determine the likelihood that the Company will be required to make any such payments to Flex in the future.

On December 27, 2024, a class action lawsuit alleging violations of federal securities laws was filed by a purported stockholder in the U.S. District Court for the Northern District of California, naming as defendants the Company and certain of the Company’s officers, alleging that defendants made false and misleading statements about our business, financial results and prospects. The plaintiff seeks unspecified monetary damages and other relief on behalf of the purported class.

On January 23, 2025, a derivative action was filed against the Company’s directors and certain of the Company’s officers in the U.S. District Court for the Northern District of California based on factual allegations similar to those underlying the securities class action lawsuit. The action asserts claims for, among other things, violations of the federal securities laws and breaches of fiduciary duties, and seeks damages and restitution to be paid to the Company by the individual defendants, governance changes and attorney’s fees and costs.

Based on the preliminary nature of these proceedings, the Company is unable to reasonably estimate a loss or range of loss, if any, arising from the above-referenced matters.

Antidumping and Countervailing Duties

On August 18, 2023, the U.S. Department of Commerce issued final affirmative determinations of circumvention with respect to certain crystalline solar photovoltaic (“CSPV”) cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam using parts and components from China. As a result, certain CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam are now subject to antidumping duty and countervailing duty (“AD/CVD”) orders on CSPV cells and modules from China that have been in place since 2012. Subject to certain certification and utilization conditions, imports of CSPV cells and modules covered by the circumvention determinations that entered the United States during the two-year period prior to June 6, 2024 were not subject to AD/CVD cash deposit or duty requirements. Imports of CSPV cells and modules from the four Southeast Asian countries covered by the circumvention determination that entered the United States on or after June 6, 2024 are subject to AD/CVD cash deposit requirements of the China AD/CVD orders and, possibly, final AD/CVD duty liability. Cash deposit rates for CSPV modules covered by the China AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 250% of the entered value of the imported merchandise.

In December 2024, in connection with the circumvention final determination, U.S. Customs and Border Protection (“CBP”) instructed the Company to pay AD/CVD cash deposits totaling approximately $1 million, relating to a small number of our imports of CSPV modules from Malaysia and Thailand prior to June 6, 2024, representing 250% of the entered value of such imports. These CSPV modules are Nextracker's proprietary modules that sit on each tracker row to power batteries providing electricity to our controller. CBP based its instruction to make the cash deposit payment due to alleged deficiencies with respect to certifications regarding the imports. If CBP were to instruct us to make AD/CVD cash deposit payments relating to other past imports of our proprietary CSPV modules covered by the circumvention determinations, which are much larger in volume than the number of imports related to the $1 million cash deposits, the Company could be required to pay additional cash deposits, and these cash deposits could be material and may not be ultimately refunded to the Company. Management cannot reasonably estimate a range of potential loss.

9. Income taxes

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

During the nine-month period ended December 31, 2024, Ojjo updated its forecasted pre-tax earnings to account for the economic arrangement in accordance with its transfer pricing policy, which reflects forecasted profits into the future. As a result, the Company released the valuation allowance recorded against Ojjo's deferred tax assets given that it is more likely than not that the deferred tax assets will be realized. A $8.5 million income tax benefit was recorded as a discrete item in the nine-month period ended December 31, 2024 as it relates to a change in management's assertion related to the realization of deferred tax assets in periods beyond the current tax year.

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

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(In thousands, except percentages)			
Income tax	$ 42,842	$ 38,818	$ 89,922	$ 51,918
Effective tax rates	26.7%	23.3%	20.0%	16.0%

The increase in tax expense as well as effective tax rate from the three and nine-month periods ended December 31, 2023 to the three and nine-month periods ended December 31, 2024 is driven by a reduction in tax benefit related to stock based compensation associated with the non-deductible executive compensation, and an increase in tax rate due to the separation from Flex as further described in Note 6 in the notes to the consolidated financial statements in the Form 10-K.

During the three and nine-month periods ended December 31, 2024 and three and nine-month periods ended December 31, 2023, the Company recorded $4.4 million and $4.4 million, and $12.9 million and $7.3 million, respectively, of other tax related income as a result of the reduction in its liability under the TRA due to a decrease in its forecasted estimated effective tax rate. The amounts are reflected in the condensed consolidated statements of operations and comprehensive income within other income, net.

Tax distributions

During the nine-month period ended December 31, 2024, and pursuant to the LLC Agreement, Nextracker LLC made pro rata tax distributions to its non-controlling interest holder (TPG) in the aggregate amount of approximately $6.1 million.

10. Segment reporting

Operating segments are defined as components of an enterprise for which separate financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM"), or a decision-making group, in deciding how to allocate resources and in assessing performance. Resource allocation decisions and Nextracker's performance are assessed by its Chief Executive Officer, identified as the CODM.

For all periods presented, Nextracker has one operating and reportable segment. The following table sets forth geographic information of revenue based on the locations to which the products are shipped:

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Revenue:	(In thousands)			
U.S.	$ 450,410	$ 555,790	$ 1,423,698	$ 1,208,288
Rest of the World	228,953	154,636	611,157	555,038
Total	$ 679,363	$ 710,426	$ 2,034,855	$ 1,763,326

The United States is the principal country of domicile.

11. Business acquisitions

Foundations business

During the nine-month period ended December 31, 2024, the Company completed two acquisitions. On June 20, 2024, as part of an all-cash transaction, the Company acquired 100% of the interest in Ojjo, a renewable energy company specializing in foundations technology and services used in ground-mount applications for solar power generation. Additionally, on July 31, 2024, the Company closed the acquisition of the solar foundations business held by SPI through the purchase of Spinex Systems Inc. and assets held by other SPI affiliates.

The acquisitions of Ojjo and the foundations business of SPI ("Foundations acquisitions") expand the Company's foundations offering by accelerating its capability to offer customers a more complete integrated solution for solar trackers and foundations. The development of any utility-scale project is a long and complex process. Foundations are a key part of every utility-scale solar project installation. In addition, projects are often confronted with unique challenges related to land use considerations and exceptional variation in subsurface conditions. The Company believes there is additional value for its customers in combining tracker systems and foundations to form an integrated solution, particularly for difficult and unique soil conditions.

The aggregate cash consideration of the Foundations acquisitions was approximately $144.7 million, net of $4.4 million cash acquired. Additionally, the aggregate total purchase price of $164.7 million includes $14.0 million of deferred consideration expected to be paid within a 12-month period, a $3.4 million release of a loan obligation previously owed by the seller and a $2.6 million contingent earnout.

The contingent earnout has a maximum possible consideration of $6.0 million upon the achievement of future revenue performance targets, measured in megawatts ("MW"), over a four-year period starting October 1, 2024. The fair value of the contingent earnout liability as of the acquisition date was estimated to be $2.6 million based on a Monte-Carlo simulation model, which is a probabilistic approach used to simulate future revenue and calculate the potential contingent consideration payments for each simulated path. The inputs are unobservable in the market and therefore categorized as Level 3 inputs in the fair value measurement. At each reporting period, the Company evaluates the fair value of contingent earnout obligations and records any changes in fair value of such liabilities in other income, net in its condensed consolidated statements of operations and comprehensive income. As of December 31, 2024, no change in the fair value of the contingent earnout liabilities was identified by management, and as such, the $2.6 million was included in other liabilities in the condensed consolidated balance sheets.

The Company incurred approximately $4.7 million of acquisition costs which are presented as selling, general and administrative expenses on the condensed consolidated statement of operations and comprehensive income. The preliminary allocation of the purchase price to the tangible and identifiable intangible assets acquired and liabilities assumed was based on their preliminary estimated fair values as of the date of acquisitions. The excess of the purchase price over the tangible and identifiable intangible assets acquired and liabilities assumed has been allocated to goodwill. Goodwill is not deductible for income tax purposes. The results of operations of the acquisitions were included in the Company's condensed consolidated financial statements beginning on the date of acquisition and were not material for all periods presented.

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

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

Current assets	$	5,547
Property and equipment		23,977
Intangible assets		49,700
Goodwill		105,460
Other assets		4,232
Total assets		188,916
Current liabilities		17,467
Other liabilities, non-current		6,732
Total purchase price, net of cash acquired	$	164,717

Intangible assets are comprised of $31.7 million of developed technology to be amortized over an estimated useful life of ten years, and $18.0 million of customer relationships to be amortized over an estimated useful life of five years. The fair value assigned to the identified intangible assets was estimated based on an income approach, which provides an indication of fair value based on the present value of cash flows that the acquired business is expected to generate in the future. Key assumptions used in the valuation included forecasted revenues, cost of sales and operating expenses, royalty rate, discount rate and weighted average cost of capital. The useful life of the acquired intangible assets for amortization purposes was determined by considering the period of expected cash flows used to measure the fair values of the asset, adjusted for certain factors that may limit the useful life.

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

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

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to provide a reader of our unaudited condensed consolidated financial statements with a narrative from the perspective of the Company's management. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q for the three-month period ended December 31, 2024 (this "Quarterly Report") and our audited consolidated financial statements and the related notes and other information included in our Annual Report on Form 10-K for the year ended March 31, 2024, filed with the SEC on May 28, 2024, as amended by our Annual Report on Form 10-K/A, filed with the SEC on June 6, 2024. In addition to historical financial information, the following discussion and analysis contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based upon current expectations that involve risks, uncertainties and assumptions. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our actual results and timing of selected events may differ materially from those results anticipated and discussed in the forward-looking statements as a result of many factors. Factors that might cause such a discrepancy include, but are not limited to, those discussed under the sections below titled "Liquidity and Capital Resources" and "Risk Factors." All forward-looking statements in this document are based on information available to us as of the date of this Quarterly Report and we assume no obligation to update any such forward-looking statements, except as required by law.

OVERVIEW

We are a leading provider of integrated solar trackers, foundations, and software solutions used in ground-mounted utility-scale and distributed generation solar projects around the world. Our product portfolio enables solar photovoltaic power plants to follow the sun's movement across the sky and optimize plant performance. With power plants operating in more than 40 countries worldwide, we offer solar tracker technologies that increase energy production while reducing costs for significant plant return on investment ("ROI"). We are the global market leader based on gigawatts ("GW") shipped for eight consecutive years.

We were founded in 2013 by our Chief Executive Officer, Dan Shugar, and were acquired by Flex in 2015. In 2016, Flex acquired BrightBox Technologies on our behalf to further our machine learning capabilities. On January 2, 2024, Flex closed the spin-off of all its remaining interests in Nextracker to Flex shareholders and we are now a fully independent company. Over time, we have developed new and innovative hardware and software products and services to scale our capabilities.

We have shipped more than 100 GW of solar tracker systems as of December 31, 2024 to projects on six continents for use in utility-scale and distributed generation solar applications. Our customers include engineering, procurement and construction firms ("EPCs"), as well as solar project developers and owners. Developers originate projects, select and acquire sites, obtain permits, select contractors, negotiate power offtake agreements and oversee the building of projects. EPCs design and optimize the system, procure components, build and commission the plant and operate the plant for a limited time until transfer to a long-term owner. Owners, which are often independent power producers, own and operate the plant, typically as part of a portfolio of similar assets. Owners generate cash flows through the sale of electricity to utilities, wholesale markets or end users.

For the majority of our projects, our direct customer is the EPC. We also engage with project owners and developers and enter into master supply agreements that cover multiple projects. We are a qualified, preferred provider to some of the largest solar EPCs, project owners and developers in the world. We had revenues of $2.0 billion for the nine-month period ended December 31, 2024 and $2.5 billion for fiscal year 2024.

Business acquisitions

During the nine-month period ended December 31, 2024, we completed two acquisitions. On June 20, 2024, as part of an all-cash transaction, we acquired 100% of the interest in Ojjo, Inc. (“Ojjo”), a renewable energy company specializing in foundations technology and services used in ground-mount applications for solar power generation. Additionally, on July 31, 2024, we closed the acquisition of the solar foundations business held by Solar Pile International (“SPI”) through the purchase of Spinex Systems Inc. and assets held by other SPI affiliates.

The acquisitions of Ojjo and the foundations business of SPI (“Foundations acquisitions”) expand our foundations offering by accelerating our capability to offer customers a more complete integrated solution for solar trackers and foundations. The development of any utility-scale project is a long and complex process. Foundations are a key part of every utility-scale solar project installation. In addition, projects are often confronted with unique challenges related to land use considerations and exceptional variation in subsurface conditions. We believe there is additional value for our customers in combining tracker systems and foundations to form an integrated solution, particularly for difficult and unique soil conditions.

The aggregate cash consideration of the Foundations acquisitions was approximately $144.7 million, net of $4.4 million cash acquired. Additionally, the aggregate total purchase price of $164.7 million includes $14.0 million of deferred consideration expected to be paid within a 12-month period, a $3.4 million release of a loan obligation previously owed by the seller and a $2.6 million contingent earnout. See Note 11 in the notes to the unaudited condensed consolidated financial statements for further detail on these acquisitions.

Inflation Reduction Act of 2022 (“IRA”)

On August 16, 2022, the IRA was enacted into law, which includes a new corporate minimum tax, a stock repurchase excise tax, numerous green energy credits, other tax provisions and significantly increased enforcement resources. The Section 45X of the Internal Revenue Code of 1986, as amended Advanced Manufacturing Production Credit (“45X Credit”), which was established as part of the IRA, is a per-unit tax credit earned over time for each clean energy component domestically produced and sold by a manufacturer.

We have executed agreements with certain suppliers to ramp up our 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 45X Credit was eligible for domestic parts manufactured after January 1, 2023. We have contractually agreed with these suppliers to share a portion of the economic value of the credit related to our purchases in the form of a vendor rebate. We account for these vendor rebate amounts as a reduction of the purchase price of the parts acquired from the vendor and therefore a reduction of inventory until the control of the part is transferred to the customer, at which point we recognize such amounts as a reduction of cost of sales on the consolidated statements of operations and comprehensive income. During the fourth quarter of fiscal 2024, we determined the amount and collectability of the 45X Credit vendor rebates we expect 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.

Revenue mix

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

	Three-month periods ended				Nine-month periods ended			
	December 31, 2024		December 31, 2023		December 31, 2024		December 31, 2023	
Revenue:	*(In thousands, except percentages)*							
U.S.	$ 450,410	66%	$ 555,790	78%	$ 1,423,698	70%	$ 1,208,288	69%
Rest of the World	228,953	34%	154,636	22%	611,157	30%	$ 555,038	31%
Total	$ 679,363		$ 710,426		$ 2,034,855		$ 1,763,326	

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

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(In millions)			
Customer G	*	$ 170.5	$ 226.8	$ 307.7

* Percentage below 10%

Critical accounting policies and significant management estimates

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

Refer to the critical accounting policies and significant management estimates under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024 (the "Form 10-K"), where we discussed our more significant policies and estimates used in the preparation of the unaudited condensed consolidated financial statements. There have been no material changes to our critical accounting estimates since the Form 10-K, other than our accounting for business acquisitions as disclosed below.

Accounting for business acquisitions

From time to time, we pursue business acquisitions. The fair value of the net assets acquired and the results of the acquired businesses are included in our unaudited condensed consolidated financial statements from the acquisition dates forward. We are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and results of operations during the reporting period. Estimates are used in accounting for, among other things, the fair value of acquired net operating assets, property and equipment, intangible assets, contingent earnout, useful lives of plant and equipment and amortizable lives for acquired intangible assets. Any excess of the purchase consideration over the fair value of the identified assets and liabilities acquired is recognized as goodwill.

We estimate the preliminary fair value of acquired assets and liabilities as of the date of acquisition based on information available at that time. The valuation of these tangible and identifiable intangible assets and liabilities is subject to further review from management and may change materially between the preliminary allocation and end of the purchase price allocation period. Any changes in these estimates may have a material effect on our unaudited condensed consolidated financial position and results of operations.

Key components of our results of operations

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

Revenue

We derive our revenue from the sale of solar trackers and software products to our customers. Our revenue growth is dependent on (i) our ability to maintain and expand our market share, (ii) total market growth and (iii) our ability to develop and introduce new products driving performance enhancements and cost efficiencies throughout the solar power plant.

Cost of sales and gross profit

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

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

Operating expenses

Selling, general and administrative expenses

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

Research and development

Research and development expenses consist primarily of personnel-related costs associated with our engineering employees, stock-based compensation, as well as third-party consulting. Research and development activities include improvements to our existing products, development of new tracker products and software products. We expense substantially all research and development expenses as incurred. We expect that the dollar amount of research and development expenses will increase in amount over time.

Income tax expense

Our taxable income is primarily from the allocation of taxable income from the LLC. The provision for income taxes primarily represents the LLC's U.S. federal, state and local income taxes as well as foreign income taxes payable by its subsidiaries. The LLC owns 100% of all foreign subsidiaries. We expect to receive a tax benefit for foreign tax credits in the United States for our distributive shares of the foreign tax paid.

RESULTS OF OPERATIONS

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

In addition, reference should be made to our audited consolidated financial statements and notes thereto and related Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

	Three-month periods ended			Nine-month periods ended		
	December 31, 2024	December 31, 2023	% Change	December 31, 2024	December 31, 2023	% Change
Unaudited Condensed Statement of Operations and Comprehensive Income Data:			*(In thousands, except percentages)*			
Revenue	$ 679,363	$ 710,426	(4)%	$ 2,034,855	$ 1,763,326	15 %
Cost of sales	438,460	500,701	(12)	1,331,717	1,290,747	3
Gross profit	240,903	209,725	15	703,138	472,579	49
Selling, general and administrative expenses	70,573	48,356	46	203,527	126,865	60
Research and development	20,094	12,897	56	55,806	29,270	91
Operating income	150,236	148,472	1	443,805	316,444	40
Interest expense	3,798	3,227	18	10,743	9,975	8
Other income, net	(13,778)	(21,534)	(36)	(16,292)	(18,464)	(12)
Income before income taxes	160,216	166,779	(4)	449,354	324,933	38
Provision for income taxes	42,842	38,818	10	89,922	51,918	73
Net income and comprehensive income	$ 117,374	$ 127,961	(8)%	$ 359,432	$ 273,015	32 %

Non-GAAP Financial Measures

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

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

Among other limitations, Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted net income margin, Adjusted gross margin and Adjusted EBITDA margin do not reflect our cash expenditures or future capital expenditures or contractual commitments (including under the Tax Receivable Agreement, as defined below), do not reflect the impact of certain cash or non-cash charges resulting from matters we consider not to be indicative of our ongoing operations and do not reflect the associated income tax expense or benefit related to those charges. In addition, other companies in our industry may calculate Adjusted gross profit, Adjusted operating income, Adjusted net income, Adjusted EBITDA, Adjusted gross margin, Adjusted net income margin and Adjusted EBITDA margin differently from us, which further limits their usefulness as comparative measures.

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

	Three-month periods ended		Nine-month periods ended	
	December 31, 2024	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
Other Financial Information:	*(In thousands, except percentages)*			
Adjusted gross profit	$ 244,867	$ 212,285	$ 714,347	$ 480,435
Adjusted operating income	180,034	161,572	531,009	356,527
Adjusted net income	153,722	141,902	437,268	309,058
Adjusted EBITDA	186,372	167,791	533,999	361,843
Adjusted gross margin	36.0%	29.9%	35.1%	27.2%
Adjusted net income margin	22.6%	20.0%	21.5%	17.5%
Adjusted EBITDA margin	27.4%	23.6%	26.2%	20.5%

The following table provides a reconciliation of gross profit to Adjusted gross profit, operating income to Adjusted operating income, net income to Adjusted net income, net income to Adjusted EBITDA, gross margin to Adjusted gross margin, net income margin to Adjusted net income margin, and net income margin to Adjusted EBITDA margin for each period presented. The Adjusted measures presented in the table are inclusive of non-controlling interests and redeemable non-controlling interests.

Reconciliation of GAAP to Non-GAAP Financial Measures:	Three-month periods ended						Nine-month periods ended					
	December 31, 2024			December 31, 2023			December 31, 2024			December 31, 2023		
	(In thousands, except percentages)											
GAAP gross profit & margin	$	240,903	35.5%	$	209,725	29.5%	$	703,138	34.6%	$	472,579	26.8%
Stock-based compensation expense		3,084			2,497			9,345			7,668	
Intangible amortization		880			63			1,864			188	
Adjusted gross profit & margin	$	244,867	36.0%	$	212,285	29.9%	$	714,347	35.1%	$	480,435	27.2%
GAAP operating income & margin	$	150,236	22.1%	$	148,472	20.9%	$	443,805	21.8%	$	316,444	17.9%
Stock-based compensation expense		26,980			13,037			78,766			39,895	
Intangible amortization		1,780			63			3,743			188	
Acquisition related costs (1)		1,038			—			4,695			—	
Adjusted operating income & margin	$	180,034	26.5%	$	161,572	22.7%	$	531,009	26.1%	$	356,527	20.2%
GAAP net income & margin	$	117,374	17.3%	$	127,961	18.0%	$	359,432	17.7%	$	273,015	15.5%
Stock-based compensation expense		26,980			13,037			78,766			39,895	
Intangible amortization		1,780			63			3,743			188	
Adjustment for taxes		6,550			841			(9,368)			(4,040)	
Acquisition related costs (1)		1,038			—			4,695			—	
Adjusted net income & margin	$	153,722	22.6%	$	141,902	20.0%	$	437,268	21.5%	$	309,058	17.5%
GAAP net income & margin	$	117,374	17.3%	$	127,961	18.0%	$	359,432	17.7%	$	273,015	15.5%
Interest, net		(1,865)			(198)			(2,702)			1,136	
Provision for income taxes		42,842			38,818			89,922			51,918	
Depreciation expense		2,636			1,055			4,556			2,950	
Intangible amortization		1,780			63			3,743			188	
Stock-based compensation expense		26,980			13,037			78,766			39,895	
Acquisition related costs (1)		1,038			—			4,695			—	
Other tax related income, net		(4,413)			(12,945)			(4,413)			(7,259)	
Adjusted EBITDA & margin	$	186,372	27.4%	$	167,791	23.6%	$	533,999	26.2%	$	361,843	20.5%

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

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

Comparison of the three-month periods ended December 31, 2024 and December 31, 2023

Revenue

Revenue decreased by $31.1 million, or 4%, for the three-month period ended December 31, 2024 compared to the three-month period ended December 31, 2023, resulting primarily from slightly lower revenue generated in the U.S. due to the timing of deliveries and related project schedules. Revenue decreased approximately $105.4 million, or 19%, in the U.S. during the three-month period ended December 31, 2024 compared to the three-month period ended December 31, 2023 while increasing $74.3 million, or 48%, in the Rest of the World during the same period, primarily due to increased demand in Europe. Quarterly variability occurs based on specific project timing and may be impacted negatively by delays in construction caused by multiple factors including permitting, interconnection, weather and labor issues.

Cost of sales and gross profit

Cost of sales decreased by $62.2 million, or 12%, during the three-month period ended December 31, 2024 compared to the three-month period ended December 31, 2023, primarily driven by the impact from the 45X Credit and the reduction in revenue. As noted in the overview, we now recognize a reduction in cost of sales for 45X Credit earned on components manufactured in the U.S. During the three-month period ended December 31, 2024, we recognized approximately $52.2 million of reduction to cost of sales related to the 45X Credit earned on production of eligible components shipped during the period. The reduction in cost of sales was offset by increases in certain direct costs related to U.S. manufacturing, including the cost of steel and other components. Freight and logistics costs decreased slightly as a percentage of revenue during the three-month period ended December 31, 2024 compared to the three-month period ended December 31, 2023 due to the lower delivered volume as a result of the slight reduction in revenues noted above.

Gross profit increased by $31.2 million, or 15%, during the three-month period ended December 31, 2024 compared to the three-month period ended December 31, 2023, primarily resulting from the impact from the 45X Credit recognized in the period. Additional margin improvement was driven by incremental cost savings achieved through our global supply chain. The above increases were offset by reduced quarter-over-quarter revenue.

Selling, general and administrative expenses

Selling, general and administrative expenses increased $22.2 million, or 46%, to $70.6 million for the three-month period ended December 31, 2024 from approximately $48.4 million for the three-month period ended December 31, 2023 while also increasing approximately 358 basis points from approximately 7% to approximately 10% as a percentage of revenue during the same period. The increase in selling, general and administrative expenses was primarily the result of an increase in stock-based compensation expense of $16.3 million incurred in conjunction with our 2022 equity incentive plan, and the remaining increase in costs of approximately $5.9 million related to our continued expansion of our sales organization in line with the growth in the global market and the expansion of our supporting functions also required to support our current and planned growth.

Research and development

Research and development ("R&D") expenses increased $7.2 million, or 56%, to $20.1 million for the three-month period ended December 31, 2024 from approximately $12.9 million during the three-month period ended December 31, 2023 as a result of our commitment to product innovation and development, including software enhancements, additional headcount and the expansion of our R&D and innovation capability in the U.S., Brazil and India with the launch of Center of Excellence facilities.

Interest expense

Interest expense modestly increased $0.6 million, or 18%, to $3.8 million for the three-month period ended December 31, 2024 from $3.2 million during the three-month period ended December 31, 2023.

Other income, net

Other income, net was $13.8 million for the three-month period ended December 31, 2024, which primarily included $5.8 million of interest income, and $4.4 million in tax gains as a result of a decrease in our liability under the Tax Receivable Agreement, and $3.6 million of favorable foreign currency exchange gains. Other income, net was $21.5 million for the three-month period ended December 31, 2023, which primarily included $12.9 million tax related gains as a result of a decrease in our liability under the Tax Receivable Agreement, $5.2 million of favorable foreign currency exchange gains, and $3.4 million of interest income.

Provision for income taxes

We accrue and pay income taxes according to the laws and regulations of each jurisdiction in which we operate. Most of our revenue and profits are generated in the United States with a statutory income tax rate of approximately 21% for the three-month periods ended December 31, 2024 and December 31, 2023. For the three-month periods ended December 31, 2024 and

December 31, 2023, we recorded total income tax expense of $42.8 million and $38.8 million, respectively, which reflected consolidated effective income tax rates of 27% and 23%, respectively. The increase in tax expense as well as effective tax rate from the three and nine-month periods ended December 31, 2023 to the three and nine-month periods ended December 31, 2024 is driven by a reduction in tax benefit related to stock based compensation associated with the non-deductible executive compensation, and an increase in tax rate due to the separation from Flex as further described in Note 6 in the notes to the consolidated financial statements in the Form 10-K.

