



nexttracker™

Q4 FY2023 Earnings Presentation
May 10, 2023

Disclaimer

Cautionary Note About Forward-Looking Statements

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

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or other events to be materially different from any future results, performance or other events expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on forward-looking statements. Our actual future results, performance or other events may be materially different from what we expect. Important factors that could cause actual results, performance or other events to differ materially from our expectations include: the demand for solar energy and, in turn, our products; competitive pressures within the solar tracker industry; competition from conventional and other renewable energy sources; variability in our results of operations, including as a result of fluctuations in our customers' businesses as well as seasonal weather-related disruptions; the reduction, elimination or expiration of government incentives for or regulations mandating the use of, renewable energy and solar energy; our reliance on our suppliers and any problems with our suppliers or disruptions in our supply chain; changes in the global trade environment, including the imposition of import tariffs; the impact of the COVID-19 pandemic on our business, financial results and financial condition; an increase in interest rates, or a reduction in the availability of tax equity or project debt financing, impacting the ability of project developers and owners to finance the cost of a solar energy system; a loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment to us; defects or performance problems in our products; delays, disruptions or quality control problems in our product development operations; severe weather events, natural disasters and other catastrophic events; our continued expansion into new markets; electric utility industry policies and regulations; decreases in the price of electricity; our failure to protect our intellectual property and trade secrets or to successfully defend against third-party claims of infringement; and cybersecurity or other data incidents.

For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see the Company's periodic filings with the Securities and Exchange Commission (the "SEC"), including its Quarterly Report on Form 10-Q for the quarter ended December 31, 2022, and any current and periodic reports filed thereafter. Except as required by law, the Company assumes no obligation and does not intend to update these forward-looking statements or to conform these statements to actual results or to changes in the Company's expectations, even if new information becomes available in the future.

Industry and Market Data

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

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

Non-GAAP Financial Measures

We present adjusted EBITDA, adjusted free cash flow, and proforma adjusted EPS as supplemental measures of performance that are neither required by, nor presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). We present these non-GAAP financial measures because we believe they assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we may use Adjusted EBITDA as a factor in evaluating management's performance when determining incentive compensation and to evaluate the effectiveness of our business strategies.

Among other limitations, these measures do not reflect our cash expenditures or future capital expenditures or contractual commitments (including under the Tax Receivable Agreement), do not reflect the impact of certain cash or non-cash charges resulting from matters we consider not to be indicative of our ongoing operations and do not reflect the associated income tax expense or benefit related to those charges. In addition, other companies in our industry may calculate these measures differently from us, which further limits their usefulness as comparative measures. Because of these limitations, non-GAAP financial measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP financial measures on a supplemental basis. You should review the reconciliations of these non-GAAP measures to the most directly comparable GAAP measure included as an appendix to this presentation and not rely on any single financial measure to evaluate our business.

