

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended March 31, 2025

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

(State or other jurisdiction of
incorporation or organization)

36-5047383

(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 is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

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

The aggregate market value of the Class A common stock held by non-affiliates of the registrant, based on the closing price of a share of the registrant's Class A common stock on September 27, 2024 (the last day of the registrant's most recently completed second fiscal quarter) as reported by the Nasdaq Global Select Market on such date was approximately \$5.6 billion.

As of May 12, 2025, there were 146,263,962 shares of the registrant's Class A common stock outstanding and no shares of the registrant's Class B common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to its 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such Proxy Statement will be filed with the United States Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Annual Report on Form 10-K relates.

TABLE OF CONTENTS

PART I		<u>Page</u>
	<u>Forward Looking Statement</u>	<u>1</u>
Item 1.	<u>Business</u>	<u>3</u>
Item 1A.	<u>Risk Factors</u>	<u>15</u>
Item 1B.	<u>Unresolved Staff Comments</u>	<u>44</u>
Item 1C.	<u>Cybersecurity</u>	<u>44</u>
Item 2.	<u>Properties</u>	<u>45</u>
Item 3.	<u>Legal Proceedings</u>	<u>45</u>
Item 4.	<u>Mine Safety Disclosures</u>	<u>45</u>
PART II		
Item 5	<u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	<u>46</u>
Item 6.	<u>[Reserved]</u>	<u>46</u>
Item 7.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>46</u>
Item 7A.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>61</u>
Item 8.	<u>Financial Statements and Supplementary Data</u>	<u>63</u>
Item 9.	<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	<u>102</u>
Item 9A.	<u>Controls and Procedures</u>	<u>102</u>
Item 9B.	<u>Other Information</u>	<u>104</u>
Item 9C.	<u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u>	<u>104</u>
PART III		
Item 10.	<u>Directors, Executive Officers and Corporate Governance</u>	<u>104</u>
Item 11.	<u>Executive Compensation</u>	<u>104</u>
Item 12.	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>104</u>
Item 13.	<u>Certain Relationships and Related Transactions, and Director Independence</u>	<u>104</u>
Item 14.	<u>Principal Accountant Fees and Services</u>	<u>105</u>
PART IV		
Item 15.	<u>Exhibits and Financial Statement Schedules</u>	<u>105</u>
Item 16.	<u>Form 10-K Summary</u>	<u>105</u>
	<u>Exhibit</u>	<u>105</u>
	<u>Index</u>	<u>105</u>
	<u>Signatures</u>	<u>108</u>

PART I

FORWARD-LOOKING STATEMENTS

Special note regarding forward-looking statements

Certain statements included in this Annual Report on Form 10-K are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 27A of the Securities Act of 1933, as amended (the “Securities Act”). All statements other than historical factual information are forward-looking statements, including without limitation statements regarding: our future financial performance, cash flows, liquidity position or other results; our management’s plans and strategies for future operations, including statements relating to anticipated operating performance, cost reductions, restructuring activities, new product and service developments, competitive strengths or market position, acquisitions and the integration thereof, divestitures, spin-offs, split-offs or other distributions, strategic opportunities, securities offerings, stock repurchases, dividends and executive compensation; the effects of the Transactions (as defined in Note 6 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) on our business; expected payments under the Tax Receivable Agreement (as defined below); growth, declines and other trends in markets we sell into; new or modified laws, regulations and accounting pronouncements; future regulatory approvals and the timing thereof; outstanding claims, legal proceedings, tax audits and assessments and other contingent liabilities; future tax rates, tax credits and other tax provisions; future foreign currency exchange rates and fluctuations in those rates; general economic and capital markets conditions; the anticipated timing of any of the foregoing; assumptions underlying any of the foregoing; 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 to our expectations as of the date of this Annual Report on Form 10-K.

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. You should read this Annual Report on Form 10-K and the documents that we have filed as exhibits hereto, completely and with the understanding that 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;
- our ability to rapidly establish U.S. or foreign supplier manufacturing in response to business conditions or criteria for government incentives;
- changes in the global trade environment, including the imposition of import tariffs or bans;
- a further 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;
- global disruption related to ongoing global conflicts, including the conflicts between Russia and Ukraine and Israel and Hamas;
- pressure on margins or the availability of solar project financing due to inflation;
- severe weather events, natural disasters and other catastrophic events;
- our continued expansion into new markets;
- our indebtedness;
- 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;
- cybersecurity or other data incidents; and
- the other risks and uncertainties set forth in the section entitled “Risk Factors.”

Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. We claim the protection of the safe harbor for forward-looking statements contained in the Exchange Act and the Securities Act for any forward-looking statements.

Market and industry data

We use market data and industry forecasts and projections throughout this Annual Report on Form 10-K, and in particular in the section titled “Business.” We have obtained the market data from certain third-party sources of information, including publicly available industry publications and subscription-based publications, including the following:

- Joule, a Cell Press Journal, Global Techno-Economic Performance of Bifacial and Tracking Photovoltaic Systems, July 2020
- Lazard Ltd., 2024 Levelized Cost of Energy+ version 17
- Renewables Now, Renewables 2020 Global Status Report, 2020
- Wood Mackenzie Ltd., Global solar Tracker Landscape 2024
- Wood Mackenzie Ltd., The Global PV Tracker Landscape 2016: Prices, Forecast, Market Shares and Vendor Profiles, October 2016

Industry forecasts are based on surveys and the preparer’s expertise and there can be no assurance that any of the industry forecasts will be achieved. We believe these data are reliable, but we have not independently verified the accuracy of this information nor have we ascertained the underlying economic assumptions relied thereon. Any industry forecasts are based on data (including third-party data), models and experience of various professionals and are based on various assumptions, all of which are subject to change without notice. While we are not aware of any misstatements regarding the market data presented herein, industry forecasts and projections involve risks and uncertainties and are subject to change based on various factors, including those discussed under “Risk Factors.”

ITEM 1. BUSINESS

Unless the context requires otherwise, references in this Annual Report on Form 10-K to “Nextracker,” the “Company,” “we,” “us” and “our” mean Nextracker Inc. and its consolidated subsidiaries.

Our vision

We envision a world powered by renewable energy where clean, affordable power is available to all.

Our mission

Our mission is to be the most trusted and valued renewable energy company by delivering intelligent, reliable, and productive solar power.

Overview

We are a leading solar technology platform provider used in power plants around the world. Our products enable solar power plants to follow the sun’s movement across the sky and optimize performance. With products operating in more than forty countries worldwide, Nextracker offers solar tracker technologies and innovative solutions that accelerate solar power plant construction, increase performance, and enhance long-term reliability. We are the global market leader based on gigawatts (“GW”) shipped for nine consecutive years.

The solar tracker market plays a key part in driving the global energy transition by increasing energy production and improving the levelized cost of energy (“LCOE”). The majority of utility-scale projects installed today in mature markets such as the United States, India, Latin America and Australia use solar trackers, and adoption of solar tracker technology continues to grow in developing solar markets such as the Middle East and Africa.

We have developed the next generation of solar trackers that enable rows to move independently, providing further benefits to customers. Our intelligent independent row tracking system incorporates proprietary technology that we believe produces more energy, lowers operating costs, is easier to deploy and has greater reliability compared to linked row, other independent tracker products and fixed-tilt systems. Our TrueCapture® energy yield management system addresses power production shortfalls due to the variability of real-world site conditions.

We have shipped more than 130 GW of our solar tracker systems as of March 31, 2025 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. We are a qualified, preferred provider to some of the largest solar EPC firms and solar project developers and owners in the world.

We were founded in 2013 by our Chief Executive Officer, Dan Shugar.

Industry trends

Growing demand for solar energy production is driven by the increasing cost competitiveness of solar energy and global trends including decarbonization and electrification.

The rise of artificial intelligence (“AI”), which has driven energy demand use in data centers and increasing demands for electrification to help achieve greenhouse gas emissions reductions, has created a significant demand for clean energy production. Electrification refers to electricity replacing other sources for energy consumption, such as the transition to electric vehicles and electric heating. In addition, globally, many countries, industries and firms have been aggressively pursuing decarbonization standards that pledge to increase the percentage of electricity production from renewable energy sources while decreasing use of fossil fuel and nuclear generation.

Solar is the fastest growing segment of the renewable energy sector and has become one of the most cost-effective forms of wholesale energy generation. According to Lazard, from 2009 to 2024, the cost of solar generation fell by 83%.¹ Today, solar electricity is competitive with both natural gas and wind and costs significantly less than some conventional generation technologies such as coal and nuclear.

¹ Lazard Ltd, 2024 Levelized Cost of Energy+ version 17.

Today's utility-scale solar plants have evolved from fixed-tilt systems to generally rely on solar tracking technologies that increase electricity generation and improve economics for plant owners by enabling solar panels to rotate and follow the sun's movement across the sky². Single axis solar trackers can increase energy yield of solar projects and generate up to 25% more energy than projects that use fixed-tilt, or stationary, panel mounting systems that do not track the sun. The additional cumulative revenue from energy production that trackers provide typically exceeds the incremental cost of using a tracking system, improving the LCOE and providing significant ROI for solar projects.