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

Comparison of the nine-month periods ended December 31, 2024 and December 31, 2023

Revenue

Revenue increased by $271.5 million, or 15%, for the nine-month period ended December 31, 2024 compared to the nine-month period ended December 31, 2023, driven by a 25% increase in GW delivered, most notably in the U.S. driven by increased demand coupled with an acceleration of deliveries to meet customers updated project schedules. The revenue increase from additional GW delivered was slightly offset by a reduction in revenue per watt due to declining costs per watt compared to the nine-month period ended December 31, 2023. Revenue increased approximately $215.4 million, or 18%, in the U.S. during the nine-month period ended December 31, 2024 compared to the nine-month period ended December 31, 2023 as more projects came on line, and the Rest of the World increased $56.1 million, or 10%, primarily from increased shipments to Australia, the Middle East and Europe.

Cost of sales and gross profit

Cost of sales increased by $41.0 million, or 3%, during the nine-month period ended December 31, 2024 compared to the nine-month period ended December 31, 2023, primarily driven by the 25% increase in GW delivered noted above, offset by the impact from the 45X Credit. As noted in the overview, we now recognize a reduction in cost of sales for the 45X Credit earned on components manufactured in the U.S. For the nine-month period ended December 31, 2024, we recognized approximately $150.2 million of reduction to cost of sales related to the 45X Credit earned on production of eligible components shipped during the period. Freight and logistics costs remained flat as a percentage of revenue during the nine-month period ended December 31, 2024 compared to the nine-month period ended December 31, 2023.

Gross profit increased by $230.6 million, or 49%, during the nine-month period ended December 31, 2024 compared to the nine-month period ended December 31, 2023, primarily resulting from the U.S. and Rest of the World revenue growth noted above and the impact from the 45X Credit recognized in the nine-month period ended December 31, 2024.

Selling, general and administrative expenses

Selling, general and administrative expenses increased $76.7 million, or 60%, to $203.5 million for the nine-month period ended December 31, 2024 from approximately $126.9 million for the nine-month period ended December 31, 2023 while also increasing approximately 281 basis points from approximately 7% to over 10% as a percentage of revenue during the same period. The increase in selling, general and administrative expenses was primarily the result of an increase in stock-based compensation expense of $35.3 million incurred in conjunction with our 2022 equity incentive plan, and the remaining increase in costs of approximately $41.4 million related to our continued expansion of our sales organization in line with the growth in the global market and the expansion of our supporting functions also required to support our current and planned growth.

Research and development

Research and development expenses increased $26.5 million, or 91%, to $55.8 million for the nine-month period ended December 31, 2024 from approximately $29.3 million during the nine-month period ended December 31, 2023 as a result of an increase in stock-based compensation expense of $1.9 million coupled with our commitment to product innovation and development, including software enhancements, additional headcount and the expansion of our R&D and innovation capability in the U.S., Brazil and India with the launch of Center of Excellence facilities .

Interest expense

Interest expense modestly increased $0.8 million, or 8%, to $10.7 million, for the nine-month period ended December 31, 2024 from $10.0 million during the nine-month period ended December 31, 2023.

Other income, net

Other income, net was $16.3 million for the nine-month period ended December 31, 2024, which primarily included $13.7 million interest income, and $4.4 million in tax related income as a result of a decrease in our liability under the Tax Receivable Agreement, partially offset by $3.8 million of unfavorable foreign currency exchange losses. Other income, net was $18.5 million for the nine-month period ended December 31, 2023, which primarily included $8.8 million of interest income, $7.3 million tax related gains as a result of a decrease in our liability under the Tax Receivable Agreement, and $2.6 million of favorable foreign currency exchange gains during the period.

Provision for income taxes

We accrue and pay income taxes according to the laws and regulations of each jurisdiction in which we operate. Most of our revenue and profits are generated in the United States with a statutory income tax rate of approximately 21% for the nine-month periods ended December 31, 2024 and December 31, 2023. For the nine-month periods ended December 31, 2024 and December 31, 2023, we recorded total income tax expense of $89.9 million and $51.9 million, respectively, which reflected consolidated effective income tax rates of 20% and 16%, respectively. The increase in tax expense as well as effective tax rate from the nine-month period ended December 31, 2023 to the nine-month period ended December 31, 2024 is driven by a reduction in tax benefits related to stock based compensation associated with the non-deductible executive compensation, and an increase in income before income taxes for the corresponding period and an increase in tax rate due to the separation from Flex as further described in Note 6 in the notes to the consolidated financial statements in the Form 10-K.

During the nine-month period ended December 31, 2024, Ojjo updated its forecasted pre-tax earnings to account for the economic arrangement in accordance with its transfer pricing policy, which reflects forecasted profits into the future. As a result, we released the valuation allowance recorded against Ojjo's deferred tax assets given that it is more likely than not that the deferred tax assets will be realized. An $8.5 million income tax benefit was recorded as a discrete item in the nine-month period ended December 31, 2024 as it relates to a change in management's assertion related to the realization of deferred tax assets in periods beyond the current tax year.

LIQUIDITY AND CAPITAL RESOURCES

Our principal uses of cash have been to fund our operations and invest in research and development and our cash flow generation and credit facilities have continued to provide adequate liquidity for our business.

Credit Facilities

On June 21, 2024, Nextracker Inc. and the LLC, as the borrower, entered into the Amendment to the 2023 Credit Agreement. The Amendment amended the 2023 Credit Agreement to, among other things: (i) increase the aggregate commitments of the revolving credit facility (the "RCF") from $500.0 million to $1.0 billion; (ii) provide for a $1.0 billion secured debt basket for surety bonds; (iii) increase the letter of credit capacity from $300.0 million to $500.0 million; and (iv) update various covenants, baskets and thresholds to provide more financing capacity and operational flexibility to Nextracker Inc. and the LLC. Subject to the satisfaction of certain conditions, the LLC may be permitted to request incremental term loan facilities under the credit facility from one or more lenders.

The RCF under the 2023 Credit Agreement is available in U.S. dollars, euros and such currencies as mutually agreed on a revolving basis during the five-year period through February 11, 2028. A portion of the RCF not to exceed $500.0 million is available for the issuance of letters of credit. A portion of the RCF not to exceed $50.0 million is available for swing line loans. Subject to the satisfaction of certain conditions, the LLC will be permitted to incur incremental term loan facilities or increase the RCF commitment in an aggregate principal amount equal to $257.5 million plus an additional amount such that the secured net leverage ratio or total net leverage ratio, as applicable, is equal to or less than a specified threshold after giving pro forma effect to such incurrence.

The obligations of the LLC under the Amended 2023 Credit Agreement and related loan documents are jointly and severally guaranteed by Nextracker Inc., certain other holding companies (collectively, the "Guarantors") and, subject to certain exclusions, certain of the LLC's existing and future direct and indirect wholly-owned domestic subsidiaries.

As of the closing of the Amended 2023 Credit Agreement, all obligations of the LLC and the Guarantors were secured by certain equity pledges by the LLC and the Guarantors. However, if the LLC's total net leverage ratio exceeds a specified threshold, the collateral will include substantially all the assets of the LLC and the Guarantors and, if the LLC meets certain investment grade conditions, such lien will be released.

The term loan facility ("Term Loan") under the 2023 Credit Agreement requires quarterly principal payments beginning on June 30, 2024, in an amount equal to 0.625% of the original aggregate principal amount of the Term Loan. From June 30, 2025, the quarterly principal payment will increase to 1.25% of the original aggregate principal amount of the Term Loan. The remaining balance of the Term Loan and the outstanding balance of any RCF loans will be repayable on February 11, 2028. Borrowings under the Amended 2023 Credit Agreement are prepayable and commitments subject to being reduced in each case at the LLC's option without premium or penalty. The Amended 2023 Credit Agreement contains certain mandatory prepayment provisions in the event that the LLC or its restricted subsidiaries incur certain types of indebtedness or, subject to certain reinvestment rights, receive net cash proceeds from certain asset sales or other dispositions of property.

Borrowings in U.S. dollars under the Amended 2023 Credit Agreement bear interest at a rate based on either (a) a term secured overnight financing rate ("SOFR") based formula (including a credit spread adjustment of 10 basis points) plus a margin of 162.5 basis points to 200 basis points, depending on the LLC's total net leverage ratio, or (b) a base rate formula plus a margin of 62.5 basis points to 100 basis points, depending on the LLC's total net leverage ratio. Borrowings under the RCF in euros bear interest based on the adjusted EURIBOR rate plus a margin of 162.5 basis points to 200 basis points, depending on the LLC's total net leverage ratio. The LLC is required to pay a quarterly commitment fee on the undrawn portion of the RCF commitments of 20 basis points to 35 basis points, depending on the LLC's total net leverage ratio. The interest rate for the Term Loan was 6.53% (SOFR rate of 4.80% plus a margin of 1.73%) as of December 31, 2024.

The Amended 2023 Credit Agreement contains certain affirmative and negative covenants that, among other things and subject to certain exceptions, limit the ability of the LLC and its restricted subsidiaries to incur additional indebtedness or liens, to dispose of assets, change their fiscal year or lines of business, pay dividends and other restricted payments, make investments and other acquisitions, make optional payments of subordinated and junior lien debt, enter into transactions with affiliates and enter into restrictive agreements. In addition, the Amended 2023 Credit Agreement requires the LLC to maintain a consolidated total net leverage ratio below a certain threshold. As of December 31, 2024, we were in compliance with all applicable covenants under the Amended 2023 Credit Agreement, the Term Loan and the RCF.

Tax Receivable Agreement

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

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

Cash Flows Analysis

	Nine-month periods ended	
	December 31, 2024	December 31, 2023
	(In thousands)	
Net cash provided by operating activities	$ 418,467	$ 317,481
Net cash used in investing activities	(168,516)	(3,850)
Net cash used in financing activities	(30,462)	(75,821)

Nine-month period ended December 31, 2024

Net cash provided by operating activities was $418.5 million during the nine-month period ended December 31, 2024. Total cash provided during the period was driven by net income of $359.4 million adjusted for non-cash charges of approximately $91.9 million primarily related to stock-based compensation expense, depreciation and amortization, deferred income taxes associated with the Tax Receivable Agreement and provision for credit losses. Cash from net income was further decreased by the overall increase in our net operating assets and liabilities, primarily our net working capital accounts, resulting in an outflow of approximately $32.9 million. Accounts payable decreased $81.3 million, partially associated with timing and a decrease in payment cycle, other liabilities decreased $46.4 million primarily due to a decrease in accrued expense primarily for freight and tariffs, and other assets increased $21.7 million driven by advance payments to suppliers. Inventory increased $10.4 million as we ramped up for our fourth quarter projects deliveries. Partially offsetting the cash outflows were net decreases in accounts receivable and contract assets of $44.2 million due to the timing of billings and deliveries, and increases in deferred revenue of $82.7 million driven primarily by increased deposits on higher bookings during the period and safe harbor deposits.

Net cash used in investing activities was approximately $168.5 million and directly attributable to the $144.7 million payment for the Foundations acquisitions net of cash acquired, coupled with the purchase of property and equipment.

Net cash used in financing activities was $30.5 million primarily resulting from a $15.5 million payment to Flex, TPG and the TPG Affiliates pursuant to the Tax Receivable Agreement, $6.1 million of tax distributions to our non-controlling interest holders pursuant to the LLC Agreement and a $6.0 million payment of the RCF issuance costs.

Nine-month period ended December 31, 2023

Net cash provided by operating activities was $317.5 million during the nine-month period ended December 31, 2023. Total cash provided during the period was driven by net income of $273.0 million adjusted for non-cash charges of approximately ($84.3) million, primarily related to deferred income taxes associated with our Tax Receivable Agreement, partially offset by stock-based compensation expense, depreciation and amortization. Cash from net income was increased by the overall decrease in our net operating assets and liabilities, primarily our net working capital accounts, resulting in an inflow of approximately $128.8 million. Accounts payable increased approximately $162.8 million partially associated with timing and increase in our payment cycles. Deferred revenue increased approximately $36.6 million driven primarily by increased deposits on higher bookings during the nine-month period ended December 31, 2023. Amounts due to related parties increased $54.4 million and other assets decreased $87.7 million during the nine-month period ended December 31, 2023. Partially offsetting the cash inflows were increases in accounts receivable and contract assets in aggregate of approximately $148.1 million during nine-month period ended December 31, 2023, resulting from shorter billing and collection periods, and increases in inventories of approximately $64.6 million due to strong demand.

Net cash used in investing activities was $3.9 million and directly attributable to the purchase of property and equipment.

Net cash used in financing activities was $75.8 million resulting from the tax distribution to our non-controlling interest holders pursuant to the LLC Agreement, and our repayment to Flex for the cash pool payable outstanding to Flex. After repaying such amount to Flex, no such cash pool payable is outstanding as of December 31, 2023.

Cash management and financing

We had a total liquidity of over $1.6 billion as of December 31, 2024, primarily related to unutilized amounts under the RCF net of cumulative letters of credit issued in conjunction with our customer contracts, and our cash and cash equivalents less current portion of long-term debt balance as of December 31, 2024.

Contractual obligations and commitments

As discussed in the "Credit Facilities" section above, in June 2024, we entered into an amendment to the 2023 Credit Agreement, which, among other things, increased our revolving commitment.

Information regarding our debt obligation, operating lease commitments and other commitments is provided in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-K.

There were no material changes in our contractual obligations and commitments as of December 31, 2024.

Recently adopted accounting pronouncements

None during the nine-month period ended December 31, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in commodity prices, such as steel and customer concentrations. We do not hold or issue financial instruments for trading purposes and had $145.3 million outstanding under our Term Loan, net of issuance costs as of December 31, 2024.

There were no material changes in our exposure to market risks for changes in interest and foreign currency exchange rates for the nine-month period ended December 31, 2024 as compared to the fiscal year ended March 31, 2024.

Concentration of major customers

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

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

	Three-month periods ended		**Nine-month periods ended**	
	December 31, 2024	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
Customer G	*	24%	11%	17%
Top five largest customers	30%	54%	36%	43%

* Percentage below 10%

Our trade accounts receivable and contract assets are from companies within the solar industry and, as such, we are exposed to normal industry credit risks. We periodically evaluate our reserves for potential credit losses and establish reserves for such losses.

As of December 31, 2024, none of our customers exceeded 10% of total accounts receivable, net of allowance for credit losses and contract assets.

Commodity price risk

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

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

Foreign currency exchange risk

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

Based on our overall currency rate exposures as of December 31, 2024 and March 31, 2024, including the derivative financial instruments intended to hedge the nonfunctional currency-denominated monetary assets, liabilities and cash flows, and other factors, a 10% appreciation or depreciation of the U.S. dollar from its cross-functional rates would not be expected, in the aggregate, to have a material effect on our financial position, results of operations and cash flows in the near-term.

ITEM 4. CONTROLS AND PROCEDURES

a. Evaluation of Disclosure Controls and Procedures

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

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

b. *Changes in Internal Control Over Financial Reporting*

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

c. Inherent Limitations on Effectiveness of Controls

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

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

For more information, see Note 8 “Commitments and contingencies” in the notes to the unaudited condensed consolidated final statements included elsewhere in this Quarterly Report.

ITEM 1A. RISK FACTORS

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

Summary of Risk Factors

- The demand for solar energy and, in turn, our products is impacted by many factors outside of our control, and if such demand does not continue to grow or grows at a slower rate than we anticipate, our business and prospects will suffer.
- Competitive pressures within our industry may harm our business, results of operations, financial condition and prospects.
- We face competition from conventional and other renewable energy sources that may offer products and solutions that are less expensive or otherwise perceived to be more advantageous than solar energy solutions.
- Delays in construction projects and any failure to manage our inventory could have a material adverse effect on us.
- Our results of operations may fluctuate from quarter to quarter, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations.
- The reduction, elimination or expiration of government incentives for, or regulations mandating the use of, renewable energy and solar energy specifically could reduce demand for solar energy systems and harm our business.
- International regulation of and incentives for solar projects vary by jurisdiction and may change or be eliminated.
- Our failure to maintain appropriate environmental, social and governance practices and disclosures could result in reputational harm, a loss of customer and investor confidence, and adversely affect our business and financial results.
- We rely heavily on our suppliers and our operations could be disrupted if we encounter problems with our suppliers or if there are disruptions in our supply chain.
- Economic, political and market conditions can adversely affect our business, financial condition and results of operations.
- Our business and industry, including our customers and suppliers, are subject to risks of severe weather events, natural disasters, climate change and other catastrophic events.
- Our business, operating results and financial condition could be materially harmed by evolving regulatory uncertainty or obligations applicable to our products and services.
- Changes in the global trade environment, including the imposition of import tariffs, could adversely affect the amount or timing of our revenues, results of operations or cash flows.
- We may not be able to convert our orders in backlog into revenue.

- A further increase in interest rates, or a reduction in the availability of tax equity or project debt financing, could make it difficult for project developers and owners to finance the cost of a solar energy system and could reduce the demand for our products.
- A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact our revenue, results of operations and cash flows.
- Defects or performance problems in our products could result in loss of customers, reputational damage and decreased revenue, and we may face warranty, indemnity and product liability claims arising from defective products.
- We may experience delays, disruptions or quality control problems in our product development operations.
- Our continued expansion into new markets could subject us to additional business, financial, regulatory and competitive risks.
- Electric utility industry policies and regulations may present technical, regulatory and economic barriers to the purchase and use of solar energy systems that could significantly reduce demand for our products or harm our ability to compete.
- A drop in the price of electricity sold may harm our business, financial condition and results of operations.
- Technological advances in the solar components industry could render our systems uncompetitive or obsolete.
- If we fail to, or incur significant costs in order to, obtain, maintain, protect, defend or enforce our intellectual property, our business and results of operations could be materially harmed.
- Cybersecurity or other data security incidents could harm our business, expose us to liability and cause reputational damage.
- We are required to pay others for certain tax benefits that we are deemed to realize under the Tax Receivable Agreement, and the amounts we may pay could be significant.
- Our indebtedness could adversely affect our financial flexibility and our competitive position.

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

Risks related to our business and our industry

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

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

- availability, scale and scope of government subsidies, government and tax incentives and financing sources to support the development and commercialization of solar energy solutions;
- levels of investment by project developers and owners of solar energy products, which tend to decrease when economic growth slows;
- the emergence, continuance or success of, or increased government support for, other alternative energy generation technologies and products;

- local, state and federal permitting and other regulatory requirements related to environmental, land use and transmission issues, each of which can significantly impact the feasibility and timelines for solar projects;
- technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid;
- the cost and availability of raw materials and components necessary to produce solar energy, such as steel, polysilicon and semiconductor chips; and
- regional, national or global macroeconomic trends, including further increased interest rates, or a reduction in the availability of tax equity or project debt financing, which could make it difficult for project developers and owners to finance the cost of a solar energy system and new projects.

If demand for solar energy fails to continue to grow, demand for our products will plateau or decrease, which would have an adverse impact on our ability to increase our revenue and grow our business. If we are not able to mitigate these risks and overcome these difficulties successfully, our business, financial condition and results of operations could be materially and adversely affected.

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

We face intense competition from a large number of solar tracker companies in nearly all of the markets in which we compete. The solar tracker industry is currently fragmented. This may result in price competition which could adversely affect our revenue and margins.

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

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

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

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

We face significant competition from providers of conventional and renewable energy alternatives such as coal, nuclear, natural gas and wind. We compete with conventional energy sources primarily based on price, predictability of price and energy availability, environmental considerations and the ease with which customers can use electricity generated by solar energy projects. If solar energy systems cannot offer a compelling value to customers based on these factors, then our business growth may be impaired.

Conventional energy sources generally have substantially greater financial, technical, operational and other resources than solar energy sources, and as a result may be able to devote more resources to research, development, promotion and product sales or respond more quickly to evolving industry standards and changes in market conditions than solar energy systems. Conventional and other renewable energy sources may be better suited than solar for certain locations or customer requirements and may also offer other value-added products or services that could help them compete with solar energy sources. In addition, the source of a majority of conventional energy electricity is non-renewable, which may in certain markets allow them to sell electricity more cheaply than electricity generated by solar generation facilities. Non-renewable generation is typically available for dispatch at any time, as it is not dependent on the availability of intermittent resources such as sunlight. The cost-effectiveness, performance and reliability of solar energy products and services, compared to conventional and other renewable energy sources, could materially and adversely affect the demand for our products and services, which could have a material adverse effect on our business, financial condition and results of operations.

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

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

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

Our quarterly results of operations are difficult to predict and may fluctuate significantly in the future. Because we recognize revenue on projects as legal title to equipment is transferred from us to the customer, any delays in large projects from one quarter to another may cause our results of operations for a particular period to fall below expectations. We have experienced seasonal and quarterly fluctuations in the past as a result of fluctuations in our customers' businesses, changes in local and global market trends, as well as seasonal weather-related disruptions. For example, our customers' ability to install solar energy systems is affected by weather, such as during the winter months. Inclement weather may also affect our logistics and operations by causing delays in the shipping and delivery of our materials, components and products which may, in turn, cause delays in our customers' solar projects.

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

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

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

The IRA made significant changes to the federal income tax credits available to solar energy projects, including the investment tax credit ("ITC") under Section 48 of the Internal Revenue Code (the "IRC") for certain energy property. Guidance issued by the U.S. Treasury Department regarding the availability of ITC has changed in the past and is subject to change in the future. Investments in certain solar projects may qualify for a domestic content bonus credit amount if the solar energy project satisfies certain "domestic content" requirements.

On May 12, 2023, the U.S. Treasury Department and the IRS released Notice 2023-38 providing guidance with respect to the IRA's domestic content bonus credit. In Notice 2023-38, the Treasury Department and the IRS announced their intent to propose regulations in the future that will apply to taxable years ending after May 12, 2023, and provided that in the interim, taxpayers may rely on the rules described in Notice 2023-38 for the domestic content bonus credit requirements for any qualified solar energy project the construction of which begins before the date that is 90 days after the date of publication of the forthcoming proposed regulations in the *Federal Register*.

On June 21, 2023, the U.S. Treasury Department and the IRS issued notices of proposed rulemaking and public hearing and temporary regulations providing initial guidance on the elective payment of applicable credits under Section 6417 of the IRC and the transfer of certain credits under Section 6418 of the IRC. The proposed Treasury regulations were subsequently finalized. The Section 6417 Treasury regulations became effective as of May 10, 2024, while the Section 6418 Treasury regulations became effective on July 1, 2024.

On December 15, 2023, the U.S. Treasury Department and the IRS issued a notice of proposed rulemaking and public hearing providing initial guidance on the advanced manufacturing production credit under Section 45X of the IRC, established by the IRA (the "Section 45X Credit") which is a per-unit tax credit that is earned over time for each clean energy component domestically produced and sold by a manufacturer.

On May 16, 2024, the U.S. Treasury Department and the IRS released Notice 2024-41 providing additional guidance with respect to the IRA's domestic content bonus credit, which provides a new elective safe harbor that taxpayers may elect to use to classify applicable project components and calculate the domestic cost percentage in an applicable project to qualify for the domestic content bonus credit amounts.

On January 16, 2025, the U.S. Treasury Department and the IRS released Notice 2025-08 modifying Notice 2023-38 and Notice 2024-41 as well as introducing the first updated elective safe harbor for use in lieu of provisions of the adjusted percentage rule provided in Notice 2023-38 for calculating the domestic content bonus credit amounts applicable for certain qualified facilities and energy projects.

Generally, a qualified facility or energy project seeking a domestic content bonus credit must satisfy certain U.S. domestic sourcing or production requirements for iron, steel and manufactured products. In addition, the United States taxpayer reporting a domestic content bonus credit must satisfy certain certification, recordkeeping and substantiation requirements.

In lieu of the ITC, as a result of changes made by the IRA, United States taxpayers may also be allowed to elect to receive a production tax credit ("PTC") under Section 45 of the IRC for qualified solar facilities if the construction began before January 1, 2025 and the facility is placed in service for federal income tax purposes after 2021.

The PTC is available for electricity produced by a qualifying solar project and sold to unrelated persons during the ten years following the qualifying solar project's placement in service and is equal to an inflation-adjusted amount of 3.00 cents per kilowatt hour during calendar year 2024 (for projects placed in service after 2021), for every kilowatt-hour of electricity produced by a qualifying solar project and sold to unrelated persons, which inflation-adjusted amount is updated annually. The available credit amount is increased by up to 10% if the domestic content requirements described above are satisfied. The amounts of any PTCs or ITCs are subject to change by order of the IRS.

Under the IRA, for certain qualifying projects placed in service after 2024, each of the ITC and PTC will be replaced by similar "technology neutral" tax credit incentives that mimic the ITC and PTC, but also require that projects satisfy a "zero greenhouse gas emissions" standard in order to qualify for the tax credits. This new tax credit regime will continue to apply to projects that begin construction prior to the end of 2033, at which point the credits will become subject to a phase-out schedule.

While these changes are intended to encourage investments in new solar projects, the impact these changes will have on our results of operations is unclear. For example, if we are unable to meet the domestic content requirements necessary for customers using our tracker products to qualify for the incremental domestic content bonus credit and our competitors are able to do so, we might experience a decline in sales for U.S. projects.

The U.S. Treasury Department has provided certain guidance on the domestic content requirements; however, further clarifications may be forthcoming and it is possible customers may impose certain domestic content requirements on us as a result. Such domestic content requirements may increase our production costs. Further, the timing and nature of the U.S. Treasury Department's eventual proposed and final implementing regulations, which are expected to supersede Notice 2023-38 and Notice 2024-41, remain uncertain. When final implementing regulations for domestic content requirements are released, we may not have an adequate supply of tracker products satisfying the domestic content requirements to meet customer demand. In addition, compliance with domestic content requirements may significantly increase our record-keeping, accounting and production costs. As a result of these risks, the domestic content requirements may have a material adverse impact on our U.S. sales, business and results of operations.