Agenda

CEO Comments

- Introduction to Nextracker
- Industry Perspectives
- FY2023 Highlights

President Comments

- Our Product and Technology
- Commercial Update

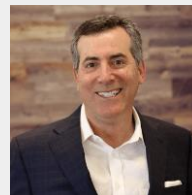
CFO Comments

- Financial Review
- Fiscal 24 Guidance

Speakers



Dan Shugar, P.E.
CEO & Founder



Howard Wenger
President

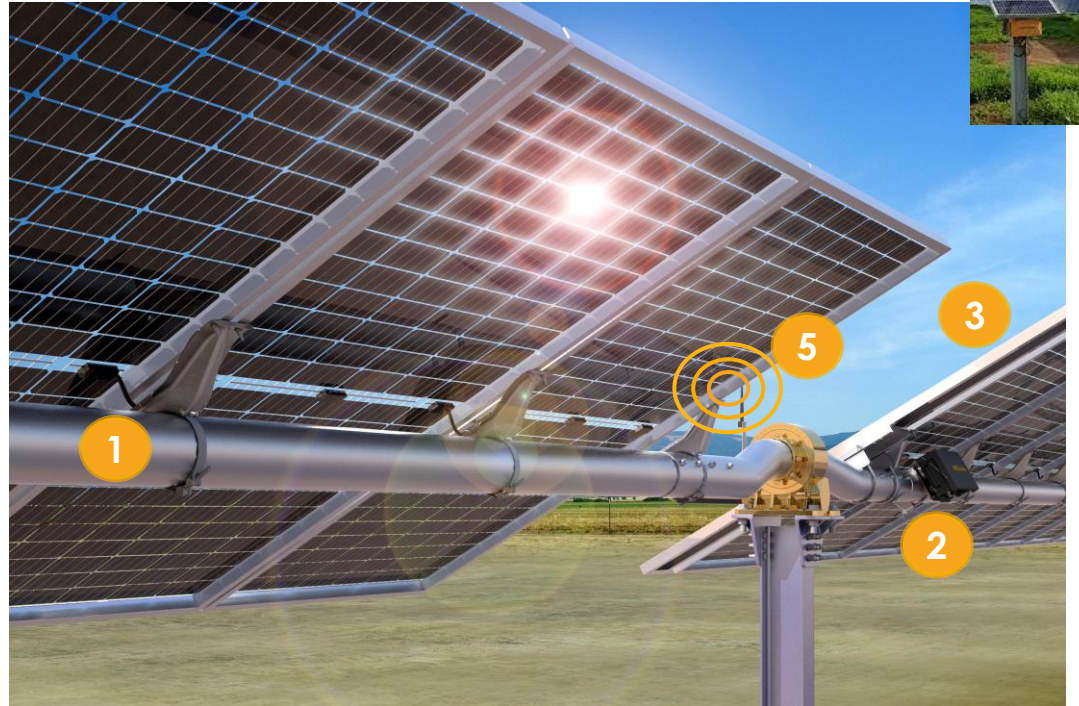
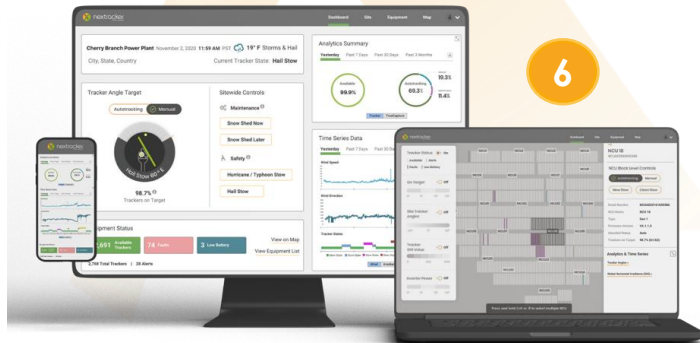


Dave Bennett
CFO

- Our mission is to be the world's leading energy solutions company by enabling the most intelligent, reliable and productive solar power.
- Our vision is a world powered by renewable energy – where clean, affordable power is available to all.

Representative Nextracker Products

1. Mechanical & drive components
2. Electronic control systems
3. Specialty modules
4. Weather stations
5. Wireless mesh networks
6. Software for monitoring, control, and asset management



Typical tracker > 300 ft in length

Example Project with Nextracker System

- 325 MW
- 3-5 square miles
- On average Nextracker delivered a system of this size every week in FY'23
- 5-9k trackers with imbedded sensors generating valuable data
- Increasingly using NX's patented adaptive tracking software TrueCapture:
<https://youtu.be/GGtaQRTRkFA>



Nexttracker Overview



Global Leader in Solar Trackers

- #1 Global Market share 7 years consecutively¹
- >74 GW Delivered²
- >80% Business from repeat customers³

Differentiated Offering

- Unrivaled technology: mechanical, electronic, software expertise
- Serve a wide range of geographies and site conditions
- Global customer service team with Asset Management at individual tracker level

Strong Global Corporation

- Historically profitable with strong balance sheet
- Global supply chain in 16 countries including robust U.S. fabrication partners
- Experienced management team; 6/6 co-founders still on Leadership Team