Our solutions

We provide intelligent, integrated solar tracker and energy yield management systems, foundations and advanced sensor capabilities solutions that use an innovative design approach to enable new capabilities and to expand the viability of trackers across a broader range of topographical and climate conditions.

As part of our mission, we seek to offer low carbon technology solutions and sustainable supply chain initiatives to help drive a clean energy future.

Solar tracking solution portfolio

NX Horizon™ is our flagship solar tracking solution. NX Horizon's smart solar tracker system delivers what we believe to be an attractive LCOE and has been deployed more than any other tracker in our portfolio. Based on our internal analysis, experience and customer feedback, we believe we generally have an LCOE advantage compared to legacy linked row trackers. NX Horizon's system mounts a single line of panels along a tracker row. NX Horizon's reliable self-powered motor and control system, balanced mechanical design and independent-row architecture provide project design flexibility while lowering operations and maintenance costs. With its self-aligning module rails and vibration-proof fasteners, NX Horizon can be easily and rapidly installed. The self-powered, decentralized architecture allows each row to be commissioned in advance of site power and is designed to withstand high winds and other adverse weather conditions. During fiscal year 2025, we executed more than 30 meaningful improvements to NX Horizon, addressing critical needs around cost, compatibility, speed of installation, and long-term reliability. NX Horizon combines several key features that improve performance, reliability and operability compared to competing designs.

- **Independent rows.** Over the last decade, the substantial decrease in the cost of electric motors and control systems helped accelerate the adoption of independent row tracking systems over linked-row architectures. In addition to the ability to rotate each row individually, independent rows provide many benefits such as increased redundancy and therefore lower risk of single points of component failure, site layout flexibility, including reduced grading requirements, ease of installation, and ease of maintenance and operations, including unrestricted vehicle access.
- **Mechanically-balanced rows.** Our patented, mechanically-balancing rows have several benefits, including greater range of motion, less energy required to rotate the panels than competing products, and reduced component wear and tear. Mechanical balancing also enables greater elevation of solar panels above a central support beam (torque tube), significantly improving energy production in bifacial applications by allowing more reflected light to reach the back side of the panel. Bifacial panels capture sunlight on both their front and back sides and are frequently adopted in utility-scale projects.
- **Self-powered.** Our tracker design includes the placement of a small solar panel on each row that powers the trackers, eliminating the need for more expensive AC power. In addition, our self-powered controller also enables advanced sensor capabilities by collecting and distributing real-time sensor data.
- **Terrain following capability.** Unlike typical designs that constrain tracker rows to a plane, Nextracker's NX Horizon-XTR and NX Horizon XTR-1.5 variants conform to a site's natural terrain undulations. NX Horizon-XTR eliminates or reduces the cost and impact of cut-and-fill earthworks, without complex joints or additional components, reduces foundation material, eases permitting, and accelerates project construction schedules while minimizing environmental impact and reducing project risk. NX Horizon-XTR's ability to significantly reduce earthwork, allows many otherwise infeasible sites to become economically viable for solar trackers. Less earthwork lowers upfront costs and improves scheduling while mitigating environmental impacts to topsoil, natural habitats, native vegetation, and natural drainage features.

² Joule, a Cell Press Journal, Global Techno-Economic Performance of Bifacial and Tracking Photovoltaic Systems, July 2020.

- **Embedded sensors and connectivity.** Our embedded sensors and wireless mesh network with real-time connectivity enable visibility and system monitoring of critical components and remote maintenance and in certain situations, reduce yield loss by enabling real-time adaptation to site conditions.
- **Operation and maintenance efficiency.** Our highly engineered fasteners replace standard nuts and bolts. Our fasteners increase long-term reliability and eliminate the need for periodic inspection and maintenance required by systems held together with nuts and bolts.
- **Sealed, elevated drive system.** All our trackers have sealed gears, motors and controllers, which are typically elevated three or more feet above the ground, helping to protect the system against dust, flooding and ground accumulations of snow and ice.

Since its launch, we have introduced several additional product innovations to complement our core NX Horizon tracker.

In March 2022, we launched **NX Horizon-XTR™**, our terrain-following tracker designed to expand the addressable market for trackers on sites with sloped, uneven and challenging terrain. NX Horizon-XTR conforms to the natural terrain of the site, reducing or eliminating cut-and-fill earthworks and reducing foundation lengths. These benefits help accelerate construction schedules and make trackers more economically and environmentally viable on difficult sites.