If our customers are unable to satisfy their respective prevailing wage and apprenticeship requirements under the IRA, for projects that establish the beginning of construction on or after January 29, 2023, the tax credits available to the customers will be lower than the credits available prior to the IRA. If a significant portion of our customers are unable to satisfy prevailing wage and apprenticeship requirements under the IRA, demand for our tracker products may be adversely impacted by the reduced tax credits available to our customers, which could have a material adverse effect on our business, financial condition and results of operations.

On October 28, 2024, the U.S. Treasury Department and the IRS published final Treasury regulations (the “45X Treasury regulations”) regarding the Section 45X Credit, which become effective on December 27, 2024. The 45X Treasury regulations retain the same basic structure as the proposed Treasury regulations issued on December 15, 2023 with certain revisions. In particular, the 45X Treasury regulations confirm a solar tracker is not a solar energy component that is an eligible component under Section 45X of the IRC, but torque tubes and structural fasteners may qualify as eligible components. While we believe that certain of our products, namely our torque tubes and a portion of our structural fasteners, should qualify under Section 45X, our ability to ultimately benefit from Section 45X and other IRA tax credits is not guaranteed.

On January 7, 2025, the U.S. Treasury Department and the IRS released final Treasury regulations which were published in the Federal Register on January 15, 2025 (the “Clean Electricity Treasury regulations”) regarding the clean electricity production credit under Section 45Y of the IRC, established by the IRA (the “Section 45Y Credit”) with respect to qualified facilities and the clean electricity investment credit under Section 48E of the IRC, established by the IRA (the “Section 48E Credit”) with respect to qualified facilities, as applicable, that are placed in service after 2024. The Section 45Y Credit and Section 48E Credit provide incremental tax credits for U.S. solar projects satisfying domestic content requirements similar to the ITC and PTC. These incentives are subject to various qualification requirements and phase outs, which may adversely affect demand for our solar products.

Certain provisions of the IRA have been the subject of substantial public interest and have been subject to debate, and there are divergent views on potential implementation, guidance, rules and regulatory principles by a diverse group of interested parties. There can be no assurance that our products will fully qualify for the benefits under the IRA or that competitors will not disproportionately benefit or gain competitive advantages as a result of the IRA’s implementation or interpretation. In addition, if our customers or suppliers incorrectly interpret the requirements of the IRA’s tax credits and it is later determined that the tax credits were incorrectly claimed, we may be penalized.

As a result, the final interpretation and implementation of the provisions in the IRA could have a material adverse impact on us. Furthermore, future legislative enactments or administrative actions could limit, amend, repeal or terminate IRA policies or other incentives that we currently hope to leverage. Any reduction, elimination, or discriminatory application or expiration of the IRA may materially adversely affect our future operating results and liquidity.

Changes to tax laws and regulations that are applied adversely to us or our customers could materially adversely affect our business, financial condition, results of operations and prospects, including our ability to optimize those changes brought about by the passage of the IRA.

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

Moreover, changes in policies of recent U.S. presidential administrations have created regulatory uncertainty in the renewable energy industry, including the solar energy industry, and have adversely affected and may continue to adversely affect our business. For example, in the span of less than six years, the United States joined, withdrew from, and then rejoined the 2015

Paris Agreement on climate change mitigation following changes in administration between U.S. Presidents Obama, Trump and Biden. To start his second term, U.S. President Trump signed numerous executive orders including for the U.S. to withdraw from the Paris Climate Treaty, to expedite deregulated oil and gas drilling, and revoke executive orders and actions from the previous administration related to, among other things, the implementation of the energy and infrastructure provisions of the IRA. Additionally, under President Trump, the U.S. Department of the Interior implemented a 60-day pause on new renewable energy projects on public land or in public waters which began on January 20, 2025. This pause, or a similar pause, on renewable energy project development, particularly if extended, could delay the timing of projects, and could a material adverse on our business, financial condition and results of operations.

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

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

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

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

Our failure to maintain appropriate environmental, social and governance ("ESG") practices and disclosures could result in reputational harm, a loss of customer and investor confidence, and adversely affect our business and financial results.

Governments, customers, investors and employees are enhancing their focus on ESG practices and disclosures, and expectations in this area are rapidly evolving and increasing. Failure to adequately maintain appropriate ESG practices that meet diverse stakeholder expectations may result in an inability to attract customers, the loss of business, diluted market valuation, and an inability to attract and retain top talent. In addition, standards, processes and governmental requirements for disclosing sustainability metrics may change over time, resulting in inconsistent data, or could result in significant revisions to our sustainability commitments or our ability to achieve them. As governments impose greenhouse gas emission reporting requirements and other ESG-related laws, we are subject to at least some of these rules and concomitant regulatory risk exposure. ESG compliance and reporting could be costly, and we could be at a disadvantage compared to companies that do not have similar reporting requirements.

For example, recently published rules by the SEC could require significantly expanded climate-related disclosures in our periodic reporting, which may require us to incur significant additional costs to comply, including the implementation of significant additional internal controls regarding matters that have not been subject to such controls in the past. In addition, California recently enacted climate disclosure laws that may require companies to report on greenhouse gas emissions, climate-related financial risks, and the use of carbon offsets and emissions reduction claims. Similarly, we may be subject to the requirements of the EU Corporate Sustainability Reporting Directive (and its implementing laws and regulations) and other EU and EU member state regulations, or disclosure requirements on various sustainability topics. These requirements vary across jurisdictions, which may result in increased complexity and cost, for compliance. Furthermore, industry and market practices continue to evolve, and we may have to expend significant efforts and resources to keep up with market trends and stay competitive among our peers, which could result in higher associated compliance costs and penalties for failure to comply with applicable laws and regulations.

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

We purchase our components through arrangements with various suppliers located across the globe. We depend on our suppliers to source materials and manufacture critical components for our products. Our reliance on these suppliers makes us vulnerable to possible capacity constraints and reduced control over component availability, delivery schedules and costs which could disrupt our ability to procure these components in a timely and cost-efficient manner. Any shortages of components or raw materials for these products could affect our ability to timely deliver our products to our customers, which may result in liquidated damages or contractual disputes with our customers, harm our reputation and lead to a decrease in demand for our products.

For example, our products are manufactured from steel and, as a result, our business is significantly affected by the price of steel. When steel prices are higher, the prices that we charge customers for our products may increase, which may decrease demand for our products. Conversely, if steel prices decline, customers may demand lower prices and our competitors' responses to those demands could result in lower sale prices or lower sales volume and, consequently, negatively affect our profitability. A significant portion of the steel used to produce our products is derived directly or indirectly from steel mills located in China. At times, pricing and availability of steel can be volatile due to numerous factors beyond our control, including domestic and international economic conditions, global steel capacity, import levels, fluctuations in the costs of raw materials necessary to produce steel, sales levels, competition, consolidation of steel producers, labor costs, transportation costs, import duties and tariffs and foreign currency exchange rates. The volatility in the availability and cost of steel may impact our business.

Further, if any of our suppliers were unable or unwilling to manufacture the components that we require for our products in sufficient volumes or at sufficiently high quality levels or to renew existing terms under supply agreements, we would need to identify, qualify and select acceptable alternative suppliers. An alternative supplier may not be available to us when needed or may not be in a position to satisfy our quality or production requirements on commercially reasonable terms, including price. Any significant disruption to our ability to procure our components, and our suppliers' ability to procure materials to manufacture components for our products could increase the production cost of our products or reduce or delay our ability to perform under our contracts and could thereby adversely affect our business, financial condition and results of operations.

In addition, as noted above, the IRA provides incremental tax credits for U.S. solar projects satisfying domestic content requirements. While the impact of these requirements on us remains fluid and uncertain pending customer response and any future or final implementing regulations, if we are unable to provide our tracker products in a manner that satisfies applicable domestic content requirements, we might experience a decline in sales for U.S. projects, especially if our competitors are able to satisfy such domestic content requirements. In addition, compliance with these requirements may increase our production costs. In light of the foregoing, our U.S. sales, profitability and results of operations in the United States may be adversely affected by applicable domestic content requirements which must be satisfied in order for solar projects to be eligible for these incremental credits.

Further, disruption in our supply chain and transportation channels, including changes by carriers and transportation companies relating to delivery schedules, shortages in available cargo capacity or labor availability, payment terms and frequency of service and pricing as well as cargo ship, shipping channel disruptions or work stoppages or strikes could impact our ability to timely deliver our products to our customers or increase delivery costs. For example, many shipping companies have paused shipments through the Suez Canal and the Red Sea as a result of attacks against commercial vessels in the area, causing rerouting of commercial vessels. As a result, we may experience increased costs and delivery delays.

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

Macroeconomic developments, such as the global or regional economic effects resulting from the current Russia-Ukraine conflict and current Middle East instability, including the Israel-Hamas conflict (including the disruption of transporting goods through the Suez Canal), further increases in inflation and related economic curtailment initiatives, evolving trade policies or the occurrence of similar events that lead to uncertainty or instability in economic, political or market conditions, could have a material adverse effect on our business, financial condition and results of operations. Local political issues and conflicts could have a material adverse effect on our results of operations and financial condition if they affect geographies in which we do business or obtain our components. A local conflict, such as the Ukraine-Russian War or the Middle East conflict, could also have a significant adverse impact on regional or global macroeconomic conditions, give rise to regional instability or result in heightened economic tariffs, sanctions and import-export restrictions in a manner that adversely affects us, including to the extent that any such actions cause material business interruptions or restrict our ability to conduct business with certain suppliers. Additionally, such conflict or sanctions may significantly devalue various global currencies and have a negative impact on economies in geographies in which we do business. The financial markets and the global economy may also be adversely affected by the impact or anticipated impact of the recent change in the U.S. presidential administration.

Adverse macroeconomic conditions, including slow growth or recession, high unemployment, labor shortages, ongoing or increasing inflation, tighter credit, higher interest rates and currency fluctuations, may cause current or potential customers to reduce or eliminate their budgets and spending, which could cause customers to delay, decrease or cancel projects with us.

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

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

In addition, our operations and facilities and those of the third parties on which we rely are subject to the risk of interruption by fire, power shortages, nuclear power plant accidents and other industrial accidents, terrorist attacks and other hostile acts, cybersecurity attacks and other data security incidents, labor disputes, including labor shortages, public health issues, including pandemics such as the COVID-19 pandemic, and other events beyond our and their control. Any damage and disruption in any locations in which we have offices or in which our customers or suppliers operate, which are caused by severe weather events (such as extreme cold weather, hail, hurricanes, tornadoes and heavy snowfall), seismic activity, fires, floods and other natural disasters or catastrophic events could result in a delay or even a complete cessation of our worldwide or regional operations and could cause severe damage to our products and equipment used in our solar projects. Global climate change is increasing the frequency and intensity of certain types of severe weather events. Even if our tracker products are not damaged, severe weather, natural disasters and catastrophic events may cause damage to the solar panels that are mounted to our tracker products, which could result in decreased demand for our products, loss of customers and the withdrawal of coverage for solar panels and solar tracking systems by insurance companies. Any of these events would negatively impact our ability to deliver our products and services to our customers and could result in reduced demand for our products and services, and any damage to our products and equipment used for our solar projects could result in large warranty claims which could, individually or in the aggregate, exceed the amount of insurance available to us, all of which would have a material adverse effect on our business, financial condition and results of operations.

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

Changes in regulatory requirements applicable to the industries and sectors in which we operate, in the United States and in other countries, could materially affect the sales and use of our products and services. In particular, economic sanctions and changes to export and import control requirements may impact our ability to sell and support our products and services in certain jurisdictions. If we were to fail to comply with export controls laws and regulations, U.S. economic sanctions or other similar laws, including restrictions from the international community, or conflict mineral regulations, we could be subject to both civil and criminal penalties, including substantial fines, possible incarceration for employees and managers for willful violations and the possible loss of our export or import privileges.

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

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

Escalating trade tensions, particularly between the United States and China, have led to increased tariffs and trade restrictions, including tariffs applicable to certain materials and components for our products such as steel, or for products used in solar energy projects more broadly, such as solar modules and solar cells.

More specifically, the United States has imposed tariffs and quotas on steel imports as well as tariffs on imported solar modules and cells. We use international suppliers of steel and the steel tariffs could result in interruptions in the supply chain and impact our costs and our gross margins.

There currently is a safeguard from most countries tariff on most imported solar modules pursuant to Section 201 of the Trade Act of 1974. The Section 201 tariff on solar modules is set at 14.25% until February 6, 2025, at which point it will drop to 14% until February 6, 2026. The prior Section 201 tariff exemption for bifacial modules has been revoked, subjecting bifacial modules to the Section 201 tariff.

There also are tariffs on various solar equipment, including solar cells and modules, inverters and power optimizers, imported from China under Section 301 of the Trade Act of 1974.

Effective September 27, 2024, Section 301 tariffs on certain Chinese steel products increased to 25%, Section 301 tariffs on Chinese solar cells and modules increased to 50%, and Section 301 tariffs on parts of lead-acid storage batteries (including separators thereof) increased to 25%. Effective January 1, 2026, Section 301 tariffs on Chinese lithium-ion non-EV batteries are scheduled to increase to 25%.

Our products contain steel and certain steel tariffs imposed pursuant to Section 232 of the Trade Expansion Act of 1962 and Section 301 of the Trade Act of 1974 are applicable to us. Nextracker products also include proprietary crystalline solar photovoltaic ("CSPV") modules that sit on each tracker row to power batteries providing electricity to our controller. Such modules are impacted by Section 201 tariffs on solar modules and could be impacted by Section 301 tariffs on solar modules. Such tariffs also may indirectly affect us by increasing the costs of components of solar energy projects, thereby adversely impacting the financial viability of solar energy projects in which our products are used, which could lead to decreased demand for our products.

Under the second Trump administration, trade policies affecting materials and components for our products such as steel or for products used in solar energy projects more broadly, such as solar modules and lithium-ion batteries, are subject to change. Previously, the Biden Administration announced that the Department of Energy and the Department of Commerce ("Commerce") would closely monitor solar module import patterns to ensure the U.S. market does not become oversaturated and would explore all available measures to take action against unfair practices. Consequently, U.S. trade policies continue to be in flux, and trade policies implemented by the Trump Administration could have an adverse effect on our business, financial condition and results of operations.

On August 18, 2023, Commerce issued final affirmative determinations of circumvention with respect to certain CSPV cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam using parts and components from China. As a result, certain CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam are now subject to antidumping duty and countervailing duty ("AD/CVD") orders on CSPV cells and modules from China that have been in place since 2012. Subject to certain certification and utilization conditions, imports of CSPV cells and modules covered by the circumvention determinations that entered the United States during the two-year period prior to June 6, 2024 were not subject to AD/CVD cash deposit or duty requirements. Imports of CSPV cells and modules from the four Southeast Asian countries covered by the circumvention determination that entered the United States on or after June 6, 2024 are subject to AD/CVD cash deposit requirements of the China AD/CVD orders and, possibly, final AD/CVD duty liability. Cash deposit rates for CSPV modules covered by the China AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 250% of the entered value of the imported merchandise.

In December 2024, in connection with the circumvention final determination, U.S. Customs and Border Protection ("CBP") instructed us to pay AD/CVD cash deposits totaling approximately $1 million, relating to a small number of our imports of CSPV modules from Malaysia and Thailand prior to June 6, 2024, representing 250% of the entered value of such imports. These CSPV modules are Nextracker's proprietary modules that sit on each tracker row to power batteries providing electricity to our controller. CBP based its instruction to make the cash deposit payment due to alleged deficiencies with respect to certifications regarding the imports. If CBP were to instruct us to make AD/CVD cash deposit payments relating to other past imports of our proprietary CSPV modules covered by the circumvention determinations, which are much larger in volume than the number of imports related to the $1 million cash deposits, we could be required to pay additional cash deposits, and these cash deposits could be material and may not be ultimately refunded to us.

AD/CVD cash deposits and duties collected on imports of CSPV cells and modules could adversely impact our business either by their applicability to our proprietary module providing back-up power as described above or by adversely impacting the projects. Such impacts may include the timing and economics of customer project delays or cancellations.

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

The ultimate severity or duration of the expected solar panel supply chain disruption or its effects on our clients' solar project development and construction activities, and associated consequences on our business, is uncertain. More broadly, recent revisions to U.S. regulations governing AD/CVD proceedings may make it easier for domestic companies to obtain affirmative determinations in such proceedings, which could result in future successful petitions and administrative decisions that limit imports from Asia and other regions. Meanwhile, the Trump Administration has threatened increased tariffs on a variety of products and countries that could affect our business.

Existing tariffs and duties, the possibility of additional or increased tariffs or duties in the future, and the detention by CBP of solar modules all have created uncertainty in the solar industry. If the price of solar systems increases, the use of solar systems could become less economically feasible and could reduce our gross margins or reduce the demand for solar systems, which in turn may decrease demand for our products.

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

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

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

Backlog can be subject to large variations from quarter to quarter and comparisons of backlog from period to period are not necessarily indicative of future revenue. The contracts comprising our backlog may not result in actual revenue in any particular period or at all, and the actual revenue from such contracts may differ from our backlog estimates. The timing of receipt of revenue, if any, on projects included in backlog could change because many factors affect the scheduling of projects. Cancellation of or adjustments to contracts may occur.

The failure to realize all amounts in our backlog could adversely affect our future revenue and gross margins. As a result, our backlog as of any particular date may not be an accurate indicator of our future financial performance.

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

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

A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact our revenue, results of operations and cash flows.

For the year ended March 31, 2024, our largest customer constituted 17% of our total revenues. The loss of any one of our significant customers, their inability to perform under their contracts, or their default in payment, could have a substantial effect on our revenues and profits. Further, our trade accounts receivable and unbilled receivable ("contract assets") are from companies within the solar industry, and, as such, we are exposed to normal industry credit risks. As of March 31, 2024, our largest customer constituted 15.5% of our total trade accounts receivable and contract assets balances. Accordingly, loss of a significant customer or a significant reduction in pricing or order volume from a significant customer could substantially reduce our revenue and could have a material adverse effect on our business, financial condition and results of operations.

Defects or performance problems in our products could result in loss of customers, reputational damage and decreased revenue, and we may face warranty, indemnity and product liability claims arising from defective products.

Our products may contain undetected errors or defects, especially when first introduced or when new generations are released. Errors, defects or poor performance can arise due to design flaws, defects in raw materials or components or manufacturing difficulties, which can affect both the quality and the yield of the product. Any actual or perceived errors, defects or poor performance in our products could result in the replacement or recall of our products, shipment delays, rejection of our products, damage to our reputation, lost revenue, diversion of our engineering personnel from our product development efforts and increases in customer service and support costs, all of which could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, defective components may give rise to warranty, indemnity or product liability claims against us that exceed any revenue or profit we receive from the affected products. Our limited warranties cover defects in materials and workmanship of our products under normal use and service conditions. As a result, we bear the risk of warranty claims long after we have sold products and recognized revenue. While we have accrued reserves for warranty claims, our estimated warranty costs for previously sold products may change to the extent the warranty claims profile of future products is not comparable with that of earlier generation products under warranty. Our warranty accruals are based on our assumptions and we do not have a long history of making such assumptions. As a result, these assumptions could prove to be materially different from the actual performance of our systems, causing us to incur substantial unanticipated expense to repair or replace defective products in the future or to compensate customers for defective products. Our failure to accurately predict future claims could result in unexpected volatility in, and have a material adverse effect on our business, financial condition and results of operations.

If one of our products were to cause injury to someone or cause property damage, including as a result of product malfunctions, defects or improper installation, then we could be exposed to product liability claims. Any such claim could cause us to incur significant costs and could divert management's attention and harm our reputation.

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

Our product development and testing processes are complex and require significant technological expertise. Such processes involve a number of precise steps from design to production. Any change in our processes could cause one or more production errors, requiring a temporary suspension or delay in our suppliers' production lines until the errors can be researched, identified, and properly addressed and rectified. This may occur particularly as we introduce new products, modify our engineering techniques and/or expand our capacity. The commercialization of any new products may also fail to achieve market adoption or may experience downward pricing pressure, which would have a material impact on our gross margins and results of operations. Further, the installation of our products involves various risks and complications which may increase as our products evolve and develop, and any such increase in risks and complications may have a negative effect on our gross margins. In addition, our failure to maintain appropriate quality assurance processes could result in increased product failures, loss of customers, increased warranty reserve, increased production and logistics costs, and delays. Any of these developments could have a material adverse effect on our business, financial condition and results of operations.

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

Part of our strategy is to continue to grow our revenues from international markets, including entering new geographic markets to expand our current international presence. Our products and services to be offered in these regions may differ from our current products and services in several ways, such as the consumption and utilization of local raw materials, components and logistics, the re-engineering of select components to meet region-specific requirements and region-specific customer training, site commissioning, warranty remediation and other technical services. Any of these differences or required changes to our products and services to meet the requirements of local laws and regulations may increase the cost of our products, reduce demand and result in a decrease in our gross margins. We may also face competition from lower cost providers in any new markets we enter which could decrease the demand for our products or cause us to reduce the cost of our products in order to remain competitive.

Any new geographic market could have different characteristics from the markets in which we currently sell products, and our success in such markets will depend on our ability to adapt properly to these differences. These differences may include differing regulatory requirements, including local manufacturing content requirements, tax laws, trade laws, labor regulations, corporate formation laws and requirements, tariffs, export quotas, customs duties or other trade restrictions, limited or unfavorable intellectual property protection, international political or economic conditions, restrictions on the repatriation of earnings, longer sales cycles, warranty expectations, product return policies and cost, performance and compatibility requirements. In addition, expanding into new geographic markets will increase our exposure to presently existing risks, such as fluctuations in the value of foreign currencies and difficulties and increased expenses in complying with U.S. and foreign laws, regulations and trade standards, including the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), as well as relevant anti-money laundering laws.

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

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

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

A significant development in renewable-energy pricing policies in the United States occurred when the Federal Energy Regulatory Commission ("FERC") issued a final rule amending regulations that implement the Public Utility Regulatory Policies Act ("PURPA") on July 16, 2020, which FERC upheld on rehearing on November 19, 2020. Among other requirements, PURPA mandates that electric utilities buy the output of certain renewable generators, including qualifying solar energy facilities, below established capacity thresholds. PURPA also requires that such sales occur at a utility's "avoided cost" rate. FERC's PURPA reforms include modifications (1) to how regulators and electric utilities may establish avoided cost rates for new contracts, (2) that reduce from 20 MW to 5 MW the capacity threshold above which a renewable-energy qualifying facility is rebuttably presumed to have non-discriminatory market access, thereby removing the requirement for utilities to purchase its output, (3) that require regulators to establish criteria for determining when an electric utility incurs a legally enforceable obligation to purchase from a PURPA facility and (4) that reduce barriers for third parties to challenge PURPA eligibility. These new regulations took effect on February 16, 2021, but the net effect of these changes is uncertain, as they have only been effective for a short time, and some changes will not become fully effective until states and other jurisdictions implement the new authorities provided by FERC. In general, however, FERC's PURPA reforms have the potential to reduce prices for the output from certain new renewable generation projects while also narrowing the scope of PURPA eligibility for new projects. These effects could reduce opportunities and demand for PURPA-eligible solar energy systems, which could have a material adverse effect on our business, financial condition and results of operations.

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

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

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

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

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

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

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

The solar industry is characterized by its rapid adoption and application of technological advances. Our competitors may develop technologies more advanced and cost-effective than ours, or broader solar panel design could change resulting in our products no longer being compatible. Additionally, significant developments in alternative technologies, such as advances in other forms of solar tracking systems, could have a material adverse effect on our business, financial condition and results of operations. We will need to invest substantially in research and development to maintain our market position and effectively compete in the future.

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

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

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

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

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

In addition to patent protection, we rely heavily on nondisclosure agreements to protect our proprietary information, know-how, technology and trade secrets. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how, technology and trade secrets, including employees, contractors, third-party manufacturers, other suppliers, customers, other stakeholders involved in solar projects, or other business partners or prospective partners. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation or disclosure of our proprietary information, know-how, technology and trade secrets. Similarly, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own, such agreements may be breached or may not be self-executing, we may not have adequate remedies for any such breach, and we may be subject to claims that such employees or contractors misappropriated relevant rights from their previous employers.

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

We have initiated, and may in the future need to initiate, infringement claims or litigation in order to try to protect or enforce our intellectual property rights, but such litigation can be expensive and time-consuming and may divert the efforts of our management and other personnel, may provoke third parties to assert counterclaims against us and may not result in favorable outcomes.

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

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

Our products and services use certain software licensed by its authors or other third parties under so-called "open source" licenses. Some of these open source licenses may contain requirements that we make available source code for modifications or derivative works that we create based upon the open source software, and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties rights with respect to such software. In certain circumstances, if we combine our proprietary software with certain open source software, we could be required to release the source code for such proprietary software. Additionally, to the extent that we do not comply with the terms of the open source licenses to which we are subject, or such terms are interpreted by a court in a manner different than our own interpretation of such terms, then we may be required to disclose certain of our proprietary software or take other actions that could adversely impact our business. Further, the use of open source software can lead to vulnerabilities that may make our software susceptible to attack, and open source licenses generally do not provide warranties or controls on the origin of the software. While we attempt to utilize open source software in a manner that helps alleviate these risks, our attempts may not be successful. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Cybersecurity or other data security incidents could harm our business, expose us to liability and cause reputational damage.

Cybersecurity attacks designed to gain access to personal, sensitive or confidential information or disrupt our operations are constantly evolving, and high-profile cybersecurity breaches leading to unauthorized disclosure of confidential information, including trade secrets, as well as breaches of personal information, have occurred recently at a number of major U.S. companies, including in the energy, manufacturing and technology sectors. Our or our third-party vendors' computer systems and networks are potentially vulnerable to cybersecurity attacks and other data security incidents, including among other things, malicious intrusion, computer viruses, ransomware attacks, software errors, defects or bugs, acts of vandalism and theft, denial-of-service attacks, social engineering attacks, phishing attacks, fraud or malice on the part of our employees, contractors or service providers, human error and other system disruptions caused by unauthorized third parties, server malfunctions, software or hardware failures and other similar incidents, any of which may result in the misappropriation, corruption, unavailability, loss, unauthorized access to or release of personal, sensitive or confidential information or data assets or business interruption.