Fiscal Year 2023 Highlights

Annual

FY'23 Revenue

\$1.9 B

30% Y/Y Growth

FY'23 Adj EBITDA

\$209 M

126% Y/Y Growth

Quarterly

FY Q4 Revenue

\$518 M

18% Y/Y Growth

FY Q4 Adj EBITDA

\$73M

227% Y/Y Growth

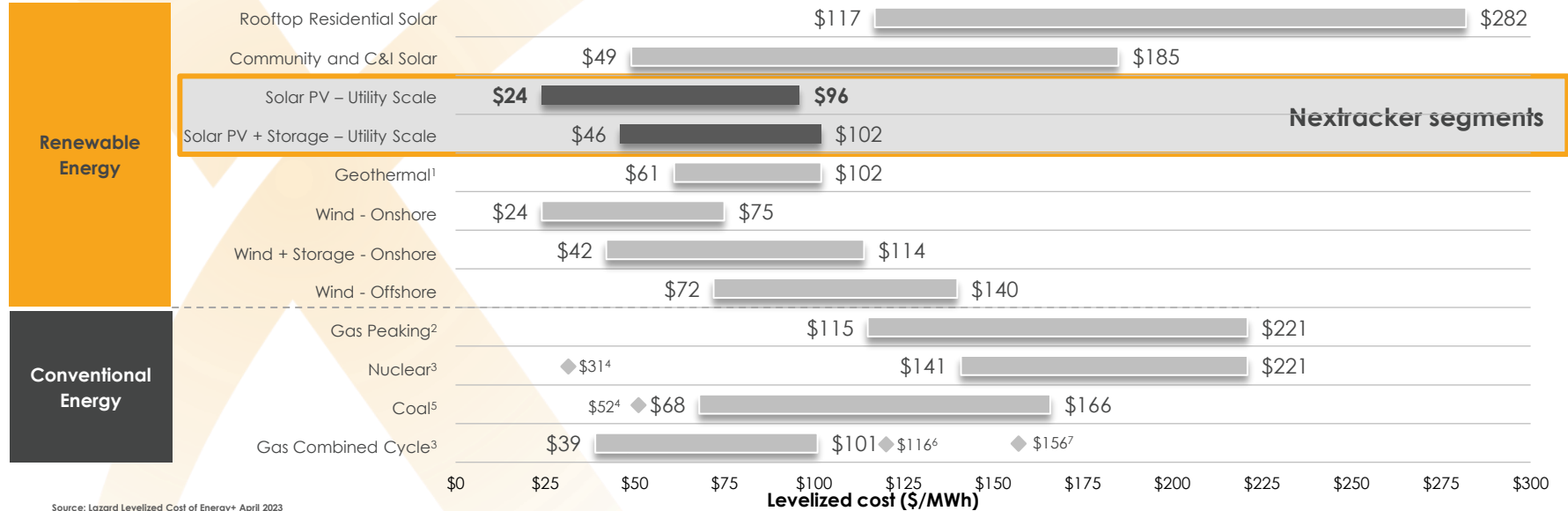
Business Highlights

- Delivered more than 17 gigawatts
- Record revenue and earnings
- Adjusted FCF over \$100M
- Backlog at new record of \$2.6B¹

1.) Backlog includes executed contracts or purchase orders with deposit, build of materials, and ship dates, as well as executed volume commitment agreements (VCAs) with customer deposits for multiple projects. See Appendix for definition of metrics and reconciliations of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

UNSUBSIDIZED SOLAR ECONOMICS SHOW THAT UTILITY-SCALE SOLAR IS AMONG THE LOWEST COST SOURCES OF ENERGY GLOBALLY

Nexttracker's segments are economically attractive



Source: Lazard Levelized Cost of Energy+ April 2023

Note: Here and throughout this presentation, unless otherwise indicated, the analysis assumes 60% debt at an 8% interest rate and 40% equity at a 12% cost. See page titled "Levelized Cost of Energy Comparison—Sensitivity to Cost of Capital" for cost of capital sensitivities.

1.) Given the limited data set available for new-build geothermal projects, the LCOE presented herein represents Lazard's LCOE v15.0 results adjusted for inflation.

2.) The fuel cost assumption for Lazard's unsubsidized analysis for gas-fired generation resources is \$3.45/MMBTU for year-over-year comparison purposes. See page titled "Levelized Cost of Energy Comparison—Sensitivity to Fuel Prices" for fuel price sensitivities.

3.) Given the limited public and/or observable data set available for new-build nuclear projects and the emerging range of new nuclear generation strategies, the LCOE presented herein represents Lazard's LCOE v15.0 results adjusted for inflation (results are based on then-estimated costs of the Vogtle Plant and are U.S.-focused).

4.) Represents the midpoint of the unsubsidized marginal cost of operating fully depreciated gas combined cycle, coal and nuclear facilities, inclusive of decommissioning costs for nuclear facilities. Analysis assumes that the salvage value for a decommissioned gas combined cycle or coal asset is equivalent to its decommissioning and site restoration costs. Inputs are derived from a benchmark of operating gas combined cycle, coal and nuclear assets across the U.S. Capacity factors, fuel, variable and fixed operating expenses are based on upper- and lower-quartile estimates derived from Lazard's research. See page titled "Levelized Cost of Energy Comparison—Renewable Energy versus Marginal Cost of Selected Existing Conventional Generation Technologies" for additional details.

5.) Given the limited public and/or observable data set available for new-build coal projects, the LCOE presented herein represents Lazard's LCOE v15.0 results adjusted for inflation. High end incorporates 90% carbon capture and storage ("CCS"). Does not include cost of transportation and storage.

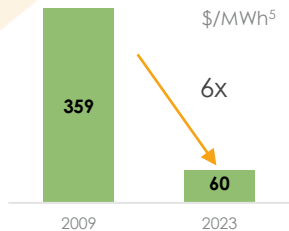
6.) Represents the LCOE of the observed high case gas combined cycle inputs using a 20% blend of "Blue" hydrogen, (i.e., hydrogen produced from a steam-methane reformer, using natural gas as a feedstock, and sequestering the resulting CO₂ in a nearby saline aquifer). No plant modifications are assumed beyond a 2% adjustment to the plant's heat rate. The corresponding fuel cost is \$5.20/MMBTU, assuming ~\$1.40/kg for Blue hydrogen.