We increasingly rely on commercially available systems, software, sensors, tools (including encryption technology) and monitoring to provide security and oversight for the transmission, storage, protection and other processing of personal, sensitive and confidential information. Despite advances in security hardware, software and encryption technologies, and our own information security program and safeguards, there is no guarantee that our defenses and cybersecurity program will be adequate to safeguard against all cybersecurity attacks and other data security incidents. Moreover, because techniques used to obtain unauthorized access to personal, sensitive and confidential information or sabotage systems and networks change frequently and generally are not identified until they are launched against a target, we and our suppliers may be unable to anticipate these techniques or to implement adequate preventative or mitigation measures. We may also experience security breaches and other incidents that may remain undetected for an extended period and therefore may have a greater impact on our products and the networks and systems used in our business. Such threats and attacks also may see their frequency increased, and effectiveness enhanced by the use of artificial intelligence.

We regularly defend against and respond to data security incidents. We expect to incur significant costs in our efforts to detect and prevent cybersecurity attacks and other data security incidents, and we may face increased costs in the event of an actual or perceived cybersecurity attack or other data security incident. While we generally perform cybersecurity diligence on our key service providers, we do not control our service providers and vendors and our ability to monitor their cybersecurity is limited, so we cannot ensure the cybersecurity measures they take will be sufficient to protect any information we share with them. We cannot assure you that our vendors or other third-party service providers with access to our or our customers' or employees' personal, confidential or sensitive information in relation to which we are responsible will not breach contractual obligations imposed by us, or that they will not experience cybersecurity attacks or other data security incidents, which could have a corresponding effect on our business, including putting us in breach of our privacy and data protection obligations.

Additionally, we cannot be certain that our insurance coverage will be adequate for cybersecurity liabilities actually incurred, that insurance will continue to be available to us on economically reasonable terms, or at all, or that our insurer will not deny coverage as to any future claim.

A cybersecurity attack or other data security incident in our systems or networks (or in the systems or networks of third parties with which we do business) could result in the unauthorized release of personal information regarding employees or other individuals or other sensitive data, serious disruption of our operations, financial losses from containment and remedial actions, loss of business or potential liability, including possible punitive damages. As a result of cybersecurity attacks or other data security incidents, we could be subject to demands, claims and litigation by private parties, and investigations, related actions and penalties by regulatory authorities, along with potential costs of notification to impacted individuals. Finally, any perceived or actual unauthorized access to, or use or disclosure of, such information could harm our reputation, substantially impair our ability to attract and retain customers and have an adverse impact on our business, financial condition and results of operations.

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

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

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

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

Further, while we strive to publish and prominently display privacy policies that are accurate, comprehensive and compliant with local laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to privacy and data protection. Although we endeavor to comply with our privacy policies, we may at times fail to do so or be alleged to have failed to do so. If our public statements about our use, collection, disclosure and other processing of personal information, whether made through our privacy policies, information provided on our website, press statements or otherwise, are alleged to be deceptive, unfair or misrepresentative of our actual practices, we may be subject to potential government or legal investigation or action, including by the Federal Trade Commission or applicable state attorneys general.

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

We invest significant time, resources and management attention to identifying and developing project leads that are subject to our sales and marketing focus and if we are unsuccessful in converting such project leads into binding purchase orders, our business, financial condition and results of operations could be materially adversely affected.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

We have only operated as a separate, publicly traded company since our IPO and significant changes occurred in our cost structure, management, financing and business operations as a result of operating as a company separate from Flex.

Prior to the Transactions (as defined in Note 6 in the notes to the consolidated financial statements included in the Form 10-K), our business was operated by Flex as part of its broader corporate organization, rather than as a separate, publicly traded company.

Flex or one of its affiliates performed various business functions for us such as legal, finance, treasury, accounting, auditing, tax, human resources, investor relations, corporate affairs, compliance support, logistics and bonding support, procurement and planning services, as well as the provision of leased facilities and business software and IT systems. Our cost related to such functions have increased relative to costs prior to the IPO date, and may continue to increase as we reduce our reliance on Flex business functions going forward.

Additionally, certain aspects of our business were historically integrated with the other businesses of Flex and we have shared economies of scope and scale in costs, employees and vendor relationships. Although we have entered into transition agreements with Flex and continue to rely on Flex for certain business functions pursuant to such agreements, these arrangements may not fully capture the benefits that we have enjoyed as a result of being integrated with Flex and may result in us paying higher charges than in the past for these services. Further, such agreements will eventually terminate given the completion of the Spin Transactions (as defined in Note 6 in the notes to the consolidated financial statements included in the Form 10-K) and we will need to provide the services provided under such agreements internally or obtain them from unaffiliated third parties, which may divert management's attention from other aspects of our business operations. This could have an adverse effect on our results of operations and financial condition relative to periods prior to the IPO. In addition, Flex entities are the direct contracting parties with respect to our business in Brazil and we receive the benefits of those arrangements from the relevant Flex entity. If we are unable to continue to operate our business in Brazil through Flex and its subsidiaries, we would need to establish alternative arrangements, and any such alternative arrangements, if available, may cause us to incur additional costs relating to that business.

Moreover, our working capital requirements and capital for our general corporate purposes, including acquisitions and capital expenditures, were historically satisfied as part of the corporate-wide cash management policies of Flex. In connection with the Transactions, we incurred a substantial amount of indebtedness in the form of senior credit facilities comprised of (i) a term loan in an aggregate principal amount of $150.0 million, and (ii) the Amended 2023 Credit Agreement (as defined in Note 7 in the notes to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report). See the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities.". In addition, we may need to obtain additional financing from banks, through public offerings or private placements of debt or equity securities, strategic relationships or other arrangements.

Additionally, our cost of capital for our businesses may be higher than Flex's cost of capital prior to the IPO.

For additional information about the past financial performance of our businesses and the basis of presentation, refer to the unaudited condensed consolidated financial statements and accompanying notes included elsewhere in this Quarterly Report.

We are dependent on certain critical suppliers for certain components for our products.

We are dependent on certain critical suppliers for certain components of our products. Our self-powered controller ("SPC") and network control unit ("NCU") used in our tracker products are predominately manufactured by Flex. We have an agreement with Flex for the manufacturing of these components, but we operate on a purchase order basis for pricing. The processes to manufacture these SPCs and NCUs are highly complex, specialized and proprietary. Although we have recently added two suppliers who manufacture our SPCs, if Flex is unable or unwilling to manufacture controllers for us, or increases its pricing substantially, a substantial portion of our supply of these critical components would be interrupted or delayed and we may not be able to source substitute parts easily. We would incur increased expenses in establishing new relationships with alternative manufacturers at market prices. We may not be able to source alternative components on term acceptable to us or in a timely and cost-effective manner which may materially and adversely affect our business, financial condition, results of operations and profitability.

We are a holding company and our principal asset is our LLC common units in the LLC, and accordingly we are dependent upon distributions from the LLC to pay taxes and other expenses.

We are a holding company and, as a result of the Transactions and the IPO, our principal asset is our ownership of the LLC. The LLC is treated as a partnership for U.S. federal income tax purposes and, as such, is not subject to U.S. federal income tax. Instead, taxable income will be allocated to holders of its LLC common units, including us. We had no operations prior to the Transactions and had no independent means of generating revenue. As the managing member of the LLC, we intend to cause the LLC to make distributions to us according to the LLC Agreement to cover the taxes on our allocable share of the taxable income of the LLC, all applicable taxes payable by us, any payments we are obligated to make under the Tax Receivable Agreement and other costs or expenses. Distributions will generally be made on a pro rata basis among us and the other holders of LLC common units. However, certain laws and regulations may result in restrictions on the LLC's ability to make distributions to us or the ability of the LLC's subsidiaries to make distributions to it.

To the extent that we need funds and the LLC or its subsidiaries are restricted from making such distributions, we may not be able to obtain such funds on terms acceptable to us or at all and as a result could suffer an adverse effect on our liquidity and financial condition.

Tax authorities could challenge our historical and future tax positions.

Our taxable income comes primarily from the allocation of taxable income from the LLC. We are subject to federal and state income taxes in the United States on the taxable income allocated to us from the LLC. In addition, while the majority of the LLC's income comes from United States sources and will not be subject to LLC level income tax, the LLC has taxable income in some foreign subsidiaries that is subject to foreign country's corporate income tax. We may be entitled to foreign tax credits in the United States for our shares of the foreign tax we paid. As the LLC operates in a number of countries and relies on intercompany transfer pricing benchmarking analysis, judgment is required in determining our provision for income taxes. In the ordinary course of the LLC's business, there may be transactions or intercompany transfer prices where the ultimate tax determination is uncertain. Additionally, calculations of income taxes payable currently and on a deferred basis are based on our interpretations of applicable tax laws in the jurisdictions in which we and the LLC are required to file tax returns.

In certain circumstances, the LLC will be required to make distributions to us and the other holders of its common units, which may be substantial and in excess of our tax liabilities and obligations under the Tax Receivable Agreement.

As noted above, the LLC is treated as a partnership for U.S. federal income tax purposes and, as such, is not subject to U.S. federal income tax. Instead, taxable income is allocated to holders of its common units, including us. We anticipate that, pursuant to the tax rules under the Code and the regulations thereunder, in many instances these allocations of taxable income will not be made on a pro rata basis.

Notwithstanding that, pursuant to the LLC Agreement, the LLC generally is required from time to time to make pro rata cash distributions, or tax distributions, to the holders of LLC common units to help each of the holders of the LLC common units to pay taxes on such holder's allocable share of taxable income of the LLC. As a result of potential non pro rata allocations of net taxable income allocable to us and the other holders of LLC common units, the difference in tax rates applicable to corporations and individuals and the favorable tax benefits from the IPO, the subsequent follow-on offering in 2023, and certain related transactions, we expect that these tax distributions will be in amounts that exceed our tax liabilities and obligations to make payments under the Tax Receivable Agreement. To the extent, as currently expected, we do not distribute such cash balances as dividends on our Class A common stock and instead, for example, hold such cash balances or lend them to the LLC, the existing owners of the LLC would benefit from any value attributable to such accumulated cash balances as a result of an exchange of their LLC common units and corresponding shares of Class B common stock under the Exchange Agreement (as defined in Note 6 in the notes to the consolidated financial statements included in the Form 10-K).

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

We used all of the net proceeds from the IPO to purchase LLC common units from Yuma and we used all of the net proceeds from the subsequent follow-on offering to purchase LLC common units from Yuma and TPG Rise, an affiliate of TPG. Additionally, we may be required from time to time to acquire additional LLC common units together with a corresponding number of shares of our Class B common stock in exchange for our Class A common stock (or cash) pursuant to the Exchange Agreement. See Note 6 in the notes to the consolidated financial statements included in the Form 10-K. We expect that basis adjustments resulting from these transactions, if they occur, among other tax benefits resulting from the Transactions, will reduce the amount of income tax we would otherwise be required to pay in the future.

We entered into a Tax Receivable Agreement with the LLC, Yuma, Yuma Sub, TPG Rise and the TPG Affiliates in connection with our IPO. Prior to the Spin Transactions, Yuma and Yuma Sub assigned their respective rights under the Tax Receivable Agreement to an entity that remains an affiliate of Flex. The Tax Receivable Agreement provides for the payment by us to Flex's affiliate, TPG and the TPG Affiliates (or certain permitted transferees thereof) of 85% of the tax benefits, if any, that we are deemed to realize under certain circumstances as a result of (i) our allocable share of existing tax basis in tangible and intangible assets resulting from exchanges or acquisitions of the LLC common units, including as part of the Transactions or under the Exchange Agreement, (ii) increases in tax basis resulting from exchanges or acquisitions of outstanding LLC common units and shares of Class B common stock (including as part of the Transactions, the subsequent follow-on offering or under the Exchange Agreement), (iii) certain pre-existing tax attributes of certain blocker corporations affiliated with TPG that each merged with a separate direct, wholly-owned subsidiary of us, as part of the Transactions, and (iv) certain other tax benefits related to our entering into the Tax Receivable Agreement, including tax benefits attributable to payments under the Tax Receivable Agreement.

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

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

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

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

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

In February 2023, we completed our IPO. As a result, we are required to file with the SEC annual and quarterly information and other reports that are specified in the Exchange Act and SEC regulations. Thus, we will need to ensure that we have the ability to prepare, on a timely basis, financial statements that comply with SEC reporting requirements. We are also subject to other reporting and corporate governance requirements, including the listing standards of Nasdaq and the provisions of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the regulations promulgated thereunder, which impose significant new compliance obligations upon us. As a public company, we are required, among other things, to:

- prepare and distribute periodic reports and other stockholder communications in compliance with our obligations under the federal securities laws and Nasdaq rules;
- define and expand the roles and the duties of our board of directors and its committees;
- institute more comprehensive compliance, investor relations and internal audit functions;
- evaluate and maintain our system of internal control over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act and related rules and regulations of the SEC and the Public Company Accounting Oversight Board; and
- involve and retain outside legal counsel and accountants in connection with the activities listed above.

Section 404 of the Sarbanes-Oxley Act requires our management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting. We are also required to have our independent registered public accounting firm attest to, and issue an opinion on, the effectiveness of our internal control over financial reporting. If we are unable to assert that our internal control over financial reporting is effective, or if, when required, our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our Class A common stock to decline.

The changes necessitated by becoming a public company require a significant commitment of resources and management oversight that has increased and may continue to increase our costs and might place a strain on our systems and resources. As a result, our management's attention might be diverted from other business concerns.

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

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

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

Risks Related to Our Indebtedness and Financing

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

In connection with the Transactions, we incurred substantial indebtedness under the Amended 2023 Credit Agreement. The obligations of the borrower, the LLC, under the Amended 2023 Credit Agreement and related loan documents are severally guaranteed by us and certain of the LLC's existing and future direct and indirect wholly-owned domestic subsidiaries, subject to certain exceptions. Our level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness. Our indebtedness could have other important consequences to you and significant effects on our business. For example, it could:

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

In addition, the Amended 2023 Credit Agreement contains, and the agreements evidencing or governing any other future indebtedness may contain, restrictive covenants that limit or will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our indebtedness. In addition, a default by us under the Amended 2023 Credit Agreement or an agreement governing any other future indebtedness may trigger cross-defaults under any other future agreements governing our indebtedness. Upon the occurrence of an event of default or cross-default under any of the present or future agreements governing our indebtedness, the lenders could elect to declare all amounts outstanding to be due and payable and exercise other remedies as set forth in the agreements. If any of our indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay this indebtedness in full, which could have a material adverse effect on our ability to continue to operate as a going concern.

The Amended 2023 Credit Agreement contains, and the agreements evidencing or governing any other future indebtedness may contain, financial restrictions on us and our subsidiaries, including restrictions on our or our subsidiaries' ability to, among other things:

- place liens on our or our subsidiaries' assets;
- incur additional indebtedness;
- change the nature of our business; and
- change our or our subsidiaries' fiscal year or organizational documents.

Our indebtedness could adversely affect our financial condition.

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

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

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

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

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

We do not intend to pay cash dividends on our common stock in the near term. We currently intend to retain all available funds and any future earnings for use in the operation and expansion of our future businesses and do not anticipate paying any cash dividends in the foreseeable future. Should we decide in the future to pay cash dividends on our common stock, as a holding company, our ability to pay dividends and meet other obligations depends upon the receipt of dividends or other payments from our subsidiaries. In addition, the Amended 2023 Credit Agreement restricts, and any future financing agreements may also restrict, our ability to pay dividends. In particular, the Amended 2023 Credit Agreement restricts our ability to pay dividends on our common stock except where certain conditions are met. As a result, capital appreciation, if any, of our common stock will be your sole source of potential gain for the foreseeable future.

Servicing our debt requires cash, and we may not have sufficient cash flow from our business to pay our debt.

The LLC's ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

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

We and our subsidiaries may be able to incur substantial additional debt in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt. Our Amended 2023 Credit Agreement restricts our ability to incur additional indebtedness, including secured indebtedness, but if the facility matures or is repaid, we may not be subject to such restrictions under the terms of any subsequent indebtedness.

Risks related to our Class A common stock

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

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

- volume and customer mix for our products;
- the introduction of new products by us or others in our industry;
- disputes or other developments with respect to our or others' intellectual property rights;
- product liability claims or other litigation;
- quarterly variations in our results of operations or those of others in our industry;
- media exposure of our products or of those of others in our industry;

- changes in governmental regulations or in the status of our regulatory approvals or applications;
- changes in earnings estimates or recommendations by securities analysts;
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors; and
- changes in our capital structure or dividend policy, including as a result of future issuances of securities, sales of large blocks of Class A common stock by our stockholders, TPG and our employees, or our incurrence of debt.

In recent years, the stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may significantly affect the market price of our Class A common stock, regardless of our actual operating performance.

In addition, in the past, class action litigation has often been instituted against companies whose securities have experienced periods of volatility in market price. For example, in December 2024, a class action lawsuit alleging violations of federal securities laws was filed by a purported stockholder, naming as defendants us and certain of our officers, for allegedly making false and misleading statements about our business, financial results and prospects, and in January 2025, a derivative action was filed against our directors and certain of our officers based on the same factual allegations. We may be the target of additional litigation of this type in the future as well. Securities litigation brought against us following volatility in our stock price, regardless of the merit or ultimate results of such litigation, could result in substantial costs, which would harm our financial condition and operating results and divert management's attention and resources from our business.

We cannot predict the effect our multi-class share structure may have on the market price of our Class A common stock.

We cannot predict whether our multi-class share structure will result in a lower or more volatile market price of our Class A common stock, adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multi-class share structures in certain of their indices. In July 2017, FTSE Russell announced that it would require new constituents of its indices to have greater than 5% of a company's voting rights in the hands of public stockholders. Under such policies, the multi-class structure of our common stock would make us ineligible for inclusion in certain indices and, as a result, mutual funds, exchange-traded funds, and other investment vehicles that attempt to track those indices would not invest in our Class A common stock. It is unclear what effect, if any, these policies will have on the valuations of publicly traded companies excluded from such indices, but it is possible that they may depress valuations, as compared to similar companies that are included. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, exclusion from certain stock indices would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. In addition, several stockholder advisory firms and large institutional investors oppose the use of multi-class share structures. As a result, our multi-class share structure may cause stockholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure, and may result in large institutional investors not purchasing shares of our Class A common stock. As a result of the foregoing factors, the market price and trading volume of our Class A common stock could be adversely affected.

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

The trading market for our Class A common stock may be influenced to some extent by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts. As a relatively new public company, the analysts who publish information about our Class A common stock may have relatively little experience with us, which could affect their ability to accurately forecast our results and could make it more likely that we fail to meet their estimates. If any of the analysts who cover us provide inaccurate or unfavorable research or issue an adverse opinion regarding our stock price, our stock price could decline. If one or more of these analysts cease coverage of us or fail to publish reports covering us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

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

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

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

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

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

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

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

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

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

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

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

Risks related to the Spin Transactions

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

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

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

General risk factors

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

We have experienced significant growth in recent periods. We intend to continue to expand our business significantly within existing and new markets. This growth has placed, and any future growth may place, a significant strain on our management, operational and financial infrastructure. In particular, we will be required to expand, train and manage our growing employee base and scale and improve our IT infrastructure in tandem with that headcount growth. Our management will also be required to maintain and expand our relationships with customers, suppliers and other third parties and attract new customers and suppliers, as well as manage multiple geographic locations.

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

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

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

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

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

As part of our business strategy, we have, and in the future expect to continue to make, investments in and/or acquire complementary companies, services or technologies, such as our acquisitions of Ojjo and the foundations business of SPI. Our ability as an organization to acquire and integrate other companies, services or technologies in a successful manner in the future is not guaranteed. We may not be able to find suitable acquisition candidates, and we may not be able to complete such acquisitions on favorable terms, if at all. When we complete acquisitions, we may not ultimately strengthen our competitive position or ability to achieve our business objectives, and any acquisitions we complete could be viewed negatively by our end-customers or investors. In addition, our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, product or technology, including issues related to intellectual property, product quality or product architecture, regulatory compliance practices, revenue recognition or other accounting practices or issues with employees or customers. If we are unsuccessful at integrating such acquisitions, or the technologies associated with such acquisitions, into our company, the revenue and results of operations of the combined company could be adversely affected. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. We may not successfully evaluate or utilize the acquired technology or personnel, or accurately forecast the financial impact of an acquisition transaction, causing unanticipated write-offs or accounting charges. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, each of which could adversely affect our financial condition and the market price of our Class A common stock. The sale of equity or issuance of debt to finance any such acquisitions could result in dilution to our stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations.

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

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

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

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

None.

ITEM 6. EXHIBITS

			Incorporated by reference			
Exhibit No.	**Description**	**Filed Herewith**	**Form**	**File No.**	**Exhibit**	**Filing Date**
3.1	Amended and Restated Certificate of Incorporation of Nextracker Inc.		10-Q	001-41617	3.1	March 9, 2023
3.2	Restated Bylaws of Nextracker Inc.		10-Q	001-41617	3.2	March 9, 2023
10.1†	Nextracker Inc. Executive Severance Plan.	X				
10.2†	Nextracker Inc. Executive Change in Control Severance Plan.	X				
10.3†	Transition and Consulting Services Agreement with L. Schlesinger.	X				
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X				
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X				
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X				
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X				
101.INS	Inline XBRL Instance Document.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	X				

† Management contract or compensatory plan or arrangement.

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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

			Nextracker Inc.
Date:	January 31, 2025	By:	/s/ Charles Boynton
			Charles Boynton
			Chief Financial Officer
			(Principal Financial Officer)

Exhibit 10.1

Nextracker Inc.

Executive Severance Plan

(Effective November 19, 2024)

Table of Contents

NEXTRACKER INC.
EXECUTIVE SEVERANCE PLAN

Article 1. Establishment and Term of the Plan

(1) Establishment of the Plan. Nextracker Inc. (the "Company") hereby adopts this plan known as the "Nextracker Executive Severance Plan" (the "Plan"). The Plan provides Severance Benefits (as defined below) to designated executive employees of the Company or its Subsidiaries or Affiliates upon certain terminations of employment from the Employer (as defined below). The purpose of the Plan is to attract and retain qualified executives.

The Plan qualifies as a "top hat" plan that is maintained primarily to provide severance compensation and benefits to a select group of "management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and therefore the Plan is exempt from the provisions of Parts 2, 3, and 4 of Title I of ERISA. The Plan is not intended to be an "employee pension benefit plan" or "pension plan" within the meaning of Section 3(2) of ERISA. Rather, the Plan is intended to be a "welfare benefit plan" within the meaning of Section 3(1) of ERISA and to meet the descriptive requirements of a plan constituting a "severance pay plan" within the meaning of regulations published by the Secretary of Labor at 29 CFR § 2510.3-2(b). No employee contributions are required or permitted. This document constitutes both the written instrument under which the Plan is maintained and the required summary plan description for the Plan.

Article 2. Definitions

Whenever used in this Plan, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

(a) "Affiliate" means any entity that is, directly or indirectly, controlled by, under common control with or controlling the Company or any entity in which the Company has a significant ownership interest as determined by the Plan Administrator.

(b) "Band 6 Executives" means the Executive Vice Presidents of the Company.

(c) "Base Salary" means the Executive's annual base salary rate, whether or not deferred, at the Effective Date of Termination (without giving effect to any reduction giving rise to a claim of Good Reason).

(d) "Beneficiary" means the persons or entities designated or deemed designated by the Executive pursuant to Article 12(7).

(e) "Board" means the Board of Directors of the Company.

(f) "Cause" means (i) the willful failure by the Executive (other than any such failure resulting from the Executive's incapacity due to physical or mental illness) to perform substantially the duties and responsibilities of the Executive's position with the Employer (*provided*, *however*, that the Executive shall have thirty (30) days to cure such failure after his or her receipt of written notice thereof from the Employer); (ii) the conviction of the Executive by a court of competent jurisdiction or a plea of guilty or nolo contendere for (x) a felony (unless the Board, in its sole discretion, determines in good faith that the nature of the felony does not warrant a termination for Cause) or (y) a crime involving moral turpitude; (iii) the engaging by the Executive in fraud, embezzlement, misappropriation, or dishonesty; (iv) the Executive's breach of the Company's code of conduct or any other material policies of the Company; (v) the Executive's willful misconduct in the course of his or her employment (*provided, however,* that the Executive shall have thirty (30) days to cure such misconduct after his or her receipt of written notice thereof from the Employer); or (vi) any other act or omission by the Executive which is, or which would reasonably be expected to be, materially injurious to the Company Group or its reputation, monetarily or otherwise.

(g) "CEO" means the Chief Executive Officer of the Company.

(h) "Change-in-Control Severance Plan" means the Company's Executive Change in Control Severance Plan, effective as of November 19, 2024, as may be amended and restated from time to time.

(i) "Code" means the United States Internal Revenue Code of 1986, as amended, and any successors thereto, and the regulations thereunder.

(j) "Company" means Nextracker Inc., a Delaware corporation, or any successor thereto as provided in Article 6(1).

(k) "Company Group" means, collectively, the Company and each Subsidiary or Affiliate of the Company, including a Subsidiary or Affiliate of the Company as a result of any merger, consolidation or liquidation or purchase of assets or stock or similar transaction.

(l) "Disability" means that the Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months. Whether an Executive has a Disability shall be determined by the Plan Administrator. The Plan Administrator may rely on any determination that an Executive is disabled for purposes of benefits under any long-term disability plan maintained by the Employer in which an Executive participates. Notwithstanding anything to the contrary herein, if and to the extent that the Executive's disability is a trigger for the payment of "deferred compensation" (as defined in Section 409A), "Disability" means that the Executive is "disabled" as defined in Section 409A(a)(2)(C) of the Code.

(m) "Effective Date of Termination" means the date on which a Qualifying Termination occurs.

(n) "Employer" means the member of the Company Group that employs the Executive.

(o) "Equity Incentive Plan" means the Second Amended and Restated 2022 Nextracker Inc. Equity Incentive Plan, as may be amended or amended and restated from time to time, or any successor plan thereto.

(p) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

(q) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(r) "Executive" means, collectively, the CEO and the Band 6 Executives.

(s) "Good Reason" means, without the Executive's express written consent, there is (i) a relocation of the Executive's principal place of employment to anywhere other than within 35 miles of the principal office where the Executive is then-located, (ii) a material diminution in the Executive's authority, title, duties, or responsibilities which substantially reduces the nature or character of the Executive's position with the Company; (iii) a reduction of the Executive's Base Salary or Target Bonus (in each case, except for (A) changes that do not exceed 10% or (B) across-the-board changes impacting other executives of the Company); or (iv) any material breach by the Company of any provision of the Executive's offer letter agreement; *provided, however,* that the Executive's termination of employment shall not be deemed to be for Good Reason unless (x) the Executive has delivered to the Employer Notice of Termination within thirty (30) days following such occurrence, describing in detail the circumstances giving rise to Good

Reason, (y) the Employer fails to cure such Good Reason event within thirty (30) days after its receipt of such written notice, and (z) the Executive actually terminates his or her employment within thirty (30) days after the expiration of the 30-day cure period.

(t) "Notice of Termination" means a written notice which shall indicate the specific termination provision in this Plan relied upon, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

(u) "Plan" shall have the meaning set forth in Article 1(1).

(v) "Plan Administrator" means the Compensation and People Committee of the Board, or any other committee of the Board to which the Board has delegated any authority or responsibility with respect to the Plan, but only to the extent of such delegation.

(w) "Qualifying Termination" means:

(i) a termination of the Executive's employment for Good Reason pursuant to a Notice of Termination delivered to the Employer by the Executive; or

(ii) a termination of the Executive's employment by the Employer without Cause pursuant to a Notice of Termination delivered to the Executive by the Employer.

(x) "Release Effective Date" shall have the meaning set forth in Article 3(1)(c).

(y) "Severance Benefits" means the payments and benefits set forth in Article 3(2).

(z) "Severance Period" means (i) for the CEO, the 24-month period immediately following the Effective Date of Termination and (ii) for Band 6 Executives, the 12-month period immediately following the Effective Date of Termination.

(aa) "Specified Employee" means any Executive described in Section 409A(a)(2)(B)(i).

(bb) "Subsidiary" means any company (other than the Company) in an unbroken chain of companies beginning with the Company, provided each company in the unbroken chain (other than the Company) owns, at the time of determination, stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other companies in such chain.

(cc) "Target Bonus" means the Executive's annual target cash bonus opportunity as in effect as of immediately prior to the Effective Date of Termination (without giving effect to any reduction giving rise to a claim of Good Reason).

(dd) "Target Annual Equity Compensation" means the Executive's annual target equity incentive compensation under the Equity Incentive Plan as in effect as of immediately prior to the Effective Date of Termination (without giving effect to any reduction giving rise to a claim of Good Reason).

Article 3. Severance Benefits

(1) Right to Severance Benefits.

(a) **Severance Benefits**. The CEO and each Band 6 Executive shall be entitled to receive from the Company Severance Benefits, as described in Article 3(2), in the event a Qualifying Termination of such Executive's employment has occurred, subject to the terms and conditions of the Plan. A summary of the Severance Benefits is set forth on Exhibit A. In the event of a conflict between Exhibit A and this Article 3, this Article 3 will control.

(b) **No Severance Benefits**. The Executive shall not be entitled to receive Severance Benefits under this Plan if the Executive's employment with the Employer ends for reasons other than a Qualifying Termination.

(c) **General Release**. As a condition to receiving Severance Benefits, the Executive must execute a separation and release agreement (the "Release") in favor of the Company, its current and former Subsidiaries, Affiliates and stockholders, and the current and former directors, officers, employees, and agents of the Company and such Subsidiaries and Affiliates in a form reasonably satisfactory to the Company, which such Release (i) shall include, as reasonably determined by the Plan Administrator, (A) confidentiality, non-solicit, non-disparagement and other such restrictive covenants, (B) assignment of work product and intellectual property covenants, (C) cooperation/assistance provisions and (D) the consent described in Article 3(5) hereunder and (ii) must be signed by the Executive and become effective and irrevocable (with any revocation period having expired) within sixty (60) days following the Effective Date of Termination. The date upon which the executed Release is no longer subject to revocation by the Executive shall be referred to herein as the "Release Effective Date". Any payments under Article 3(2) shall commence only after the Release Effective Date, and in the manner provided in Article 3(6).

(d) **Compliance with Restrictive Covenants**. As a condition to receiving Severance Benefits, the Executive must comply, and continue to comply, with the terms of any restrictive covenant obligations (e.g., non-solicitation, non-disparagement, confidentiality, or other restrictive covenant obligation) applicable to the Executive under any plan, agreement or arrangement with any member of the Company Group for the applicable duration of each such covenant, including, without limitation, pursuant to the restrictive covenants set forth in the Release, under any confidentiality or non-disclosure agreement, offer letter or equity award agreement or other agreement with any member of the Company Group. In the event of the Executive's material breach of the terms of any restrictive covenant obligation to any member of the Company Group, the Executive shall not be entitled to any further Severance Benefits under this Plan, and the Executive may (in the sole discretion of the Plan Administrator) be obligated to repay (on an after-tax basis) to the Company any Severance Benefits previously paid under this Plan.

(e) **No Duplication of Severance Benefits**. Notwithstanding anything to the contrary in this Plan, an Executive who receives Severance Benefits under this Plan shall not be entitled to receive severance benefits under any other plan or agreement of the Company or any of its Subsidiaries or Affiliates (excluding the Change-in-Control Severance Plan). If an Executive becomes entitled to Severance Benefits under this Plan while receiving severance benefits under any other plan or agreement of any other member of the Company Group (excluding the Change-in-Control Severance Plan), then the Severance Benefits due to the Executive under this Plan will be reduced by such other severance benefits, as determined by the Plan Administrator. Notwithstanding anything to the contrary herein, if any Executive becomes entitled to receive severance payments or benefits upon his or her termination of employment pursuant to both this Plan and the Change-in-Control Severance Plan, the Executive shall only be entitled to receive severance payments and benefits under the Change-in-Control Severance Plan (and shall not receive any of the severance payments or benefits under this Plan).

(2) **Severance Benefits**. In the event the Executive becomes entitled to receive Severance Benefits as provided in Article 3(1), the Company shall provide the Executive with the following:

(a) (i) an amount equal to the Executive's Target Bonus for the fiscal year in which a Qualifying Termination occurs, pro-rated for the portion of the fiscal year elapsed prior to the Effective Date of Termination, less any such bonus previously paid to the Executive with respect to the same fiscal year; and (ii) any earned but unpaid annual bonus for any fiscal year prior to the year of the Effective Date of Termination;

(b) an amount equal to:

(i) for the CEO, two (2) times the sum of the following: (A) the CEO's Base Salary and (B) the CEO's Target Bonus for the fiscal year in which the Qualifying Termination occurs;

(ii) for Band 6 Executives, one (1) times the sum of the following: (A) the Band 6 Executive's Base Salary and (B) the Band 6 Executive's Target Bonus for the fiscal year in which a Qualifying Termination occurs;

(c) with respect to any unvested equity or equity-based incentive awards subject only to service-based vesting conditions granted under the Equity Incentive Plan ("Service-Based Awards"), notwithstanding anything to the contrary in any award agreement or similar documentation, effective as of the Release Effective Date, such Service-Based Awards (or an applicable portion thereof) shall accelerate and become vested (and, to the extent applicable, exercisable) effective as of the Release Effective Date (any such accelerated Service-Based Awards (or applicable portion thereof), the "Accelerated Service-Based Awards") as follows:

(i) for the CEO, to the extent such awards (or the applicable portion thereof) were scheduled to vest within eighteen (18) months immediately following the CEO's Effective Date of Termination; and

(ii) for Band 6 Executives, to the extent such awards (or the applicable portion thereof) were scheduled to vest within twelve (12) months immediately following the Band 6 Executive's Effective Date of Termination.

Except as set forth above, the Service-Based Awards shall otherwise remain subject to their existing terms and conditions; provided, however, that any such Service-Based Awards (or the applicable portion thereof) that are (A) "full-value awards" (e.g., restricted stock, restricted stock units, etc.) and are accelerated and become vested pursuant to subclauses (i) or (ii) above, as applicable, will be settled within sixty (60) days following the Effective Date of Termination, and (B) stock options or similar awards that are accelerated and become vested and exercisable pursuant to subclauses (i) or (ii) above, as applicable, shall thereafter be exercisable in accordance with the terms of the applicable award agreement and the Equity Incentive Plan, in each case subject to compliance with Section 409A (for the avoidance of doubt, in no event shall the payment timing of any Service-Based Awards be accelerated in a manner that results in an additional tax under Section 409A); provided further, however, in the sole discretion of the Plan Administrator, the Service-Based Awards shall be deemed to have lapsed in accordance with their terms as of the Effective Date of Termination and the Company shall (in lieu of the acceleration provided for under this clause (c)) make a cash payment in respect of the portion of the Service-Based Awards that would have otherwise constituted the Accelerated Service-Based Awards, with the amount of any such cash payment determined by the Plan Administrator based on the number of shares of the Company's Class A Common Stock ("Common Stock") underlying the Accelerated Service-Based Awards and the trailing average closing price of the Company's Common Stock for the twenty (20) trading days prior to the Effective Date of Termination;

(d) with respect to any unvested equity or equity-based incentive awards subject any performance-based vesting conditions granted under the Equity Incentive Plan ("Performance-Based Awards"), notwithstanding anything to the contrary in any award agreement or similar documentation, effective as of the Release Effective Date, (x) all unearned performance-based vesting conditions shall be deemed achieved at the target performance level and (y) such Performance-Based Awards shall accelerate and become vested (and, to the extent applicable, exercisable) effective as of the Release Effective Date (any such accelerated Performance-Based Awards (or applicable portion thereof), the "Accelerated Performance-Based Awards") as follows:

(i) for the CEO, to the extent such awards were scheduled to vest (as to service) in accordance with their existing vesting schedule within the eighteen (18) months immediately following the CEO's Effective Date of Termination, then a prorata portion of such Performance-Based Awards shall accelerate and become vested based on the period during the applicable service-vesting period that that the CEO was actually employed prior to the CEO's Effective Date of Termination; and

(ii) for the Band 6 Executives, to the extent such awards were scheduled to vest (as to service) in accordance with their existing vesting schedule within the twelve (12) months immediately following the Band 6 Executive's Effective Date of Termination, then a prorata portion of such Performance-Based Awards shall accelerate and become vested based on the period during the applicable service-vesting period that such Band 6 Executive was actually employed prior to such Band 6 Executive's Effective Date of Termination.

For the avoidance of doubt, to the extent that any such Performance-Based Awards (or any applicable portion thereof) were not scheduled to vest (as to service) in accordance with their existing vesting schedule within the time periods specified in clauses (i) or (ii), as applicable, following such Executive's Effective Date of Termination, then such Performance-Based Awards shall be forfeited and cancelled in their entirety.

Except as set forth above, the Performance-Based Awards shall otherwise remain subject to their existing terms and conditions; provided, however, that any such Performance-Based Awards (or the applicable portion thereof) that are (A) "full-value awards" (e.g., restricted stock, restricted stock units, etc.) and are accelerated and become vested pursuant to subclauses (i) or (ii) above, as applicable, will be settled within sixty (60) days following the Effective Date of Termination, and (B) stock options or similar awards that are accelerated and become vested and exercisable pursuant to subclauses (i) or (ii) above, as applicable, shall thereafter be exercisable in accordance with the terms of the applicable award agreement and the Equity Incentive Plan, in each case subject to compliance with Section 409A (for the avoidance of doubt, in no event shall the payment timing of any Performance-Based Awards be accelerated in a manner that results in an additional tax under Section 409A); provided further, however, in the sole discretion of the Plan Administrator, the Performance-Based Awards shall be deemed to have lapsed in accordance with their terms as of the Effective Date of Termination and the Company shall (in lieu of the acceleration provided for under this clause (d)) make a cash payment in respect of the portion of the Performance-Based Awards that would have otherwise constituted the Accelerated Performance-Based Awards, with the amount of any such cash payment determined by the Plan Administrator based on the number of shares of Common Stock underlying the Accelerated Performance-Based Awards and the trailing average closing price of the Company's Common Stock for the twenty (20) trading days prior to the Effective Date of Termination;

(e) if the Executive is eligible for and properly elects health care continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Executive (and his or her eligible dependents) will be eligible to receive healthcare continuation coverage under the Company Group's applicable group health plan during the applicable Severance Period, provided the Executive must continue to pay the applicable active employee rates for such coverage; provided that notwithstanding the above, if such continuation coverage would result in a failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable) or would not otherwise be permitted under the Company Group's group health plan or applicable law, then the Company may pay such premiums (minus active employee rates) as additional taxable compensation to the Executive. Notwithstanding the foregoing, these COBRA continuation benefits shall be discontinued prior to the end of the stated continuation period in the event the Executive is eligible to receive substantially similar benefits coverage (disregarding the cost of such coverage) from a subsequent employer, as determined solely by the Plan Administrator in good faith. For purposes of enforcing this offset provision, the Executive shall have a duty to (i) keep the Company informed as to the terms and conditions of any subsequent employment and the corresponding benefits earned from such employment, and shall provide, or cause to be provided, to the Company in writing correct, complete, and timely information concerning the same and (ii) if the Executive obtains subsequent insurance coverage, inform the Company of such event within fifteen (15) business days; and

(f) outplacement services through an outplacement services provider provided by the Company Group from time to time, commencing on the Release Effective Date and ending on the last day of the Executive's applicable Severance Period, up to the following aggregate amounts (on an after-tax basis):

(i) for the CEO, up to $20,000; and

(ii) for Band 6 Executives, up to $15,000.

(3) Accrued Obligations. In the event of the Executive's Qualifying Termination, the Executive shall be entitled to receive (i) an amount equal to the Executive's unpaid Base Salary through the Effective Date of Termination, (ii) all unreimbursed business expenses, and (iii) vested amounts owed to the Executive under any other plan or agreement of the Company, which will be payable in accordance with the terms of such plan or agreement. All of the amounts due under this Article 3(3) shall be paid promptly after the Effective Date of Termination whether or not the Executive executes a Release.

(4) Retirement Plans. The provisions of any applicable qualified and/or non-qualified defined contribution or defined benefit plan maintained by any member of the Company Group or the Employer pursuant to which an Executive is eligible to participate, shall control with respect to any recognition of service during the Executive's applicable Severance Period and the eligibility for benefits before, during and after the Severance Period.

(5) Deductions from Severance Benefits. The Plan Administrator reserves the right to make deductions in accordance with applicable law for any withholding taxes, monies owed to the Company Group or an Employer by the Executive, or the value of Company property that the Executive has retained in the Executive's possession, *e.g.*, if an Executive (a) retained a company laptop or other property, or (b) used the Executive's corporate card for unauthorized personal purchases. To the extent applicable, any such deduction from Severance Benefits shall be made in compliance with Section 409A. To the maximum extent allowed by applicable law, through execution of a Release required by Article 3(1)(c), an Executive shall consent to, and otherwise authorize, such deductions in writing.

(6) Timing and Method of Payment of Severance Benefits. Subject to Article 12(3):

(a) **Severance Benefits**. The Severance Benefits set forth in Article 3(2)(b) and Article 3(2)(b) shall be paid in a lump sum, less applicable withholding for all applicable federal, state and local taxes and other applicable withholdings and deductions, as soon as reasonably practicable following (but in no event later than fifteen (15) days following) the Release Effective Date. Severance Benefits set forth in Article 3(2)(e) and Article 3(2)(f) shall be paid in accordance with the Company's standard policies and practices. Notwithstanding anything to the contrary above, if the period during which the Executive may execute or revoke the Release begins in one calendar year and ends in the next calendar year, then the Severance Benefits will be made (or commence being made) in the second such calendar year.

(b) **General Rules**. In the event of an Executive's death after the Release Effective Date, but prior to full payment of all Severance Benefits due to such Executive, any remaining Severance Benefits due to the Executive under Article 3(2) shall be paid to the Executive's Beneficiary (or if a Beneficiary has not been named, the Executive's estate) in a lump sum payment within ninety (90) days following the Executive's death (*provided* that the Company or applicable Company Subsidiary has received notification of such death no later than sixty (60) days following such death). Interest will not be credited on any unpaid Severance Benefit due to an Executive (or his or her Beneficiary or estate). Payment(s) shall be made as instructed by the Executive (or if a Beneficiary has not been named, the Executive's estate) in writing, either by direct deposit or by mail, or such other reasonable method as determined by the Plan Administrator.

Article 4. Covenants and Agreements

(1) Covenants. This Plan shall have no effect on the validity or enforceability by the Company or its Subsidiaries or Affiliates of any and all confidentiality, assignment of inventions, non-solicitation, non-competition, non-interference, non-disparagement or other restrictive covenants and cooperation covenants of the Executive made under any other plan, agreement or other instruments between the Executive and the Company or one of its Subsidiaries or Affiliates. Any such covenants shall remain in full force and effect for the time period(s) set forth in such other plan, agreement or instrument, or if no time period is so set forth, perpetually.

Article 5. Notice

(1) Notice. Any notices, requests, demands, or other communications provided for by this Plan shall be sufficient if in writing and if sent by registered or certified mail to the Executive at the last address the Executive has filed in writing with the Company or Employer or, in the case of the Company, at the address set forth in Article 7.

Article 6. Successors and Assignment

(1) Successors to the Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, reorganization, consolidation, acquisition of property or stock, liquidation, or otherwise) of all or a significant portion of the assets of the Company by agreement to expressly assume and agree to perform under this Plan in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The terms of this Plan shall be binding upon any successor in accordance with the operation of law and such successor shall be deemed the "Company" or the "Employer" for purposes of this Plan.

(2) Assignment by the Executive. This Plan shall inure to the benefit of and be enforceable by each Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If an Executive dies while any amount would still be payable to the Executive hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Plan to the Executive's Beneficiary. If an Executive has not named a Beneficiary, then such amounts shall be paid to the Executive in accordance with the Company's regular payroll practices or to the Executive's estate, as applicable.

Article 7. Plan Information

Plan Name
Nextracker Inc. Executive Severance Plan

Employer Identification Number

Plan Number
Plan EXECSEV2024

Plan Sponsor
Nextracker Inc.

Agent for Service of Legal Process
Attn to: Executive Vice President, General Counsel, Chief Ethics & Compliance Officer
6200 Paseo Padre Parkway
Fremont, CA 94555

Type of Welfare Plan
Severance Pay

Plan Year Ends
March 31

Plan Administrator
Compensation and People Committee of the Board of Directors

Article 8. Plan Administration

(1) Records, Reporting and Disclosure. The Plan Administrator shall keep a copy of all records relating to the payment of Severance Benefits to Executives and former Executives and all other records necessary for the proper operation of the Plan. All Plan records shall be made available to the Company and to each Executive for examination during business hours except that an Executive shall examine only such records as pertain exclusively to the examining Executive and to the Plan. The Plan Administrator shall prepare and shall file as required by law or regulation all reports, forms, documents and other items required by ERISA, the Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Company, as payor of the Severance Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts that may be similarly reportable).

(2) Discretion. Any decisions, actions or interpretations to be made under the Plan by the Plan Administrator shall be made in its sole and absolute discretion, subject to the terms of the Plan and applicable law, and need not be uniformly applied and such decisions, actions or interpretations shall be final, binding and conclusive upon all parties, with respect to denied claims for Severance Benefits. Not in limitation, but in amplification of the foregoing and of the authority conferred upon the Plan Administrator, the Company specifically intends that the Plan Administrator and its duly authorized delegates have the greatest permissible discretion to construe the terms of the Plan and to determine all questions concerning eligibility, participation, and benefits. The decisions by the Plan Administrator or any delegates shall be conclusive and binding, and any interpretation, determination, or other action by them is intended to be subject to the most deferential standard of review. Such standard of review is not to be affected by any real or alleged conflict of interest on the part of the Plan Administrator or its delegates. In addition to the duties and powers described hereunder and elsewhere in this Plan, the Plan Administrator or its delegate is specifically given the discretionary authority and such powers as are necessary for the proper administration of the Plan, including, but not limited to, the following: (i) to resolve ambiguities or inconsistencies; (ii) to supply omissions and the like; (iii) to make determinations, grants, or denials of the amount, manner, and time of payment of any Severance Benefits under the terms of the Plan; (iv) to authorize its agents or delegates to execute or deliver any instrument or make payments on the Plan Administrator's behalf or with respect to the Plan; (v) to select and retain counsel, service providers and vendors, employ agents, and provide for such clerical, accounting, actuarial, legal, consulting and/or claims processing services as it deems necessary or desirable to assist the Plan Administrator in the administration of the Plan; (vi) to prepare and distribute, in such manner as the Plan Administrator determines to be appropriate, summary plan descriptions and other information explaining the Plan; (vii) to furnish the Company, upon request, such annual reports with respect to the administration of the Plan as the Plan Administrator deems reasonable and appropriate; (viii) to receive, review and keep on file, as the Plan Administrator deems necessary or appropriate, reports of Plan payments and reports of disbursements for expenses; and (ix) in general to decide and/or settle questions and disputes, and all such authorizations, interpretations, determinations, decisions and settlements shall be final and binding for purposes of the Plan.

Article 9. Claims

(1) Initial Claims. If an Executive believes that the Executive is entitled to severance benefits under the Plan which are not being paid, the Executive may submit a written claim for payment to the Plan Administrator. The Executive must make an initial claim within sixty (60) days of Effective Date of Termination in order to be eligible for benefits. Any claim for benefits must be in writing, addressed to the Plan Administrator and must be sufficient to notify the Plan Administrator of the benefit being claimed. If the claim is denied, the Plan Administrator shall, within a reasonable period of time, provide the Executive with a written notice of denial within ninety (90) days of receipt of the written claim. The notice will include (i) the specific reason or reasons for the denial of the Executive's claim; (ii) references to the specific Plan provisions on which the denial of the Executive's claim was based; (iii) a description of any additional information or material required by the Plan Administrator to reconsider the Executive's claim (to the extent applicable) and an explanation of why such material or information is necessary; and (iv) a description of the Plan's review procedures and time limits applicable to such procedures, including a statement of the Executive's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

(2) Appeal of Denied Claim. Upon receipt of the denied claim, the Executive (or their authorized representative) may file a request for review of the claim in writing with the Plan Administrator. This request for review must be filed no later than sixty (60) days after the Executive has received written notification of the denial. The Executive has the right to submit in writing to the Plan Administrator any comments, documents, records or other information relating to their claim for benefits. The Executive has the right to be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records and other information that is relevant to their claim for benefits. The review of the denied claim will take into account all comments, documents, records and other information that the Executive submitted relating to their claim, without regard to whether such information was submitted or considered in the initial denial of their claim.

(3) Administrator's Response to Appeal. The Plan Administrator will provide the Executive with written notice of its decision within sixty (60) days after the Plan Administrator's receipt of the Executive's written claim for review. There may be special circumstances which require an extension of this 60-day period. In any such case, the Plan Administrator will notify the Executive in writing within the 60-day period and the final decision will be made no later than 120 days after the Plan Administrator's receipt of the Executive's written claim for review. The Plan Administrator's decision on the Executive's claim for review will be communicated to the Executive in writing and will clearly state: (i) the specific reason or reasons for the denial of the Executive's claim; (ii) reference to the specific Plan provisions on which the denial of the Executive's claim is based; (iii) a statement that the Executive is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records, and other information relevant to their claim for benefits; and (iv) a statement describing the Executive's right to bring an action under Section 502(a) of ERISA.

(4) Exhaustion of Administrative Remedies. The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under the Plan. As to such claims and disputes: (i) no claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Plan under Section 502 or Section 510 of ERISA or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and (ii) in any such legal action, all explicit and implicit determinations by the Plan Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

(5) Arbitration. Subject to Article 9(4), any dispute, controversy or claim arising out of or related to the Plan shall be submitted to and decided by binding arbitration. Arbitration shall be administered exclusively by JAMS (also known as Judicial Arbitration & Mediation Services) in accordance with its employment dispute resolution rules and shall be conducted consistent with the rules, regulations and requirements thereof as well as any requirements imposed by state law. The arbitrator shall apply the laws of the State of California, and such arbitration shall occur in the State of California. The arbitration shall be conducted on a strictly confidential basis. The Company shall bear the cost of the arbitration fees and, except as provided in Section 9(6), the Company and the Executive shall each bear his, her or its own attorney's fees and expenses in connection with any arbitration. This agreement to arbitrate does not apply to government agency proceedings, but does apply to any lawsuit the Executive might bring, including but not limited to any lawsuit related to a government agency proceeding. Any arbitral award determination shall be final and binding. Notwithstanding the foregoing, nothing in this Section 9(5) shall limit the Company's ability to pursue a temporary restraining order and/or preliminary injunctive relief, with expedited discovery where necessary, in a court of competent jurisdiction to protect common law or contractual trade secret or confidential information rights and/or to enforce any restrictive covenants.

(6) **Attorney's Fees.** The Company and the Executive shall bear their own attorneys' fees incurred in connection with any disputes between them; *provided* that, in the event of a denial of compensation or benefits under this Plan, if it is determined that the Executive is entitled to receive such compensation or benefits as set forth under the Plan, the Company shall also reimburse the Executive's reasonable attorneys' fees for the cost of the dispute seeking such compensation and benefits.gg

Article 10. Cost and Funding of the Plan

The Company (or one of its subsidiaries) will pay benefits of the Plan out of the general assets of the Company, at no cost to the Executive.