7.) Represents the LCOE of the observed high case gas combined cycle inputs using a 20% blend of "Green" hydrogen, (i.e., hydrogen produced from an electrolyzer powered by a mix of wind and solar generation and stored in a nearby salt cavern). No plant modifications are assumed beyond a 2% adjustment to the plant's heat rate. The corresponding fuel cost is \$10.05/MMBTU, assuming ~\$4.15/kg for Green hydrogen.

Economics and Demand Driving the Addressable Market

Solar Economics

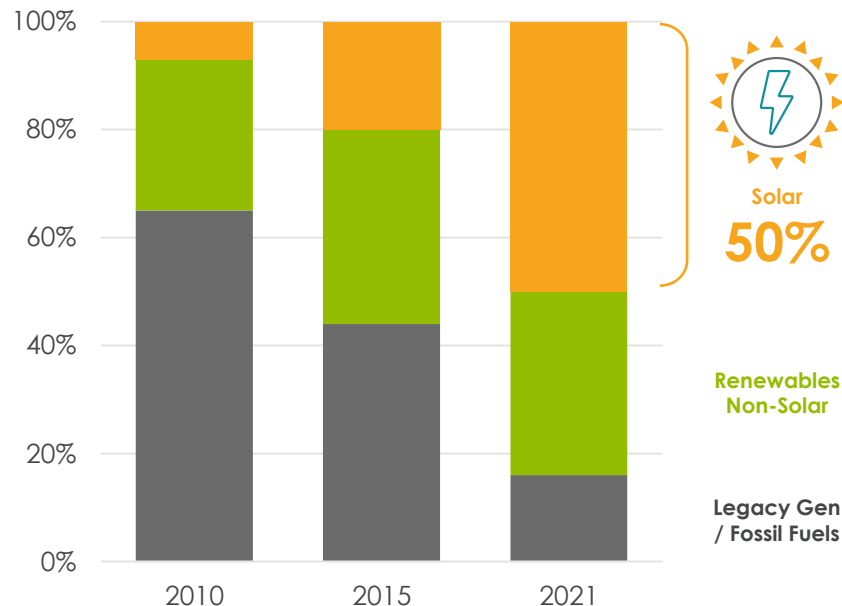
Cost reduction progress,
& competitiveness
vs coal and nuclear



Policy Significantly Impacting Demand

- + Decarbonization and energy independence
- + U.S Inflation Reduction Act (IRA)
- + Renewables & Electrification Investments
- U.S. PV Module Trade Restrictions
- Permitting and Interconnection Delays

Solar leads global energy capacity additions⁴



Nextracker's Footprint vs Total Available Market (TAM)

\$71B (682 GW) Global Tracker TAM: 2020-2030^{1,2,3}

North America
341 GW
#1 in Market



Europe
62 GW



Middle East
80 GW



Asia incl India
84 GW

Latin America
57 GW
#1 in Market



Africa
43 GW
#1 in Market



Australia
15 GW
#1 in Market

Nexttracker's Extensive, Diversified Global Supply Chain

Over 50 manufacturing Partners
in 16 countries across 5 continents

North America
15+ Partners



Europe
5 Partners



Middle East
3 Partners



India
4 Partners



Latin America
5+ Partners



Africa
3 Partners



Asia & Australia
16 Partners



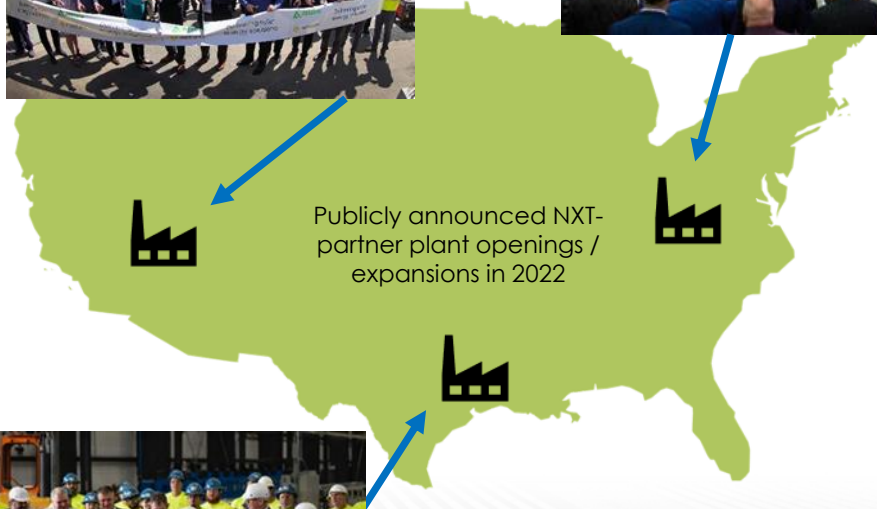
Nexttracker's U.S. Supply Chain

- Initiated major expansion >2 years ago
- >25 GWs of contracted capacity for primary components
- 10 manufacturing facilities currently making various tracker components across America¹
- Additional new factories and manufacturing lines in-process
- US steel sourcing mostly from electric arc furnace processes - cleaner than most overseas steel production