Article 11. Plan Amendment or Termination

The Company, by action of the Board, reserves the right to amend or terminate the Plan or the benefits provided hereunder at any time. Any amendment or termination of the Plan will be in writing. Once an Executive has incurred a Qualifying Termination, no amendment or termination of the Plan may, without that Executive's written consent, reduce or alter to the detriment of such Executive the payments and benefits to which the Executive is entitled or otherwise adversely impact such Executive's rights under this Plan.

Article 12. Miscellaneous

(1) **Indemnification**. To the maximum extent permitted by law, all employees, officers, directors, agents and representatives of the Company shall be indemnified by the Company and held harmless against any claims and the expenses of defending against such claims, resulting from any action or conduct relating to the administration of the Plan, whether as a member of the Plan Administrator or otherwise, except to the extent that such claims arise from gross negligence, willful neglect, or willful misconduct.

(2) **Employment Status**. Except as may be provided under any other agreement between the Executive and the Company or Employer, the employment of any Executive by the Company or Employer is "at will" and may be terminated by either the Executive or the Company or Employer at any time, subject to applicable law. Nothing in this Plan shall be construed as conferring any right upon an Executive with respect to the continuation of employment or interfere with the right of the Employer to terminate any Executive's employment at any time.

(3) **Section 409A**. All amounts payable hereunder are intended to be exempt from the requirements of Section 409A of the Code ("Section 409A") and this Plan shall be construed and administered in accordance with such intention. To the extent any payments or benefits under the Plan are subject to Section 409A, the Plan shall be interpreted and administered to the maximum extent possible to comply with Section 409A. For purposes of any payments or benefits under the Plan subject to Section 409A:

(a) The Executive shall not be considered to have terminated employment with the Employer unless the Executive would be considered to have incurred a "separation from service" within the meaning of Section 409A, and, for purposes of any such provision of this Plan, references to a "Qualifying Termination," "termination of employment" or like terms shall mean "separation from service."

(b) Each separate payment to be made or benefit to be provided under the Plan shall be construed as a separate identified payment for purposes of Section 409A.

(c) If the Executive is a “specified employee” within the meaning of Section 409A at the time of the Executive’s separation from service, to the extent required under Section 409A to avoid additional tax or tax penalties, any amounts payable during the six-month period immediately following the Executive’s separation from service shall instead be paid on the first business day after the date that is six months following the Executive’s separation from service (or, if earlier, the Executive’s date of death).

(d) All expenses or other reimbursements or in-kind benefits under this Plan shall be paid or provided on or prior to the last day of the taxable year following the taxable year in which such expenses or in-kind benefits were incurred by the Executive, and no such reimbursement or in-kind benefits in any taxable year shall in any way affect the reimbursement or in-kind benefits in any other taxable year or subject to exchange for cash or other taxable amount.

(e) Whenever a payment under this Plan specifies a payment period with reference to a number of days (e.g., “payment shall be made within thirty (30) days following the date of termination”), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) No payment will be subject to offset unless otherwise permitted by Section 409A.

(g) Notwithstanding any provisions in this Plan to the contrary, whenever a payment under this Plan may be made upon the Release Effective Date, and the period in which the Executive could execute the release (along with its accompanying revocation period) crosses calendar years, no payments shall be made until the latter calendar year.

The Company makes no representation that payments described in the Plan will be exempt from or comply with Section 409A and shall have no liability or obligation to any Executive for any failure of the Plan or any payments hereunder to comply with Section 409A.

(4) **Entire Plan**. This Plan supersedes any prior agreements or understandings, oral or written, between the parties hereto, with respect to the subject matter hereof, and constitutes the entire agreement of the parties with respect thereto. Without limiting the generality of the foregoing sentence, this Plan completely supersedes any and all severance benefits under any prior employment agreements entered into by and between the Company or Employer and the Executive, and all amendments thereto, in their entirety. Notwithstanding the foregoing, if the Executive has entered into any agreements or commitments with the Company with regard to confidential information, noncompetition, nonsolicitation, noninterference, nondisparagement, or other restrictive covenants, such agreements or commitments will remain valid and will be read in harmony with this Plan to provide maximum protection to the Company.

(5) **Severability**. In the event that any provision or portion of this Plan shall be determined to be invalid or unenforceable for any reason, the remaining provisions of this Plan shall be unaffected thereby and shall remain in full force and effect.

(6) **Tax Withholding**. The Company or Employer may withhold from any payments or benefits payable under this Plan all Federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

(7) **Beneficiaries**. The Executive may designate one (1) or more persons or entities as the primary and/or contingent Beneficiaries of any amounts to be received under this Plan. Such designation must be in the form of a signed writing acceptable to the Board or the Board's designee. The Executive may make or change such designation at any time.

(8) **Payment Obligation Absolute**. Except as provided in Article 3(5) and Article 11, the Company's obligation to make the payments provided for herein shall be absolute and unconditional, and shall not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. The Executive shall not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Plan, and, except as otherwise set forth in Article 3(2)(d), the obtaining of any such other employment shall in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Plan.

(9) **Contractual Rights to Benefits**. This Plan establishes and vests in the Executives a contractual right to the benefits to which the Executive is entitled hereunder. However, nothing herein contained shall require or be deemed to require, or prohibit or be deemed to prohibit, the Company to segregate, earmark, or otherwise set aside any funds or other assets, in trust or otherwise, to provide for any payments to be made or required hereunder. In the event that any Executive acquires a right to receive payments from the Company under the Plan, such right will be no greater than the right of any unsecured general creditor of the Company.

(10) **No Creditable Compensation**. No Severance Benefits made under the Plan shall be considered as creditable "compensation" under any benefit plan maintained by the Employer or any member of the Company Group, unless specifically provided for under the applicable plan documents or required by applicable law.

(11) **Gender and Number**. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

(12) **Controlling Law**. This Plan shall be construed and enforced according to the laws of the State of California (without reference to principles or provisions governing conflicts of laws) to the extent not preempted or superseded by Federal laws of the United States. Any provision of this Plan that is determined by a court to be in conflict with any applicable Federal or State laws shall be deemed amended by this paragraph to conform to the minimum requirements of such laws, except to the extent they are preempted.

Exhibit A
Severance Benefits Summary

This summary describes the payments and benefits offered to Executives in the Nextracker Inc. Executive Severance Plan (the "Plan").

This description is intended only as a summary and is qualified in its entirety by reference to the full text of the Plan. In the event of any conflict between this summary and the Plan, the Plan shall control.

	CEO	**Band 6 Executives**
Salary/Bonus Severance		
Base Salary	2.0x	1.0x
Target Bonus	2.0x	1.0x
Current Year Bonus	Prorated @ target	Prorated @ target
Equity		
Time-Based	18 months' accelerated vesting	12 months' accelerated vesting
Performance-Based	Any outstanding and unvested equity award that would have service-vested within the 18-month period following the Effective Date of Termination shall vest on a pro-rata basis based on the actual period of time employed during the relevant service-vesting period, with the performance goals deemed achieved at target.	Any outstanding and unvested equity award that would have service-vested within the 12-month period following the Effective Date of Termination shall vest on a pro-rata basis based on the actual period of time employed during the relevant service-vesting period, with the performance goals deemed achieved at target.
Other		
COBRA	24 months	12 months
Outplacement	$20,000 (after-tax)	$15,000 (after-tax)

Exhibit 10.2

Nextracker Inc.

Executive Change in Control Severance Plan

(Effective November 19, 2024)

TABLE OF CONTENTS

NEXTRACKER INC.
EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN

Article 1. Establishment and Term of the Plan

1.1 **Establishment and Term of the Plan Establishment of the Plan**. Nextracker Inc. (the "Company") hereby adopts this plan known as the "Nextracker Executive Change in Control Severance Plan" (the "Plan"). The Plan provides Severance Benefits (as defined below) to designated executive employees of the Company or its Subsidiaries or Affiliates upon certain terminations of employment from the Employer (as defined below) in connection with a Change in Control of the Company. The purpose of the Plan is to attract and retain qualified executives and to reinforce and encourage the continued attention and dedication of the Company's executives to their assigned duties without distraction in circumstances arising from the possibility of a Change in Control of the Company.

The Plan qualifies as a "top hat" plan that is maintained primarily to provide severance compensation and benefits to a select group of "management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and therefore the Plan is exempt from the provisions of Parts 2, 3, and 4 of Title I of ERISA.

The Plan is not intended to be an "employee pension benefit plan" or "pension plan" within the meaning of Section 3(2) of ERISA. Rather, the Plan is intended to be a "welfare benefit plan" within the meaning of Section 3(1) of ERISA and to meet the descriptive requirements of a plan constituting a "severance pay plan" within the meaning of regulations published by the Secretary of Labor at 29 CFR § 2510.3-2(b). No employee contributions are required or permitted. This document constitutes both the written instrument under which the Plan is maintained and the required summary plan description for the Plan.

Article 2. Definitions

Whenever used in this Plan, the following terms shall have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

(a) "<u>Accountants</u>" has the meaning set forth in Article 6.

(b) "<u>Affiliate</u>" means any entity that is, directly or indirectly, controlled by, under common control with or controlling the Company or any entity in which the Company has a significant ownership interest as determined by the Plan Administrator.

(c) "<u>Band 6 Executives</u>" means those executives of the Company Group designated as Band 6.

(d) "Base Salary" means the greater of the Executive's annual base salary rate, whether or not deferred, at: (i) the Effective Date of Termination or (ii) at the date of the Change in Control, in each case without giving effect to any reduction giving rise to a claim of Good Reason.

(e) "Beneficiary" means the persons or entities designated or deemed designated by the Executive pursuant to Article 13.7.

(f) "Board" means the Board of Directors of the Company.

(g) "Cause" means (i) the willful failure by the Executive (other than any such failure resulting from the Executive's incapacity due to physical or mental illness) to perform substantially the duties and responsibilities of the Executive's position with the Employer; *provided, however,* that the Executive shall have thirty (30) days to cure such failure after his or her receipt of written notice thereof from the Employer; (ii) the conviction of the Executive by a court of competent jurisdiction or a plea of guilty or nolo contendere for (x) a felony (unless the Board, in its sole discretion, determines in good faith that the nature of the felony does not warrant a termination for Cause) or (y) a crime involving moral turpitude; (iii) the engaging by the Executive in fraud, embezzlement, misappropriation, or dishonesty; (iv) the Executive's material breach of the Company's code of conduct or any other material policies of the Company; (v) the Executive's willful misconduct in the course of his or her employment; *provided, however,* that the Executive shall have thirty (30) days to cure such misconduct after his or her receipt of written notice thereof from the Employer; or (vi) any other material act or omission by the Executive which is materially injurious to the Company Group or its reputation, monetarily or otherwise.

(h) "CEO" means the Chief Executive Officer of the Company.

(i) "Change in Control" means any of the following:

(i) A transaction or series of transactions (other than an offering of common stock to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's securities outstanding immediately after such acquisition;

(ii) During any one (1)-year period, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than any one (1) or more directors designated by any person who shall have entered into an agreement with the Company in connection with any transaction described in Article

2(j)(i) or Article 2(j)(iii) hereof) whose election or appointment by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the one (1)-year period (other than vacant seats) or whose election or appointment or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board pursuant to a transaction or other mechanism outside of the normal election process of directors under the applicable law and/or the Company's corporate governance policies;

(iii) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one (1) or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction: (A) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction and (B) all or substantially all of the individuals and entities who were the beneficial owners of the outstanding voting securities of the Company immediately prior to such transaction beneficially own, directly or indirectly, less than fifty percent (50%) of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction; or

(iv) The Company's stockholders approve a liquidation or dissolution of the Company.

Notwithstanding anything to the contrary herein, with respect to any amounts payable under this Plan that constitute nonqualified deferred compensation that is subject to Section 409A, a Change in Control shall not be deemed to have occurred for purposes of any provision of this Plan unless such Change in Control also constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A.

(j) "Change in Control Period" means the period that begins six (6) months immediately prior to, and ends twenty-four (24) months immediately following, a Change in Control.

(k) "Code" means the United States Internal Revenue Code of 1986, as amended, and any successors thereto, and the regulations thereunder.

(l) "Company" means Nextracker Inc., a Delaware corporation, or any successor thereto as provided in Article 7.1.

(m) "Company Group" means, collectively, the Company and each Subsidiary or Affiliate of the Company, including a Subsidiary or Affiliate of the Company as a result of any merger, consolidation or liquidation or purchase of assets or stock or similar transaction.

(n) "Disability" means that the Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months. Whether an Executive has a Disability shall be determined by the Plan Administrator. The Plan Administrator may rely on any determination that an Executive is disabled for purposes of benefits under any long-term disability plan maintained by the Employer in which an Executive participates. Notwithstanding anything to the contrary herein, if and to the extent that the Executive's disability is a trigger for the payment of "deferred compensation" (as defined in Section 409A), "Disability" means that the Executive is "disabled" as defined in Section 409A(a)(2)(C) of the Code.

(o) "Effective Date of Termination" means the date on which a Qualifying Termination occurs.

(p) "Employer" means the member of the Company Group that employs the Executive.

(q) "Equity Incentive Plan" means the Second Amended and Restated 2022 Nextracker Inc. Equity Incentive Plan, as may be amended or amended and restated from time to time, or any successor plan thereto.

(r) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

(s) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(t) "Executive" means, collectively, the CEO and the Band 6 Executives.

(u) "Executive Non-CIC Severance Plan" means the Company's Executive Severance Plan, effective as of November 19, 2024, as may be amended and restated from time to time.

(v) "Good Reason" means, without the Executive's express written consent, there is (i) a relocation of the Executive's principal place of employment to anywhere other than within 35 miles of the principal office where the Executive is then-located, (ii) a material diminution in the Executive's title, authority, duties, or responsibilities which substantially reduces the nature or character of the Executive's position with the Company or an adverse change in the Executive's reporting relationship; (iii) a reduction of the Executive's Base Salary, Target Bonus or Target Annual Equity Compensation; (iv) the Company ceasing to be a publicly traded company or becoming a wholly-owned subsidiary of another company; or (v) any material breach by the Company of any provision of the Executive's offer letter agreement; *provided, however,* that the Executive's termination of employment shall not be deemed to be for Good Reason unless (x) the Executive has delivered to the Employer Notice of Termination within thirty (30) days following such occurrence, describing in detail the circumstances giving rise to Good Reason, (y) the Employer fails to cure such Good Reason event within thirty (30) days after its receipt of such written notice, and (z) the Executive actually terminates his or her employment within thirty (30) days after the expiration of the 30-day cure period.

(w) "Highest Annual Bonus" means the higher of (i) the Executive's actual annual bonus earned for the year in which the Effective Date of Termination occurs based on achievement of applicable performance goals through the Effective Date of Termination in respect of the year in which the Effective Date of Termination occurs and (ii) the Executive's Target Bonus in respect of the year in which the Effective Date of Termination occurs.

(x) "Notice of Termination" means a written notice which shall indicate the specific termination provision in this Plan relied upon, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

(y) "Parachute Payment Ratio" shall have the meaning set forth in Article 6.

(z) "Plan" shall have the meaning set forth in Section 1.1.

(aa) "Plan Administrator" means the Compensation and People Committee of the Board, or any other committee of the Board to which the Board has delegated any authority or responsibility with respect to the Plan, but only to the extent of such delegation.

(bb) "Qualified Plan" means, with respect to each Executive, the defined contribution plan that is intended to qualify under Section 401(a) of the Code in which the Executive is entitled to participate immediately prior to a Qualifying Termination.

(cc) "Qualifying Termination" means, during the Change in Control Period:

(i) a termination of the Executive's employment for Good Reason pursuant to a Notice of Termination delivered to the Employer by the Executive; or

(ii) a termination of the Executive's employment by the Employer without Cause pursuant to a Notice of Termination delivered to the Executive by the Employer; or

(iii) a termination due to the Executive's death or Disability.

(dd) "Release Effective Date" shall have the meaning set forth in Article 3.1(c).

(ee) "Severance Benefits" means the payments and benefits set forth in Article 3.

(ff) "Severance Period" means (i) for the CEO, the 24-month period immediately following the Effective Date of Termination and (ii) for Band 6 Executives, the 24-month period immediately following the Effective Date of Termination.

(gg) "Specified Employee" means any Executive described in Section 409A(a)(2)(B)(i).

(hh) "Subsidiary" means any company (other than the Company) in an unbroken chain of companies beginning with the Company, provided each company in the unbroken chain (other than the Company) owns, at the time of determination, stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other companies in such chain.

(ii) "Target Bonus" means the Executive's annual target cash bonus opportunity as in effect as of immediately prior to the Effective Date of Termination (without giving effect to any reduction giving rise to a claim of Good Reason).

(jj) "Target Annual Equity Compensation" means the Executive's annual target equity incentive compensation under the Equity Incentive Plan as in effect as of immediately prior to the Effective Date of Termination (without giving effect to any reduction giving rise to a claim of Good Reason).

(kk) "Total Payments" has the meaning set forth in Article 6.

Article 3. Severance Benefits

3.1 **Right to Severance Benefits**.

(a) **Severance Benefits**. The CEO and each Band 6 Executive shall be entitled to receive from the Company Severance Benefits, as described in Article 3.2, in the event a Qualifying Termination of such Executive's employment has occurred, subject to the terms and conditions of the Plan. A summary of the Severance Benefits is set forth on Exhibit A. In the event of a conflict between Exhibit A and this Article 3, this Article 3 will control.

(b) **No Severance Benefits**. The Executive shall not be entitled to receive Severance Benefits under this Plan if the Executive's employment with the Employer ends for reasons other than a Qualifying Termination.

(c) **General Release**. As a condition to receiving Severance Benefits, the Executive must execute a release of claims (the "Release") in favor of the Company, its current and former Subsidiaries, Affiliates and stockholders, and the current and former directors, officers, employees, and agents of the Company and such Subsidiaries and Affiliates in a reasonable and customary form, which such Release must be signed by the Executive and become effective and irrevocable (with any revocation period having expired) within sixty (60) days following the Effective Date of Termination. The date upon which the executed Release is no longer subject to revocation by the Executive shall be referred to herein as the "Release Effective Date". Any payments under Article 3.1 shall commence only after the Release Effective Date, and in the manner provided in Article 3.7.

(d) **Compliance with Restrictive Covenants**. As a condition to receiving Severance Benefits, the Executive must comply, and continue to comply, with the terms of any restrictive covenant obligations (e.g., non-solicitation, non-disparagement, confidentiality, or other restrictive covenant obligation) applicable to the Executive under any plan, agreement or arrangement with any member of the Company Group for the applicable duration of each such covenant, including, without limitation under any confidentiality or non-disclosure agreement, offer letter or equity award agreement or other agreement with any member of the Company Group. In the event of the Executive's material breach of the terms of any restrictive covenant obligation to any member of the Company Group, the Executive shall not be entitled to any further Severance Benefits under this Plan.

(e) **No Duplication of Severance Benefits**. Notwithstanding anything to the contrary in this Plan, an Executive who receives Severance Benefits under this Plan shall not be entitled to receive severance benefits under the Executive Non-CIC Severance Plan or any other plan or agreement of the Company or any of its Subsidiaries or Affiliates. If an Executive becomes entitled to Severance Benefits under this Plan while receiving severance benefits under the Executive Non-CIC Severance Plan or any other plan or agreement of the Company Group, then the Severance Benefits due to the Executive under this Plan will be reduced by such other severance benefits as determined by the Plan Administrator. Notwithstanding anything to the contrary herein, if any Executive becomes entitled to receive severance payments or benefits upon his or her termination of employment pursuant to both this Plan and the Executive Non-CIC Severance Plan, the Executive shall only be entitled to receive severance payments and benefits under this Plan (and shall not receive any of the severance payments or benefits under the Executive Non-CIC Severance Plan).

3.2 **Severance Benefits**. In the event the Executive becomes entitled to receive Severance Benefits as provided in Article 3.1, the Company shall provide the Executive with the following:

(a) (i) an amount equal to the Executive's Highest Annual Bonus for the fiscal year in which a Qualifying Termination occurs, pro-rated for the portion of the fiscal year elapsed prior to the Effective Date of Termination, less any such bonus previously paid to the Executive with respect to the same fiscal year; and (ii) any earned but unpaid annual bonus for any fiscal year prior to the year of the Effective Date of Termination;

(b) an amount equal to:

(i) for the CEO, two (2) times the sum of the following: (A) the CEO's Base Salary and (B) the CEO's Highest Annual Bonus;

(ii) for Band 6 Executives, two (2) times the sum of the following: (A) the Band 6 Executive's Base Salary and (B) the Band 6 Executive's Highest Annual Bonus;

(c) notwithstanding anything to the contrary in any award agreement or similar documentation, effective as of the Release Effective Date, acceleration and vesting, or lapse of forfeiture restrictions, as applicable, of all unvested equity or equity-based awards subject to forfeiture restrictions made to the Executive, whether annual awards, special one-time or inducement awards, under the Equity Incentive Plan, with any applicable performance-based vesting conditions deemed achieved at the greater of (i) target performance levels or (ii) actual performance levels as of the date of the Change in Control.

Except as set forth above, the equity and equity-based awards shall otherwise remain subject to their existing terms and conditions; provided, however, that any such equity and equity-based awards (or the applicable portion thereof) that are (A) "full-value awards" (e.g., restricted stock, restricted stock units, etc.) and are accelerated and become vested pursuant to Article 3.2(c) above, as applicable, will be settled within sixty (60) days following the Effective Date of Termination, and (B) stock options or similar awards that are accelerated and become vested and exercisable pursuant to Article 3.2(c) above, as applicable, shall thereafter be exercisable in accordance with the terms of the applicable award agreement and the Equity Incentive Plan, in each case subject to compliance with Section 409A (for the avoidance of doubt, in no event shall the payment timing of any awards be accelerated in a manner that results in an additional tax under Section 409A);

(d) if the Executive is eligible for and properly elects health care continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Executive (and his or her eligible dependents) will be eligible to receive healthcare continuation coverage under the Company Group's applicable group health plan during the applicable Severance Period, provided the Executive must continue to pay the applicable active employee rates for such coverage; *provided* that notwithstanding the above, if such continuation coverage would result in a failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable) or would not otherwise be permitted under the Company Group's group health plan or applicable law, then the Company may pay such premiums (minus active employee rates) as additional taxable compensation to the Executive. Notwithstanding the foregoing, these COBRA continuation benefits shall be discontinued prior to the end of the stated continuation period in the event the Executive is eligible to receive substantially similar benefits coverage (disregarding the cost of such coverage) from a subsequent employer, as determined solely by the Plan Administrator in good faith. For purposes of enforcing this offset provision, the Executive shall have a duty to (i) keep the Company informed as to the terms and conditions of any subsequent employment and the corresponding benefits earned from such employment, and shall provide, or cause to be provided, to the Company in writing correct, complete, and timely information concerning the same and (ii) if the Executive obtains subsequent insurance coverage, inform the Company of such event within fifteen (15) business days;

(e) an amount equal to the total amount through the Severance Period that the Executive would have received under the Qualified Plan as a Company match if the Executive had participated in such plan (applying the maximum statutory contribution limits in effect on the Executive's Effective Date of Termination); and

(f) outplacement services through an outplacement services provider provided by the Company Group from time to time, commencing on the Release Effective Date and ending on the last day of the Executive's applicable Severance Period, up to the following aggregate amounts (on an after-tax basis):

(i) for the CEO, up to $20,000; and

(ii) for Band 6 Executives, up to $15,000.

3.3 **Accrued Obligations**. In the event of the Executive's Qualifying Termination, the Executive shall be entitled to receive (i) an amount equal to the Executive's unpaid Base Salary through the Effective Date of Termination, (ii) all unreimbursed business expenses, and (iii) vested amounts owed to the Executive under any other plan or agreement of the Company, which will be payable in accordance with the terms of such plan or agreement. All of the amounts due under this Article 3.3 shall be paid promptly after the Effective Date of Termination whether or not the Executive executes a Release.

3.4 **Retirement Plans**. The provisions of any applicable qualified and/or non-qualified defined contribution or defined benefit plan maintained by any member of the Company Group or the Employer pursuant to which an Executive is eligible to participate, shall control with respect to any recognition of service during the Executive's applicable Severance Period and the eligibility for benefits before, during and after the Severance Period.

3.5 **Deductions from Severance Benefits**. The Plan Administrator reserves the right to make deductions in accordance with applicable law for any withholding taxes, monies owed to the Company Group or an Employer by the Executive or the value of Company property that the Executive has retained in the Executive's possession, *e.g.*, if an Executive (a) retained a company laptop or other property, or (b) used the Executive's corporate card for unauthorized personal purchases. To the extent applicable, any such deduction from Severance Benefits shall be made in compliance with Section 409A. To the maximum extent allowed by applicable law, through execution of a Release required by Article 3.1(c), an Executive shall consent to, and otherwise authorize, such deductions in writing.

3.6 **No Demotion**. For the avoidance of doubt, the band of each Executive immediately prior to the commencement of the Change in Control Period shall determine the eligibility to participate in the Plan and the level of Severance Benefits to be paid hereunder on a Qualifying Termination, and no demotion of the Executive during the Change in Control Period shall impact such Severance Benefits; *provided, however,* if the Executive is promoted to a higher band during the Change in Control Period and has a Qualifying Termination after such promotion, the Severance Benefits shall be paid at such promoted band.

3.7 **Timing and Method of Payment of Severance Benefits**. Subject to Article 13.3:

(a) **Severance Benefits**. The Severance Benefits set forth in Article 3.2(a), Article 3.2(b) and Article 3.2(e) shall be paid in a lump sum, less applicable withholding for all applicable federal, state and local taxes and other applicable withholdings and deductions, as soon as reasonably practicable following (but in no event later than fifteen (15) days following) the Release Effective Date. Severance Benefits set forth in Article 3.2(d) and Article 3.2(f) shall be paid in accordance with the Company's standard policies and practices. Notwithstanding anything to the contrary above, if the period during which the Executive may execute or revoke the Release begins in one calendar year and ends in the next calendar year, then the Severance Benefits will be made (or commence being made) in the second such calendar year.