BCI Steel, Pittsburgh, PA
Dedication June 2022



Atkore Phoenix, AZ
Dedication May 2022



Publicly announced NXT-partner plant openings / expansions in 2022

JM Steel, Sinton TX
Dedication Apr 2022





Product Offering & Customer Wins

Howard Wenger, President

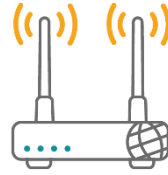
Nexttracker Leverages Unrivaled Technology



Mechanical Structures



132 Total Patents



Electronics and Controls



52 Total Patents



Intelligent Software



170 Total Patents

Nexttracker NX Horizon™ Independent Rows

A Better Tracker Architecture



Key Innovations

TrueCapture™ Software
Bifacial Panel Optimized
Horizon-XTR™ Terrain-Following Tracker
Navigator™ Software
Self-Powered Independent Row Tracker

Benefits

Higher energy production for every tracker row
Higher energy production for bifacial panels
Lower structure and install costs minimizing grading and piers
Lower operating costs and better weather protection
Lower install and operating costs + more reliable with integrated UPS

Nexttracker Wins Under a Wide Range of Conditions

West/California:
Rolling terrain
and flat sites



Midwest:
Higher latitudes,
snowy conditions



Northeast:
Irregular boundaries,
rolling hills



**Representative
Nexttracker projects**

- 1-50 MW
- 50-100 MW
- 100+ MW



Southwest/Texas:
Flat land, sunny
sites, large projects



South:
Diffuse Light



Southeast:
Rolling hills,
hurricanes & floods



Blue-Chip Customers

Over
200
Active
Customers¹
select shown

EPCs

Developers

Owners

United States

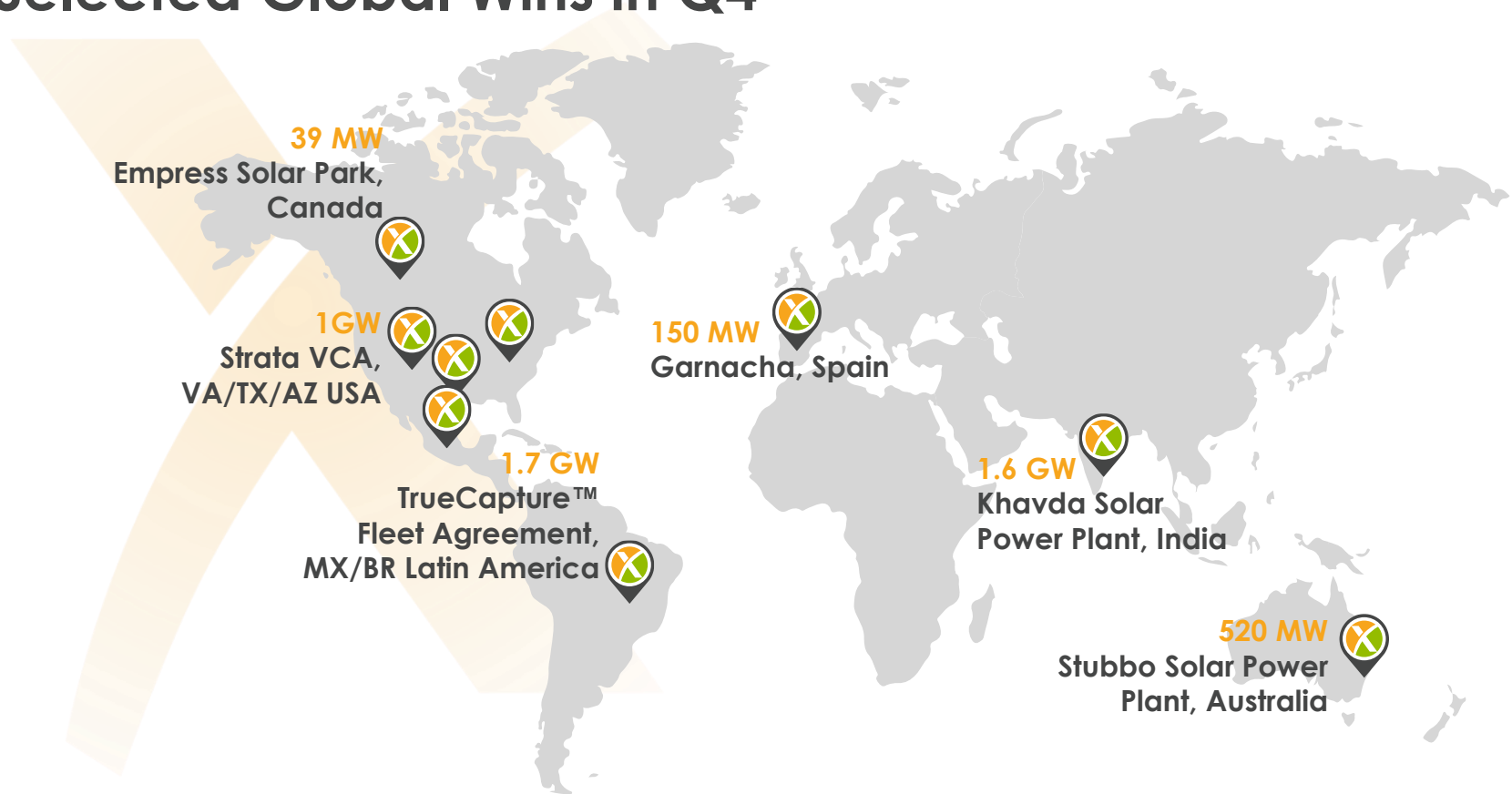


International



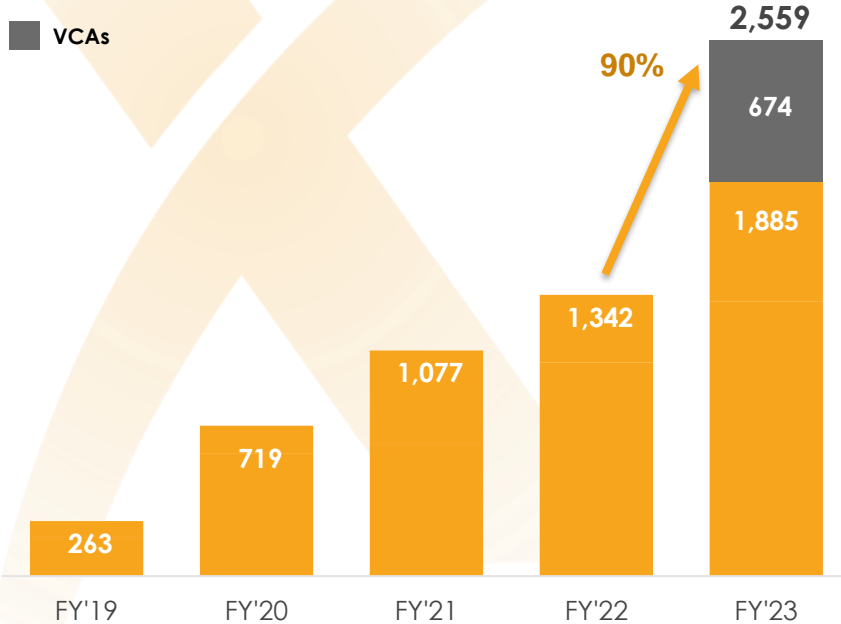
Why we win: Lower LCOE, superior platform, global scale, and trusted partnerships

Selected Global Wins in Q4



Strong Backlog Supports Continued Growth

Backlog

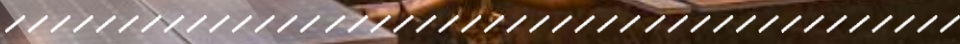


~\$2.6B¹
Firm Orders

Backlog includes executed contracts or purchase orders with deposit, build of materials, and ship dates. Executed volume commitment agreements (VCAs) include customer deposits for multiple projects.

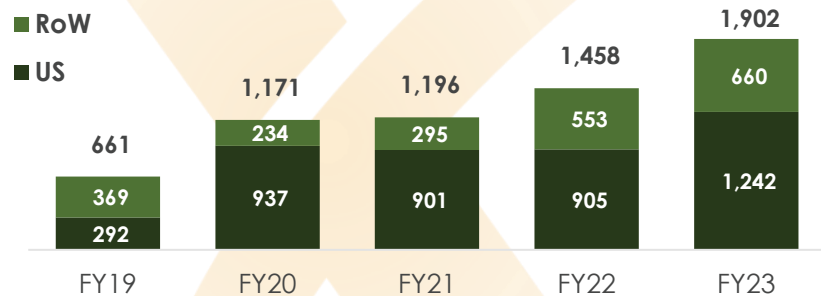


Financial Update

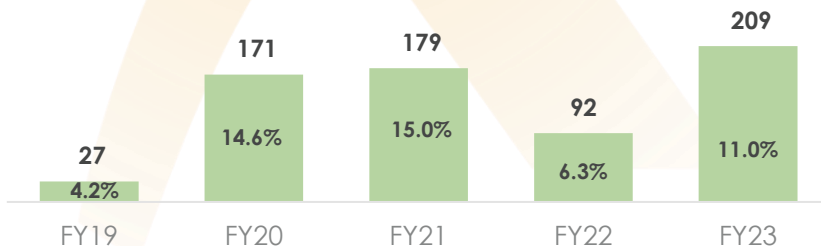


Trended Historical Results

Revenue (\$mm)



Adjusted EBITDA (\$mm and %)



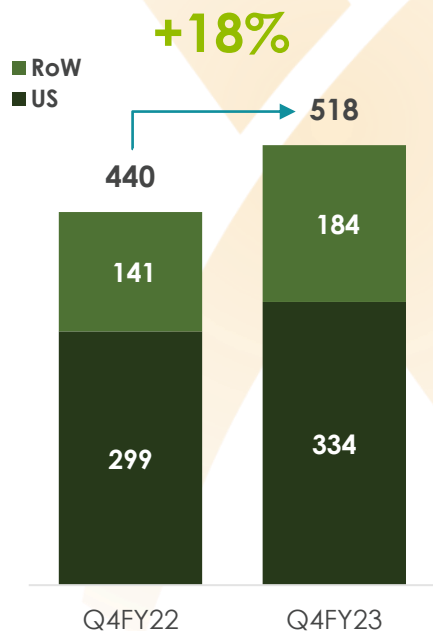
Key Highlights

- Solid progress on margin recovery from FY 22
- US approximately 65% of revenue; RoW 35% in FY 23
- Executing with discipline and maintaining profitability through challenging market conditions

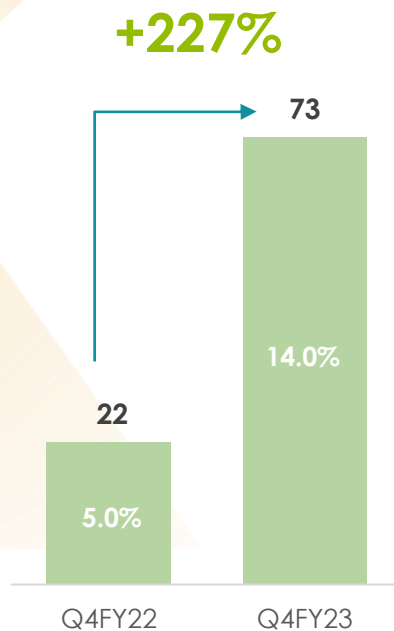
See Appendix for definition of metrics and reconciliations of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

Q4 2023 Results

Revenue (\$mm)



Adj. EBITDA (\$mm)



Key Highlights

- International revenue growth driven by Europe and Latin America
- Adj EBITDA of \$73M to 14.0% up 895 bps YoY on pricing and cost improvements

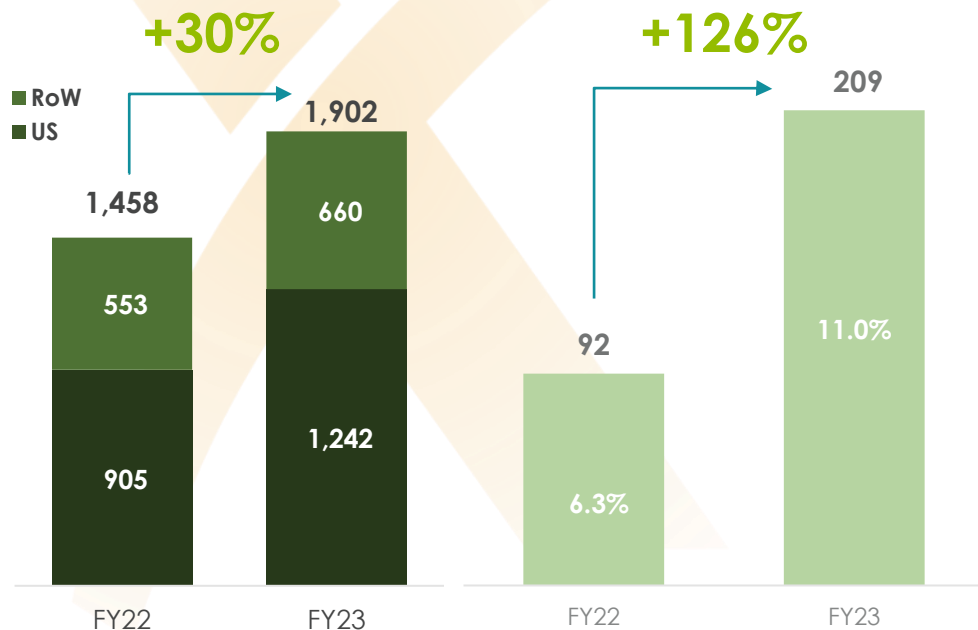
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FY'23 Results