(b) **General Rules**. In the event of an Executive's death after the Release Effective Date, but prior to full payment of all Severance Benefits due to such Executive, any remaining Severance Benefits due to the Executive under Article 3.2 shall be paid to the Executive's Beneficiary (or if a Beneficiary has not been named, the Executive's estate) in a lump sum payment within ninety (90) days following the Executive's death (*provided* that the Company or applicable Company Subsidiary has received notification of such death no later than sixty (60) days following such death). Interest will not be credited on any unpaid Severance Benefit due to an Executive (or his or her Beneficiary or estate). Payment(s) shall be made as instructed by the Executive (or if a Beneficiary has not been named, the Executive's estate) in writing, either by direct deposit or by mail or such other reasonable method as determined by the Plan Administrator.

Article 4. Covenants and Agreements

4.1 **Covenants**. This Plan shall have no effect on the validity or enforceability by the Company or its Subsidiaries or Affiliates of any and all confidentiality, assignment of inventions, non-solicitation, non-competition, non-interference, non-disparagement or other restrictive covenants and cooperation covenants of the Executive made under any other plan, agreement or other instruments between the Executive and the Company or one of its Subsidiaries or Affiliates. Any such covenants shall remain in full force and effect for the time period(s) set forth in such other plan, agreement or instrument, or if no time period is so set forth, perpetually.

Article 5. Certain Change in Control Payments

Notwithstanding any provision of the Plan to the contrary, if any payments or benefits an Executive would receive from the Company or Employer under the Plan or otherwise in connection with the Change in Control (the "Total Payments") (a) constitute "parachute payments" within the meaning of Section 280G of the Code ("Section 280G"), and (b) but for this Article 6, would be subject to the excise tax imposed by Code Section 4999, then such Executive will be entitled to receive either (i) the full amount of the Total Payments or (ii) a portion of the Total Payments having a value equal to One Dollar ($1) less than three (3) times such individual's "base amount" (as such term is defined in Section 280G(b)(3)(A)), whichever of (i) and (ii), after taking into account applicable Federal, state, local income and employment taxes and the excise tax imposed by Code Section 4999, results in the receipt by such Executive on an after-tax basis, of the greatest portion of the Total Payments. Any determination required under this Article 6 shall be made in writing by the Company's independent certified public accountants appointed prior to any Change in Control or tax counsel selected by such accountants (together, the "Accountants"), whose determination shall be conclusive and binding for all purposes upon the applicable Executive and the Company. For purposes of making the calculations required by this Article 6, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good-faith interpretations concerning the application of Sections 280G and 4999. If there is a reduction pursuant to this Article 6 of the Total Payments to be delivered to the applicable Executive, the payment reduction contemplated by the preceding sentence shall be implemented by determining the Parachute Payment Ratio (as defined below) for each "parachute payment" and then reducing the "parachute payments" in order beginning with the "parachute payment" with the highest Parachute Payment Ratio. For "parachute payments" with the same Parachute Payment Ratio, such "parachute payments" shall be reduced based on the time of payment of such "parachute payments," with amounts having later payment dates being reduced first. For "parachute payments" with the same Parachute Payment Ratio and the same time of payment, such "parachute payments" shall be reduced on a pro rata basis (but not below zero) prior to reducing "parachute payments" with a lower Parachute Payment Ratio. For purposes hereof, the term "Parachute Payment Ratio" shall mean a fraction the numerator of which is the value of the applicable "parachute payment" for purposes of Section 280G and the denominator of which is the actual present economic value of such payment.

Article 6. Notice

6.1 **Notice**. Any notices, requests, demands, or other communications provided for by this Plan shall be sufficient if in writing and if sent by registered or certified mail to the Executive at the last address the Executive has filed in writing with the Company or Employer or, in the case of the Company, at the address set forth in Article 9.

Article 7. Successors and Assignment

7.1 **Successors to the Company**. The Company shall require any successor (whether direct or indirect, by purchase, merger, reorganization, consolidation, acquisition of property or stock, liquidation, or otherwise) of all or a significant portion of the assets of the Company by agreement to expressly assume and agree to perform under this Plan in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The terms of this Plan shall be binding upon any successor in accordance with the operation of law and such successor shall be deemed the "Company" or the "Employer" for purposes of this Plan.

7.2 **Assignment by the Executive**. This Plan shall inure to the benefit of and be enforceable by each Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. If an Executive dies while any amount would still be payable to the Executive hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Plan to the Executive's Beneficiary. If an Executive has not named a Beneficiary, then such amounts shall be paid to the Executive in accordance with the Company's regular payroll practices or to the Executive's estate, as applicable.

Article 8. Plan Information

Plan Name Nextracker Inc. Executive Change in Control Severance Plan	**Type of Welfare Plan** Severance Pay
Employer Identification Number	**Plan Year Ends** March 31
Plan Number Plan EXECCIC2024	**Plan Administrator** Compensation and People Committee of the Board of Directors
Plan Sponsor Nextracker Inc.	

Agent for Service of Legal Process

Attn to: Executive Vice President, General Counsel, Chief Ethics & Compliance Officer
6200 Paseo Padre Parkway
Fremont, CA 94555

Article 9. Plan Administration

9.1 **Records, Reporting and Disclosure**. The Plan Administrator shall keep a copy of all records relating to the payment of Severance Benefits to Executives and former Executives and all other records necessary for the proper operation of the Plan. All Plan records shall be made available to the Company and to each Executive for examination during business hours except that an Executive shall examine only such records as pertain exclusively to the examining Executive and to the Plan. The Plan Administrator shall prepare and shall file as required by law or regulation all reports, forms, documents and other items required by ERISA, the Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Company, as payor of the Severance Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts that may be similarly reportable).

9.2 **Plan Administration**. The Plan Administrator (or its delegate) has authority and such powers as are necessary for the proper administration of the Plan, including, but not limited to, the following: (i) to resolve ambiguities or inconsistencies; (ii) to supply omissions and the like; (iii) to make determinations, grants, or denials of the amount, manner, and time of payment of any Severance Benefits under the terms of the Plan; (iv) to authorize its agents or delegates to execute or deliver any instrument or make payments on the Plan Administrator's behalf or with respect to the Plan; (v) to select and retain counsel, service providers and vendors, employ agents, and provide for such clerical, accounting, actuarial, legal, consulting and/or claims processing services as it deems necessary or desirable to assist the Plan Administrator in the administration of the Plan; (vi) to prepare and distribute, in such manner as the Plan Administrator determines to be appropriate, summary plan descriptions and other information explaining the Plan;

(vii) to furnish the Company, upon request, such annual reports with respect to the administration of the Plan as the Plan Administrator deems reasonable and appropriate; (viii) to receive, review and keep on file, as the Plan Administrator deems necessary or appropriate, reports of Plan payments and reports of disbursements for expenses; and (ix) in general to decide and/or settle questions and disputes, in accordance with the dispute resolution provisions set forth in the Plan.

Article 10. Claims

10.1 **Initial Claims**. If an Executive believes that the Executive is entitled to severance benefits under the Plan which are not being paid, the Executive may submit a written claim for payment to the Plan Administrator. The Executive must make an initial claim within sixty (60) days of Effective Date of Termination in order to be eligible for benefits. Any claim for benefits must be in writing, addressed to the Plan Administrator and must be sufficient to notify the Plan Administrator of the benefit being claimed. If the claim is denied, the Plan Administrator shall, within a reasonable period of time, provide the Executive with a written notice of denial within ninety (90) days of receipt of the written claim. The notice will include (i) the specific reason or reasons for the denial of the Executive's claim; (ii) references to the specific Plan provisions on which the denial of the Executive's claim was based; (iii) a description of any additional information or material required by the Plan Administrator to reconsider the Executive's claim (to the extent applicable) and an explanation of why such material or information is necessary; and (iv) a description of the Plan's review procedures and time limits applicable to such procedures, including a statement of the Executive's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

10.2 **Appeal of Denied Claim**. Upon receipt of the denied claim, the Executive (or their authorized representative) may file a request for review of the claim in writing with the Plan Administrator. This request for review must be filed no later than sixty (60) days after the Executive has received written notification of the denial. The Executive has the right to submit in writing to the Plan Administrator any comments, documents, records or other information relating to their claim for benefits. The Executive has the right to be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records and other information that is relevant to their claim for benefits. The review of the denied claim will take into account all comments, documents, records and other information that the Executive submitted relating to their claim, without regard to whether such information was submitted or considered in the initial denial of their claim.

10.3 **Administrator's Response to Appeal**. The Plan Administrator will provide the Executive with written notice of its decision within sixty (60) days after the Plan Administrator's receipt of the Executive's written claim for review. There may be special circumstances which require an extension of this 60-day period. In any such case, the Plan Administrator will notify the Executive in writing within the 60-day period and the final decision will be made no later than 120 days after the Plan Administrator's receipt of the Executive's written claim for review. The Plan Administrator's decision on the Executive's claim for review will be communicated to the Executive in writing and will clearly state: (i) the specific reason or reasons for the denial of the Executive's claim; (ii) reference to the specific Plan provisions on which the denial of the Executive's claim is based; (iii) a statement that the Executive is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records, and other information relevant to their claim for benefits; and (iv) a statement describing the Executive's right to bring an action under Section 502(a) of ERISA.

10.4 **Exhaustion of Administrative Remedies**. The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under the Plan. As to such claims and disputes: (i) no claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Plan under Section 502 or Section 510 of ERISA or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and (ii) in any such legal action, all explicit and implicit determinations by the Plan Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

10.5 **Arbitration**. Subject to Article 10.4, any dispute, controversy or claim arising out of or related to the Plan shall be submitted to and decided by binding arbitration. Arbitration shall be administered exclusively by JAMS (also known as Judicial Arbitration & Mediation Services) in accordance with its employment dispute resolution rules and shall be conducted consistent with the rules, regulations and requirements thereof as well as any requirements imposed by state law. The arbitrator shall apply the laws of the State of California, and such arbitration shall occur in the State of California. The arbitration shall be conducted on a strictly confidential basis. The Company shall bear the cost of the arbitration fees and, except as provided in Section 10.6, the Company and the Executive shall each bear his, her or its own attorney's fees and expenses in connection with any arbitration. This agreement to arbitrate does not apply to government agency proceedings, but does apply to any lawsuit the Executive might bring, including but not limited to any lawsuit related to a government agency proceeding. Any arbitral award determination shall be final and binding. Notwithstanding the foregoing, nothing in this Section 10.5 shall limit the Company's ability to pursue a temporary restraining order and/or preliminary injunctive relief, with expedited discovery where necessary, in a court of competent jurisdiction to protect common law or contractual trade secret or confidential information rights and/or to enforce any restrictive covenants.

10.6 **Attorney's Fees**. The Company and the Executive shall bear their own attorneys' fees incurred in connection with any disputes between them; *provided* that, in the event of a denial of compensation or benefits under this Plan, if it is determined that the Executive is entitled to receive such compensation or benefits as set forth under the Plan, the Company shall also reimburse the Executive's reasonable attorneys' fees for the cost of the dispute seeking such compensation and benefits.

10.7 **Standard of Review**. Notwithstanding any of the foregoing, if a dispute arises with respect to the payment of Severance Benefits after a Change in Control, the standard of review shall be de novo in any mediation, arbitration or court proceeding.

Article 11. Cost and Funding of the Plan

The Company (or one of its subsidiaries) will pay benefits of the Plan out of the general assets of the Company, at no cost to the Executive.

Article 12. Plan Amendment or Termination

The Company, by action of the Board, reserves the right to amend or terminate the Plan or the benefits provided hereunder at any time. Any amendment or termination of the Plan will be in writing. Notwithstanding anything to the contrary herein, (i) once an Executive has incurred a Qualifying Termination, no amendment or termination of the Plan may, without that Executive's written consent, reduce or alter to the detriment of such Executive the payments and benefits to which the Executive is entitled or otherwise adversely impact such Executive's rights under this Plan and (ii) no termination or amendment of the Plan (or any benefits hereunder) will be permitted or otherwise become effective during (A) any period when the Company is party to an agreement which, if consummated, would result in a Change in Control or (B) during the Change in Control Period.

Article 13. Miscellaneous

13.1 **Indemnification**. To the maximum extent permitted by law, all employees, officers, directors, agents and representatives of the Company shall be indemnified by the Company and held harmless against any claims and the expenses of defending against such claims, resulting from any action or conduct relating to the administration of the Plan, whether as a member of the Plan Administrator or otherwise, except to the extent that such claims arise from gross negligence, willful neglect, or willful misconduct.

13.2 **Employment Status**. Except as may be provided under any other agreement between the Executive and the Company or Employer, the employment of any Executive by the Company or Employer is "at will" and may be terminated by either the Executive or the Company or Employer at any time, subject to applicable law. Nothing in this Plan shall be construed as conferring any right upon an Executive with respect to the continuation of employment or interfere with the right of the Employer to terminate any Executive's employment at any time.

13.3 **Section 409A**. All amounts payable hereunder are intended to be exempt from the requirements of Section 409A of the Code ("Section 409A") and this Plan shall be construed and administered in accordance with such intention. To the extent any payments or benefits under the Plan are subject to Section 409A, the Plan shall be interpreted and administered to the maximum extent possible to comply with Section 409A. For purposes of any payments or benefits under the Plan subject to Section 409A:

(a) The Executive shall not be considered to have terminated employment with the Employer unless the Executive would be considered to have incurred a "separation from service" within the meaning of Section 409A, and, for purposes of any such provision of this Plan, references to a "Qualifying Termination," "termination of employment" or like terms shall mean "separation from service."

(b) Each separate payment to be made or benefit to be provided under the Plan shall be construed as a separate identified payment for purposes of Section 409A.

(c) If the Executive is a "specified employee" within the meaning of Section 409A at the time of the Executive's separation from service, to the extent required under Section 409A to avoid additional tax or tax penalties, any amounts payable during the six-month period immediately following the Executive's separation from service shall instead be paid on the first business day after the date that is six months following the Executive's separation from service (or, if earlier, the Executive's date of death).

(d) All expenses or other reimbursements or in-kind benefits under this Plan shall be paid or provided on or prior to the last day of the taxable year following the taxable year in which such expenses or in-kind benefits were incurred by the Executive, and no such reimbursement or in-kind benefits in any taxable year shall in any way affect the reimbursement or in-kind benefits in any other taxable year or subject to exchange for cash or other taxable amount.

(e) Whenever a payment under this Plan specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) The Severance Benefits payable pursuant to Section 3.2(b), to the extent not in excess of the amount that an Executive would have received as severance benefits under any other plan or agreement of the Company or any of its Subsidiaries or Affiliates had such plan or arrangement been applicable, shall be paid at the time and in the manner provided by such plan or arrangement and the remainder shall be paid to the Executive in accordance with this Plan.

(g) No payment will be subject to offset unless otherwise permitted by Section 409A.

(h) Notwithstanding any provisions in this Plan to the contrary, whenever a payment under this Plan may be made upon the Release Effective Date, and the period in which the Executive could execute the release (along with its accompanying revocation period) crosses calendar years, no payments shall be made until the latter calendar year.

The Company makes no representation that payments described in the Plan will be exempt from or comply with Section 409A and shall have no liability or obligation to any Executive for any failure of the Plan or any payments hereunder to comply with Section 409A.

13.4 **Entire Plan**. This Plan supersedes any prior agreements or understandings, oral or written, between the parties hereto, with respect to the subject matter hereof, and constitutes the entire agreement of the parties with respect thereto. Without limiting the generality of the foregoing sentence, this Plan completely supersedes any and all severance benefits under any prior employment agreements entered into by and between the Company or Employer and the Executive, and all amendments thereto, in their entirety. Notwithstanding the foregoing, if the Executive has entered into any agreements or commitments with the Company with regard to confidential information, noncompetition, nonsolicitation, noninterference, nondisparagement, or other restrictive covenants, such agreements or commitments will remain valid and will be read in harmony with this Plan to provide maximum protection to the Company.

13.5 **Severability**. In the event that any provision or portion of this Plan shall be determined to be invalid or unenforceable for any reason, the remaining provisions of this Plan shall be unaffected thereby and shall remain in full force and effect.

13.6 **Tax Withholding**. The Company or Employer may withhold from any payments or benefits payable under this Plan all Federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

13.7 **Beneficiaries**. The Executive may designate one (1) or more persons or entities as the primary and/or contingent Beneficiaries of any amounts to be received under this Plan. Such designation must be in the form of a signed writing acceptable to the Board or the Board's designee. The Executive may make or change such designation at any time.

13.8 **Payment Obligation Absolute**. Except as provided in Article 3.5 and Article 13, the Company's obligation to make the payments provided for herein shall be absolute and unconditional, and shall not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. The Executive shall not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Plan, and, except as otherwise set forth in Section 3.2(d), the obtaining of any such other employment shall in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Plan.

13.9 **Contractual Rights to Benefits**. This Plan establishes and vests in the Executives a contractual right to the benefits to which the Executive is entitled hereunder. However, nothing herein contained shall require or be deemed to require, or prohibit or be deemed to prohibit, the Company to segregate, earmark, or otherwise set aside any funds or other assets, in trust or otherwise, to provide for any payments to be made or required hereunder. In the event that any Executive acquires a right to receive payments from the Company under the Plan, such right will be no greater than the right of any unsecured general creditor of the Company.

13.10 **No Creditable Compensation**. No Severance Benefits made under the Plan shall be considered as creditable "compensation" under any benefit plan maintained by the Employer or any member of the Company Group, unless specifically provided for under the applicable plan documents or required by applicable law.

13.11 **Gender and Number**. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

13.12 **Controlling Law**. This Plan shall be construed and enforced according to the laws of the State of California (without reference to principles or provisions governing conflicts of laws) to the extent not preempted or superseded by Federal laws of the United States. Any provision of this Plan that is determined by a court to be in conflict with any applicable Federal or State laws shall be deemed amended by this paragraph to conform to the minimum requirements of such laws, except to the extent they are preempted

Exhibit A
Severance Benefits Summary

This summary describes the payments and benefits offered to Executives in the Nextracker Inc. Executive Change in Control Severance Plan (the "Plan") upon a Qualifying Termination (as defined in the Plan), subject to the terms and conditions of the Plan.

This description is intended only as a summary and is qualified in its entirety by reference to the full text of the Plan. In the event of any conflict between this summary and the Plan, the Plan shall control.

	CEO	**Band 6 Executives**
Salary/Bonus Severance		
Base Salary	2.0x	2.0x
Highest Annual Bonus	2.0x	2.0x
Current Year Bonus	Prorated @ greater of actual or target	Prorated @ greater of actual or target
Equity		
Time-Based	Full acceleration	Full acceleration
Performance-Based	Full acceleration @ the greater of target and actual performance as of the Change in Control date	Full acceleration @ the greater of target and actual performance as of the Change in Control date
Other		
Benefits Continuation	24 months	24 months
Outplacement	$20,000 (after-tax)	$15,000 (after-tax)

Exhibit 10.3

TRANSITION AND CONSULTING SERVICES AGREEMENT

This TRANSITION AND CONSULTING SERVICES AGREEMENT, dated as of November 20, 2024 (this "**Agreement**"), is entered into by and between Léah Schlesinger ("**Consultant**") and Nextracker LLC (the "**Company**"). The Company and Consultant are sometimes referred to individually herein as a "**Party**" and collectively as the "**Parties**."

WHEREAS, Consultant is currently employed as –General Counsel, Chief Ethics and Compliance Officer, and Secretary of the Company;

WHEREAS, Consultant has notified the Company of her intent to voluntarily resign from employment with the Company, which, as mutually agreed between the Parties, will become effective as of December 31, 2024 (the "**Transition Date**");

WHEREAS, in light of Consultant's extensive experience and knowledge regarding the Company's ongoing business matters, from and after the Transition Date, the Company wishes to retain the services of Consultant, and Consultant desires to be retained by the Company, as a non-employee consultant to the Company through the Consulting Period End Date (as defined below) on the terms and conditions set forth herein; and

WHEREAS, the Company and Consultant desire to enter into this Agreement to set forth the Parties' agreement as to Consultant's entitlements and obligations in connection with Consultant's voluntary resignation from employment with the Company on the Transition Date and her services as a non-employee consultant following the Transition Date.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Parties hereto agree as follows:

Section 1. *Transition and Consulting Services.*

(a) The Parties hereby agree that Consultant will cease serving as General Counsel, Chief Ethics and Compliance Officer, and Secretary of the Company, effective as of the Transition Date. Through the Transition Date, Consultant will continue to serve in her existing role with the Company and will receive the same compensation and benefits currently in effect while employed by the Company. Effective as of the Transition Date, Consultant will resign (and will be deemed to have resigned without any further action by Consultant) from all positions Consultant held in any capacity as an employee, officer, director, benefit plan trustee or fiduciary or otherwise with respect to the Company, Nextracker Inc. and each of their respective subsidiaries and affiliates (collectively, the

“Company Group”). Consultant shall promptly execute such additional documents as may be necessary to evidence the foregoing resignations.

(b) From and following the Transition Date through June 30, 2026 (or such earlier date as determined pursuant to Section 5 below) (such applicable date, the “**Consulting Period End Date**,” and such period between the Transition Date through the Consulting Period End Date, the “**Consulting Period**”), in consideration for the benefits to be provided under this Agreement, Consultant shall serve as a non-employee consultant to the Company providing such transition and advisory services to the Company as described in Exhibit A (the “**Services**”).

(c) Consultant shall have the discretion to determine the location and times of rendering the Services. In connection with Consultant’s performance of the Services, Consultant will be subject to, and shall comply with, the Company’s codes of conduct, policies and procedures applicable to consultants or advisors of the Company (as may be in effect from time to time). While on the Company’s premises, Consultant agrees to comply with the Company’s then-current access rules and procedures, including those related to safety, security and confidentiality. Consultant further agrees to serve the Company faithfully and diligently in connection with Consultant’s performance of the Services under this Agreement, and Consultant shall at all times act in good faith and in the best interests of the Company. Consultant agrees that, while providing services pursuant to this Agreement, Consultant will refrain from any activity that creates a conflict of interest with the Company Group.

(d) It is understood and agreed that Consultant shall perform the Services as an independent contractor, and this Agreement is not intended by the Parties to establish an employment relationship. Consultant may not, at any time, act as a representative for or on behalf of the Company or its affiliates for any purpose or transaction (unless otherwise instructed by an officer of the Company via email confirmation), and may not bind or otherwise obligate the Company or its affiliates in any manner whatsoever without obtaining the prior written approval of the Company therefor. Consultant shall be solely responsible for the payment of any federal, state or local income, withholding or payroll taxes owed by Consultant solely due to the receipt of compensation for providing services as a consultant under this Agreement, and shall indemnify, defend and hold harmless the Company and its affiliates, officers, directors, employees, agents, successors and assigns from any claims, assessments or liabilities from a taxing authority relating to any such taxes. In her capacity as a consultant, except with respect to the Equity Incentive Plan as provided in Section 4 hereof, Consultant shall not be entitled to participate in any employee benefit plans of the Company or any of its affiliates (*provided* that Consultant may participate in the benefit plans of the Company and its affiliates in her status as a former employee of the Company where applicable).

Section 2. *Accrued Compensation*. Upon the Transition Date, Consultant shall be entitled to receive the following: (a) any earned but unpaid base salary payments through the Transition Date, which shall be paid within thirty (30) days following the Transition Date (or such earlier date as may be required by applicable law); (b) reimbursement for business expenses incurred and properly submitted by Consultant in accordance with the Company’s expense reimbursement policy for the period ending on the Transition Date, which shall be paid within thirty (30) days following the Transition Date (or such earlier date as may be required by applicable law); (c) any vested amount or benefit that is payable to Consultant under any benefit plan or program of the Company in accordance with and subject to the terms and conditions of such plan or program; and (d) any accrued but unused vacation pay as of the Transition Date (each of clauses (a) through (d), collectively, the “**Accrued Compensation**”). Consultant hereby agrees and acknowledges that, on and following the Transition Date, subject to the terms of this Agreement, Consultant will only be entitled to receive the Accrued Compensation and the payments and benefits set forth in Section 3 and Section 4 below (subject to the terms and conditions of this Agreement), and Consultant will not be entitled to receive, and hereby irrevocably waives any and all rights or entitlements to receive, any other compensation or benefits from the Company Group arising under any plan, agreement or arrangement or otherwise (including, without limitation, any severance payments or benefits, cash bonuses or equity-based compensation, but excluding the Indemnification Agreement dated February 13, 2023 between Consultant and the Company, which shall remain in full force and effect).

Section 3. *Consulting Fee*. Subject to the terms and conditions of this Agreement, in consideration for Consultant’s provision of the Services pursuant to this Agreement, Consultant shall be paid during the Consulting Period a monthly cash consulting fee of $5,555.55 for each full month of completed service, which shall be payable in arrears on the last day of the applicable month (the “**Consulting Fee**”); *provided* that in no event shall the total Consulting Fees payable under this Agreement exceed $100,000 in the aggregate.

Section 4. *Equity Award Treatment.*

(a) The Parties agree and acknowledge that, effective as of the date hereof, Consultant holds the outstanding equity incentive awards under the Second Amended and Restated 2022 Nextracker Inc. Equity Incentive Plan (as may be amended, the “**Equity Incentive Plan**”) set forth on Exhibit B attached hereto.

(b) Subject to the terms and conditions of this Agreement and Consultant’s compliance with the terms of this Agreement (including but not limited to Consultant’s (i) execution and non-revocation of the Release (as defined below) and each of the Release Reaffirmations (as defined below) and (ii) continued compliance with the Continuing Obligations (as defined below), the equity incentive awards (or applicable portion thereof) set forth under the “Maximum” column in Exhibit B (the “**Eligible Equity Awards**”) shall remain outstanding and eligible to continue to vest pursuant to their terms during the Consulting Period subject to Consultant’s continued provision of the Services through the applicable vesting date and subject to any other vesting conditions stated in the applicable Eligible Equity Award agreement (including actual achievement of any applicable performance-based vesting conditions); *provided* that such Eligible Equity Awards shall cease to vest (and Consultant shall be deemed to have incurred a “Termination of Service” for purposes of such awards) upon the applicable Consulting Period End Date. Except as expressly provided in this Section 4(b) and Section 5(c) below, the Eligible Equity Awards shall otherwise remain subject to their existing terms and conditions. For the avoidance of doubt, if Consultant continues to provide services through June 30, 2026, Consultant shall be eligible to vest up to the maximum number of Eligible Equity Awards set forth in the “Maximum” column of Exhibit B hereto, subject to the terms of this Agreement and the applicable award agreements evidencing such awards (including the actual level of achievement of any performance-based vesting conditions as of the end of the performance period stated in such agreements, which may result in the vesting of none or a portion of such maximum number).

(c) Any equity incentive awards (or any portion thereof) under the Equity Plan held by Consultant that are (i) listed under the “Forfeited” column on Exhibit B hereto or (ii) are not listed on Exhibit B hereto, in each case, shall be automatically forfeited and cancelled as of the Transition Date.

Section 5. *Termination of this Agreement*.

(a) This Agreement shall automatically terminate upon June 30, 2026. Upon such date, Consultant shall cease to have any rights to receive the Consulting Fee (except for any earned but unpaid monthly Consulting Fee for any prior month) or any rights to additional vesting of the Eligible Equity Awards following such date, and all unvested Eligible Equity Awards as of such date shall be forfeited and cancelled in their entirety.

(b) Consultant may terminate this Agreement upon 15 days' prior written notice to the Company. As of the effective date of such termination, Consultant shall cease to have any rights to receive the Consulting Fee (except for any earned but unpaid monthly Consulting Fee for any prior month) or any rights to additional vesting of the Eligible Equity Awards following such date, and all unvested Eligible Equity Awards as of such date shall be forfeited and cancelled in their entirety, and the Eligible Equity Awards shall otherwise be subject to their existing terms and conditions.

(c) The Company may terminate this Agreement for any reason other than for Cause (as defined below) upon 15 days' prior written notice to Consultant. As of the effective date of such termination, Consultant shall cease to have any rights to receive the Consulting Fee (except for any earned but unpaid monthly Consulting Fee for any prior month) or any rights to additional vesting of the Eligible Equity Awards following such date, and, subject to Consultant's execution of the Release Reaffirmation on or following the Consulting Period End Date as set forth in Section 16 below and continued compliance with the Continuing Obligations, any portion of the Eligible Equity Awards that are unvested as of such Consulting Period End Date shall accelerate and become vested as of such date, with any unearned performance-based vesting conditions deemed achieved at target performance; *provided* that (i) for any performance-based Eligible Equity Awards for which the performance period has already completed, such Eligible Equity Awards will be measured at actual performance and (ii) to the extent Consultant has any performance-based Eligible Equity Awards that have been "banked" due to the prior satisfaction of performance-based vesting conditions, such performance-based vesting conditions will be measured at actual performance.

(d) The Company may terminate this Agreement for Cause immediately without prior written notice. As of the effective date of such termination, Consultant shall cease to have any rights to receive the Consulting Fee (except for any earned but unpaid monthly Consulting Fee for any prior month) or any rights to additional vesting of the Eligible Equity Awards following such date, and all unvested Eligible Equity Awards as of such date shall be forfeited and cancelled in their entirety, and the Eligible Equity Awards shall otherwise be subject to their existing terms and conditions.

(e) In the event of Consultant's death or Disability (as defined in the Equity Incentive Plan), this Agreement shall be automatically terminated. As of the effective date of such termination, Consultant shall cease to have any rights to receive the Consulting Fee (except for any earned but unpaid monthly Consulting Fee for any prior month), and the Eligible Equity Awards shall be treated in accordance with the terms and conditions specified in the applicable award agreements governing such Eligible Equity Awards.

(f) For purposes of this Agreement, "**Cause**" means (i) the willful failure by Consultant (other than any such failure resulting from Consultant's incapacity due to physical or mental illness) to perform substantially the Services (*provided*, *however*, that Consultant shall have thirty (30) days to cure such failure after her receipt of written notice (which may include email communication) thereof from the Company); (ii) the conviction of Consultant by a court of competent jurisdiction or a plea of guilty or nolo contendere for (x) a felony (unless the Company, in its sole discretion, determines in good faith that the nature of the felony does not warrant a termination for Cause) or (y) a crime involving moral turpitude; (iii) the engaging by Consultant in fraud, embezzlement, misappropriation, or dishonesty; (iv) Consultant's breach of (A) any of the Continuing Obligations or (B) this Agreement (including, but not limited to, Consultant's breach of any of the restrictive covenants herein, including engaging in a Competitive Business in violation of Section 11 of this Agreement); (v) Consultant's willful misconduct in the course of Consultant's performance of the Services; or (vi) any other act or omission by Consultant which is, or which would reasonably be expected to be, materially injurious to the Company Group or its reputation, monetarily or otherwise. Notwithstanding anything to the contrary herein, in the event that the Company discovers that Consultant engaged in any conduct prior to the date of this Agreement described in this Section 5(f), then such conduct shall also constitute Cause and give rise to the Company's right to terminate this Agreement (excluding for such purposes Section 6(a)(iii) and Section (5)(f)(iv)(B), both of which describe obligations only arising under this Agreement).

Section 6. *Continuing Obligations*. Consultant hereby (a) reaffirms Consultant's obligations under (and acknowledges that Consultant will continue to be bound by the terms of) Consultant's restrictive covenant obligations with the Company Group (including, without limitation, those set forth in (i) any award agreements evidencing the Eligible Equity Awards, (ii) Consultant's Employee Proprietary Information and Inventions, Confidentiality and Non-Solicitation of Employees Agreement with the Company Group and (iii) Sections 7, 8, 9, 10 and 11 of this Agreement) and (b) the policies of the Company Group (including the Company's code of conduct and insider trading and recoupment policies) as may be in effect from time to time, to the extent such policies are applicable to non-employee consultants or former employees of the Company generally (collectively, the "**Continuing Obligations**"), the terms of each of which are fully incorporated herein by reference.

Section 7. *Cooperation.* Subject to Section 12 (Whistleblower Protections) and Section 13 (Defend Trade Secrets Act), following the Transition Date, Consultant shall make herself reasonably available to cooperate with the Company in matters relating to: (a) requests for information about the services Consultant provided to the Company either during her employment with the Company Group or during the Consulting Period, (b) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company Group which relate to events or occurrences that transpired while Consultant was employed by the Company Group or during the Consulting Period and as to which Consultant has, or would reasonably be expected to have, personal experience, knowledge or information or (c) any investigation or review by any federal, state or local regulatory, quasi-regulatory or self-governing authority (including, without limitation, the U.S. Department of Justice ("**DOJ**"), the U.S. Federal Trade Commission or the Securities and Exchange Commission (the "**SEC**")) as any such investigation or review relates to events or occurrences that transpired while Consultant was employed by the Company Group or during the Consulting Period. Consultant's cooperation shall include: (i) making himself reasonably available to meet and speak with officers or employees of the applicable member of Company, its counsel or any third parties at the request of such person at times and locations to be determined by the Company reasonably and in good faith and (ii) giving accurate and truthful information at any interviews and accurate and truthful testimony in any legal proceedings or actions. The Company will reimburse Consultant for any reasonable, out-of-pocket travel (which shall include business class airfare, to the extent the Company requests that the Consultant travel in connection with her obligations under this Section 7), hotel and meal expenses incurred by Consultant in connection with her performance of obligations pursuant to this Section 7 for which Consultant has obtained prior approval from the Company.

Section 8. *Confidentiality.* Subject to Section 12 (Whistleblower Protections) and Section 13 (Defend Trade Secrets Act), at all times from and after the date hereof (including following the Transition Date and the Consulting Period End Date), Consultant will not, unless required or otherwise permitted by law, directly or indirectly, (i) use or disclose any confidential or proprietary information of the Company Group, including, without limitation, the Company Group's practices, procedures, trade secrets, customer lists, employees lists, product engineering plans, product development plans or product marketing); or (ii) disclose the terms of this Agreement or the cash or equity benefits provided under it (including, without limitation, to any present or former employees or other personnel of the Company Group), except that Consultant may disclose this information to Consultant's immediate family and to Consultant's attorney, accountant or other professional advisor to whom Consultant must make the disclosure in order for them to render professional services to Consultant; *provided*, *however*, Consultant will instruct all such persons to maintain the confidentiality of this information just as Consultant must.

Section 9. *Non-Disparagement*. Subject to Section 12 (Whistleblower Protections) and Section 13 (Defend Trade Secrets Act), Consultant agrees that Consultant will not, during Consultant's employment or service with the Company Group (including during the Consulting Period) and at all times thereafter, directly or indirectly, make, publish or communicate (in any form, medium or forum) any critical, negative or disparaging statements about the Company Group, its business or its products or its officers, directors or employees, express or implied, unless such statements are made truthfully in response to a subpoena or other legal process, or are otherwise allowed or protected by law.

Section 10. *Non-Solicitation.*

(a) *Non-Solicitation of Employees*.

(i) During the term of Consultant's employment or service with the Company Group (including during the Consulting Period) and for a period of one (1) year following the Consulting Period End Date, Consultant will not, either on Consultant's own account or for any person, firm, partnership, corporation, or other entity (i) solicit, interfere with, or endeavor to cause any employee of the Company Group to leave employment with the Company Group; (ii) induce or attempt to induce any such employee to breach their obligations to the Company Group; or (iii) disrupt, damage, impair, or interfere with the Company Group's business by raiding the Company Group's employees.

(ii) After Consultant's separation from employment or service with the Company Group for any reason whatsoever (including following the Consulting Period End Date), Consultant will not, either on Consultant's own account or for any person, firm, partnership, corporation, or other entity, use the Company Group's trade secrets to (i) solicit, interfere with, or endeavor to cause any employee of the Company Group to leave employment with the Company Group; or (ii) induce or attempt to induce any such employee to breach their obligations to the Company Group.

(b) *Non-Solicitation of Customers*.

(i) During the term of Consultant's employment or service with the Company Group (including during the Consulting Period) and for a period of one (1) year following the Consulting Period End Date, Consultant will not solicit, induce, or attempt to induce any past or current customer of the Company Group (i) to cease doing business, in whole or in part, with the Company Group or (ii) to do business with any other person, firm, partnership, corporation, or other entity which performs services similar to or competitive with those provided by the Company Group.

(ii) After Consultant's separation from employment or service with the Company Group for any reason whatsoever (including following the Consulting Period End Date), Consultant will not, either on Consultant's own account or for any person, firm, partnership, corporation, or other entity, use the Company Group's trade secrets to solicit, induce, or attempt to induce any past or current customer of the Company Group (i) to cease doing business, in whole or in part, with the Company Group; or (ii) to do business with any other person, firm, partnership, corporation, or other entity which performs services similar to or competitive with those provided by the Company Group.

Section 11. *Non-Compete*. During the Consulting Period, Consultant agrees that she will not accept employment with, be employed by, provide services to, own or otherwise become engaged in, a Competitive Business. For purposes of this Section 11, the term "**Competitive Business**" means the design, manufacturing, marketing, servicing and/or selling of solar tracker or foundation equipment, materials and software used in solar projects and/or energy storage facilities around the world, including trackers, piles, foundations, ground screws, trusses, vertical support elements, attachment interfaces, subterranean support for fences, drilling and installation machines, tools, parts, designs, testing, construction services, components and subcomponents of, or software relating to, the foregoing.

Section 12. *Whistleblower Protections*. Notwithstanding the foregoing, nothing in this Agreement or otherwise limits Consultant's ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the Securities Exchange Commission ("**SEC**"), the Department of Justice ("**DOJ**"), or any other federal, state or local governmental agency or commission or self-regulatory organization ("**Government Agency**") regarding possible legal violations, without disclosure to the Company. The Company may not retaliate against Consultant for any of these activities, and nothing in this Agreement or otherwise requires Consultant to waive any monetary award or other relief that Consultant might become entitled to from the SEC, DOJ or any other Government Agency. Nothing in this Agreement or otherwise requires Consultant to disclose any communications Consultant may have had or information Consultant may have provided to the SEC, DOJ, or any other Government Agencies regarding possible legal violations.

Section 13. *Defend Trade Secrets Act*. Pursuant to Section 7 of the Defend Trade Secrets Act of 2016 (which added 18 U.S.C. § 1833(b)), Consultant and the Company acknowledge and agree that Consultant shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, and without limiting the preceding sentence, if Consultant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Consultant may disclose the trade secret to Consultant's attorney and may use the trade secret information in the court proceeding, if Consultant (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. §1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such Section.

Section 14. *Release.*

(a) Consultant hereby knowingly and voluntarily, on Consultant's own behalf and on behalf of Consultant's heirs, executors, representatives, administrators, agents, and assigns ("**Releasors**"), hereby unconditionally releases, waives and forever discharges any and all claims, suits, controversies, demands, damages, debts, liabilities, actions and causes of action ("**Claims**") Consultant has or may have, or at any other time had, against the Company and its current and former predecessors, subsidiaries, related entities, shareholders, investors, officers, directors, agents, attorneys, insurers, employees, successors, subscribers, affiliates, or assigns (collectively, "**Releasees**"), whether known or unknown, suspected or unsuspected, based upon or arising out of any matter, cause, fact, thing, act or omission whatsoever occurring at any time up to and including the date Consultant signs this Agreement (or, with respect to a Release Reaffirmation, the date Consultant signs the applicable Release Reaffirmation), including, without limitation, (a) any and all Claims under Title VII of the Civil Rights Act of 1964 (Title VII), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA) (regarding existing but not prospective claims), the Fair Labor Standards Act (FLSA), the Equal Pay Act, the Consultant Retirement Income Security Act (ERISA) (regarding unvested benefits), the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act (FCRA), the Worker Adjustment and Retraining Notification (WARN) Act, the Age Discrimination in Employment Act (ADEA), the Uniform Services Employment and Reemployment Rights Act (USERRA), the Genetic Information Nondiscrimination Act (GINA), the Immigration Reform and Control Act (IRCA), the California Fair Employment and Housing Act (FEHA), the California Labor Code, the California Constitution, the California Family Rights Act (CFRA), the California Consumer Privacy Act (CCPA), all including any amendments and their respective implementing regulations, and any other federal, state, local, or foreign law (statutory, regulatory, or otherwise) that may be legally waived and released; *provided*, *however*, the identification of specific statutes is for purposes of example only, and the omission of any specific statute or law shall not limit the scope of this general release in any manner; (b) any and all Claims arising under tort, contract, and quasi-contract law, including, but not limited to, claims of breach of an express or implied contract, wrongful or retaliatory discharge, fraud, defamation, negligent or intentional infliction of emotional distress, tortious interference with contract or prospective business advantage, breach of the implied covenant of good faith and fair dealing, promissory estoppel, detrimental reliance, invasion of privacy, nonphysical injury, personal injury or sickness, or any other harm; (c) any and all Claims for compensation of any type whatsoever, including, but not limited to, claims for wages, salary, bonuses, commissions, incentive compensation, vacation, sick pay, and severance that may be legally waived and released; (d) any and all Claims for monetary or equitable relief, including, but not limited to, attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical fees or expenses, costs and disbursements, punitive damages, liquidated damages, and penalties; and (e) any other Claims arising out of or related to Consultant's employment, or termination of employment, with the Company (together with Section 15, collectively, the "**Release**").

(b) Notwithstanding the foregoing, this Release excludes, and Consultant does not waive, release, or discharge: (i) claims that cannot be waived by law, such as claims for unemployment benefit rights and workers' compensation; (ii) any right to file an unfair labor practice (ULP) charge under the National Labor Relations Act or participate or assist in proceedings before the National Labor Relations Board (NLRB); (iii) any rights to vested benefits, the rights to which are governed by the terms of the applicable plan documents; (iv) the right to file an administrative charge or complaint with, or testify, assist, or participate in an investigation, hearing, or proceeding conducted by or before, or provide information to any Government Agencies about a condition or violation of law, without the need to provide advance notice to the Company Group; and (v) the right to seek or receive a monetary award from a government-administered whistleblower award program from any Governmental Agency.

(c) This Agreement is intended to be effective as a general release of and bar to all claims as stated in this Section. Accordingly, the Releasors specifically waive all rights under California Civil Code Section 1542, which states,

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Consultant acknowledges that Consultant may later discover claims or facts in addition to or different from those which Consultant now knows or believes to exist with regards to the subject matter of this Agreement, and which, if known or suspected at the time of executing this Agreement (or, with respect to a Release Reaffirmation (as defined below), the date Consultant signs the applicable Release Reaffirmation), may have materially affected its terms. Nevertheless, the Releasors waive any and all Claims that might arise as a result of such different or additional claims or facts.

Section 15. *Specific Release of ADEA Claims*.

Consultant hereby acknowledges that Consultant is waiving and releasing any rights Consultant has or may have under the Age Discrimination in Employment Act of 1967 ("ADEA"). Consultant and the Company agree that this Release does not apply to any rights or claims that may arise under ADEA after the date Consultant signs this Agreement (or, with respect to a Release Reaffirmation, the date Consultant signs the applicable Release Reaffirmation). In addition, this Agreement does not prohibit Consultant from challenging the validity of this Agreement's Release of claims under ADEA.

By signing this Agreement (or, with respect to a Release Reaffirmation, by signing the applicable Release Reaffirmation), Consultant hereby acknowledges and confirms that: (i) Consultant has read this Agreement carefully; (ii) Consultant understands all of the terms of this Agreement and that Consultant is giving up important rights, including rights under ADEA; (iii) Consultant knowingly and voluntarily consents to everything included in this Agreement; (iv) Consultant was advised by the Company to consult with an attorney before executing this Agreement and Consultant has done so or, after careful reading and consideration, Consultant has chosen not to do so of Consultant's own volition; (v) Consultant has been given all time periods required by law to consider this Agreement, including the 21-day period required by ADEA; (vi)

Consultant understands that Consultant may execute this Agreement less than 21 days from its receipt from the Company, and Consultant agrees that such execution will represent Consultant's knowing waiver of such 21-day consideration period; (vii) Consultants understand that Consultant has seven (7) calendar days after the execution of this Agreement or an applicable Release Reaffirmation to revoke it in accordance with Section 17 hereof and that this Agreement will not become effective or enforceable until the Revocation Period (as defined below) has expired; (viii) Consultant is providing the Release only in exchange for consideration in addition to anything of value to which Consultant is not already entitled; and (ix) Consultant has not relied on any representations, promises, or agreements of any kind made to Consultant in connection with Consultant's decision to enter into this Agreement, except for those set forth in this Agreement.

Section 16. *Release Reaffirmation*. If requested by the Company in writing (which may include email transmission), Consultant hereby agrees to re-execute the Release and confirm the representations set forth in the Release on or within the 21-day period following (i) the Transition Date, but no earlier than the Transition Date, by signing the signature line on the signature page designated as the Release Reaffirmation – Transition Date and (ii) the latter of the Consulting Period End Date or the Company's written request, but no earlier than the Consulting Period End Date, by signing the signature line on the signature page designated as the Release Reaffirmation – Consulting Period End Date (each, a "**Release Reaffirmation**").

Section 17. *Revocation Period*. Consultant has seven (7) calendar days from the date of Consultant's execution of this Agreement (or, with respect to a Release Reaffirmation, the date Consultant executes the applicable Release Reaffirmation) to revoke the Release (such applicable period, the "**Revocation Period**") by delivering written notice of revocation to Lance Turner, Chief Human Resources Officer (lturner@nextracker.com) before the expiration of the Revocation Period. If Consultant revokes the Release set forth in this Agreement during the Revocation Period following Consultant's signing of this Agreement, the terms of this Agreement, including, but not limited to, the Release and Consultant's right to receive the payments and benefits provided under this Agreement will be null and void and such payments and benefits will be forfeited in their entirety. This Agreement shall not be effective until the Revocation Period has expired. If Consultant revokes the Release set forth in any Release Reaffirmation following Consultant's signing of such applicable Release Reaffirmation, then Consultant's right to receive the payments or benefits under this Agreement that are subject to the effectiveness of such Release Reaffirmation shall be forfeited in their entirety (*provided* that the revocation of a Release Reaffirmation shall in no way impact the effectiveness of any Release or Release Reaffirmation that has previously become effective or Consultant's obligations under this Agreement).

Section 18. *Publicity*. Neither the Company Group nor Consultant may issue, without prior written consent of the other Party, any public announcement or statement with respect to the terms of this Agreement.

Section 19. *No Admission*. Nothing about the fact or content of this Agreement shall be considered to be or treated by Consultant or the Company as an admission of any wrongdoing, liability or violation of law by Consultant or by any Releasee.

Section 20. *Section 409A*. The Parties intend for the payments and benefits under this Agreement to be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (together with the regulations and guidance promulgated thereunder, "**Section 409A**") or, if not so exempt, to be paid or provided in a manner which complies with the requirements of such section, and intend that this Agreement shall be construed and administered in accordance with such intention. For purposes of the limitations on nonqualified deferred compensation under Section 409A, each payment of compensation under this Agreement shall be treated as a separate payment of compensation. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six (6)-month period immediately following Consultant's separation from service shall instead be paid on the first business day after the date that is six (6) months following her termination of employment (or upon his death, if earlier). In no event shall the timing of Consultant's execution of the Release, directly or indirectly, result in Consultant designating the calendar year of payment, and if a payment that is subject to execution of the Release could be made in more than one taxable year, based on timing of the execution of the Release, payment shall be made in the later taxable year. To the extent required to avoid an accelerated or additional tax under Section 409A, amounts reimbursable to Consultant shall be paid to Consultant on or before the last day of the calendar year following the calendar year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to Consultant) during one calendar year may not affect amounts reimbursable or provided in any subsequent calendar year. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amount or benefit that constitutes "nonqualified deferred compensation" upon or following a termination of employment, unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on Consultant by Section 409A, or for damages for failing to comply with Section 409A.

Section 21. *Tax Withholding*. Notwithstanding any other provision of this Agreement, the Company may withhold from any amounts payable under this Agreement all amounts that are required or authorized to be withheld, including, but not limited to, federal, state, local and foreign taxes required to be withheld by applicable laws or regulations. The Company, in its sole and absolute discretion, shall make all determinations as to whether it is obligated to withhold any taxes hereunder and the amount hereof.

Section 22. *Governing Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, without regard to the application of any choice-oflaw rules that would result in the application of another state's laws.

Section 23. *Judicial Interpretation/Modification; Severability*. In the event that any one or more provisions (or portion thereof) of this Agreement is held to be invalid, unlawful or unenforceable for any reason, the invalid, unlawful or unenforceable provision (or portion thereof) shall be construed or modified so as to provide the Company with the maximum protection that is valid, lawful and enforceable, consistent with the intent of the Company and Consultant in entering into this Agreement. If such provision (or portion thereof) cannot be construed or modified so as to be valid, lawful and enforceable, that provision (or portion thereof) shall be construed as narrowly as possible and shall be severed from the remainder of this Agreement (or provision), and the remainder shall remain in effect and be construed as broadly as possible, as if such invalid, unlawful or unenforceable provision (or portion thereof) had never been contained in this Agreement.

Section 24. *Entire Agreement*. This Agreement sets forth the entire agreement between Consultant and the Company concerning the matters contemplated herein and supersedes any other written or oral promises concerning the subject matter of this Agreement.

Section 25. *Amendment and Waiver*. No provision of this Agreement may be altered, amended and/or waived except by a written document signed by both Parties setting forth such alteration, amendment, and/or waiver. The Parties hereto agree that the failure to enforce any provision or obligation under this Agreement shall not constitute a waiver thereof or serve as a bar to the subsequent enforcement of such provision or obligation or any other provisions or obligations under this Agreement. No course of dealing between or among any persons having any interest in this Agreement will be deemed effective to modify or amend any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

Section 26. *No Third-Party Beneficiaries*. The Parties hereto shall have the sole right to enforce the performance of the provisions of this Agreement. This Agreement is not intended for the benefit of, and is not intended to be relied upon by, any other person and no such person (or any other person acting on its behalf) shall be entitled to the benefit of or to enforce this Agreement.

Section 27. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto, their successors and permitted assigns, and the Parties shall require any successor or assign to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the applicable Party would be required to perform if no such succession or assignment had taken place. The Parties may not assign or delegate any rights or obligations hereunder except to a successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Party, as applicable. Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by Consultant, Consultant’s beneficiaries or legal representatives, except by will or by the laws of descent and distribution.

Section 28. *Survivability.* Upon the expiration or termination of this Agreement, the respective rights and obligations of the Parties hereto shall survive such expiration or other termination to the extent necessary to carry out the intentions of the Parties under this Agreement and such provisions (including, without limitation, the provisions set forth in Section 7, Section 8, Section 9, Section 10, Section 11, Section 12, Section 13, Section 14, Section 15 and any and all other Continuing Obligations) set forth above shall survive such expiration or termination.

Section 29. *Counterparts*. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. A facsimile, PDF (or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or any other type of copy of an executed version of this Agreement signed by a Party is binding upon the signing Party to the same extent as the original of the signed Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

NEXTRACKER LLC
By: /s/ Daniel Shugar
Name: Daniel Shugar
Title: CEO

YOU HEREBY ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, THAT YOU FULLY KNOW, UNDERSTAND AND APPRECIATE ITS CONTENTS, AND THAT YOU HEREBY ENTER INTO THIS AGREEMENT VOLUNTARILY AND OF YOUR OWN FREE WILL.

ACCEPTED AND AGREED:

/s/ Léah Schlesinger

Léah Schlesinger

Date: November 20, 2024

Exhibit 31.1

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

I, Daniel Shugar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nextracker Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 31, 2025

/s/ Daniel Shugar
Daniel Shugar
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Charles Boynton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nextracker Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 31, 2025

/s/ Charles Boynton

Charles Boynton

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Nextracker Inc. (the “Company”) on Form 10-Q for the period ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Daniel Shugar, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: January 31, 2025

/s/ Daniel Shugar

Daniel Shugar
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Nextracker Inc. (the “Company”) on Form 10-Q for the period ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Charles Boynton, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: January 31, 2025

/s/ Charles Boynton

Charles Boynton
Chief Financial Officer
(Principal Financial Officer)