Revenue (\$mm)

Adj. EBITDA (\$mm)

Key Highlights



- US and RoW revenue grew at 37% and 19%
- Adjusted EBITDA margin up 464 bps YoY
- Adjusted Free Cash Flow over \$100M

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

Liquidity and Cash Position

Key Highlights

Cash and Liquidity Management

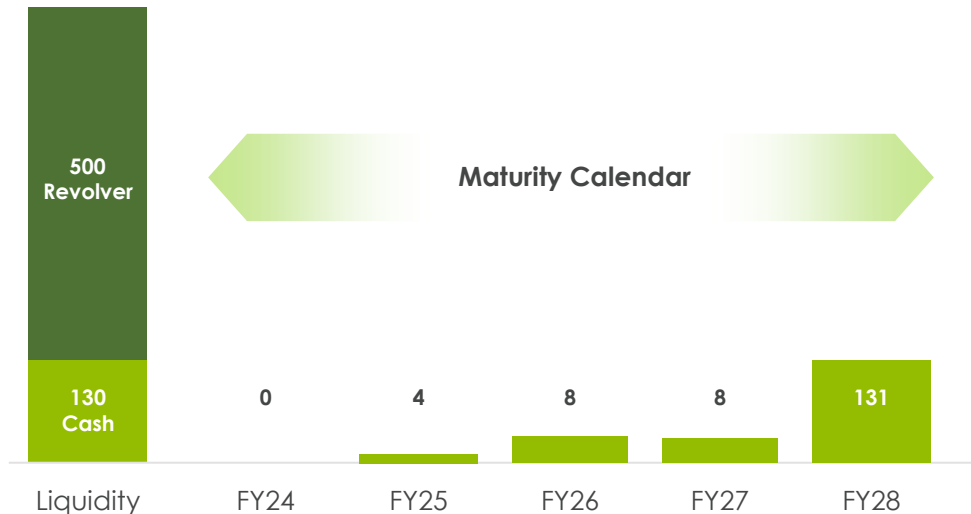
- Ample liquidity: \$630M¹
- Tier one financial institutions supporting syndicate

Debt Profile

- Limited debt: term loan \$150M
- Maturity 5 years, no significant repayments until FY28

Key Metrics

- Debt/Adj EBITDA 0.8x¹



FY2024 Guidance

Revenue

\$2.1 - \$2.3B

16% Y/Y Growth at Midpoint

Adj. EBITDA^{1,3}

\$265 - \$305M

36% Y/Y Growth at Midpoint

Adj. EPS^{2,3}

\$1.35 - \$1.55

GAAP \$1.20 - \$1.40

Assumptions:

- Interest and Other Expense \$15M - \$20M
- Adjusted Income Tax Rate 15% - 20%
- WASO of 146.5M
- Excludes possible benefits related to IRA tracker manufacturing tax credits

Q1 Fiscal 2024 Outlook Highlights:

- Revenue up 15% -20% Y/Y
- Adj EBITDA margin 12% – 13%, up 400 - 500 bps Y/Y

1. Adjusted EBITDA excludes approximately \$20 million for stock-based compensation, and intangible amortization included in GAAP net income.

2. Adjusted earnings per share excludes \$0.15 for stock-based compensation expense and net intangible amortization included in GAAP earnings per share.

3. See Appendix for definition of metrics and reconciliations of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.



Q&A



nextracker

APPENDIX

GAAP NET INCOME TO NON-GAAP EBITDA

\$M	FY'19	FY'20	FY'21	FY'22	FY'23	Q4'22	Q4'23
GAAP Net Income	(2)	118	124	51	121	6	28
Net Interest	0	(0)	0	0	2	0	2
Provision for Income Taxes	2	31	34	14	48	1	13
Depreciation Expense	3	3	2	3	3	1	1
Intangible Amortization	15	15	15	8	1	1	0
Stock-Based Compensation Expense	8	4	4	3	32	1	29
Settlement Costs	-	-	-	13	1	13	-
Non-GAAP EBITDA	27	171	179	92	209	22	73

For fiscal years 2022 and 2023, adjusted free cash flow of -\$153 million and \$105 million, respectively, is calculated by reducing net cash provided by (used by) operating activities of -\$147 million and \$108 million, respectively, by purchases of property and equipment, net of proceeds from the disposal of property and equipment, of \$6 million and \$3 million, respectively.



Thank You