NX Horizon™ Hail Pro™ leverages the inherent features of NX Horizon’s smart solar tracking system, including its balanced design, integrated UPS (uninterruptible power supply), and independent-row architecture. Hail Pro adds automatic stowing using weather service information, hail readiness services, and where desired, Hail Pro-75™ for stowing at up to 75 degrees for locations subject to extreme hail. In fiscal year 2025, we added automated functionality that enables intelligent, site-specific protection against severe weather events, including in the event of a grid outage. These enhancements underscore our commitment to mitigating climate-related risks for asset owners and operators.

In April 2024, we launched **NX Horizon™ Low Carbon**, the industry’s first solar tracker solution with a reduced carbon footprint, which means less embodied carbon dioxide equivalent greenhouse gas emissions compared to our traditional offshore-produced tracker. Initially offered in the U.S. market, our flagship NX Horizon solar tracker system is offered with locally sourced materials, including the use of the electric arc furnace (EAF) manufacturing, recycled steel, and logistics strategically located near project sites. Third-party verified Life Cycle Assessment (LCA) methodology provides our customers with documentation on reductions in carbon footprint, land use, water consumption and other metrics associated with the entire lifecycle, including sourcing, manufacturing, delivery, and operation of solar trackers.

TrueCapture®

TrueCapture, NX Horizon’s energy yield management system, addresses power production shortfalls due to the variability of real-world site conditions. While linked-row tracking systems angle all rows in an identical direction facing the sun, TrueCapture leverages NX Horizon’s independent-row architecture and advanced sensors, and adds as-built topographical calibration and real-time site conditions data to ensure the energy gain entitled by tracking is delivered for all in-field conditions. Validated by leading independent engineering firms, TrueCapture is proven to effectively account for topography, row-to-row height variations and diffuse irradiance conditions, typically reducing energy losses between 1-2%.

Zonal Diffuse expands on TrueCapture’s yield management and is a tracking function that mitigates energy yield loss during rapidly changing irradiance conditions. This technology includes additional high spatial resolution sensing that enables the trackers to efficiently adapt to variations in cloud cover across the entire power plant. Zonal Diffuse complements TrueCapture’s terrain-adaptive row-to-row tracking mode and Split Boost, an energy yield management feature for half-cell modules.

NX Foundation Solutions

In fiscal year 2025, Nextracker expanded its portfolio by launching NX Foundation Solutions, a comprehensive suite of solar foundation technologies and services designed to optimize solar project installations across diverse soil conditions. This includes the introduction of **NX Anchor™**, a solar tracker foundation system designed to facilitate solar project development in challenging soil conditions like soft, expansive and frost-heave soils. NX Anchor and other NX Foundation Solution offerings help streamline project timelines, reduce costs, and improve safety while minimizing environmental impact, particularly on challenging terrain. Moreover, NX Foundation Solutions was further strengthened through the acquisitions of Ojjo, Inc. (“Ojjo”) and Solar Pile International’s (“SPI”) foundation businesses. NX Foundation Solutions allow trackers to be installed in

a wider range of locations, such as those with hard rock soil. The solution set incorporates a full suite of services including geotechnical reviews, foundation design, equipment selection, and installation support, along with advanced installation equipment like the **NX Truss Driver™**.

Risk Mitigation and Operability Solutions

We also offer solutions to improve the resilience and operability of our tracking solutions. These solutions are licensed on a separate basis and integrated with our tracker products, leveraging the embedded sensors, communication and control capabilities in these solutions. When we develop new system features, we can provide these capabilities to both our customers' existing installed fleet as well as new projects. Through innovation, we have been able to improve solar plant resiliency and operability over time, providing differentiated benefits to our customers.

NX Navigator assists solar power plant owners and operators in monitoring, controlling and protecting their solar projects. An intuitive dashboard helps plant managers to precisely visualize real-time operational data at the site, subfield and individual tracker levels. In addition, NX Navigator's safety features include single click Hurricane/Typhoon Stow and Hail Stow modes, both of which quickly command solar trackers to rotate to maximum tilt positions towards user selected stow direction, in response to inclement weather and significantly reduce the risk of damage to the solar panels.

Electrical Balance of Systems (eBOS) Solutions

In May 2025, we announced the acquisition of U.S.-based BenteK Corporation ("BenteK"), an industry pioneer and manufacturer of electrical infrastructure components that collect and transport electricity from solar panels to the power grid. The acquisition combines BenteK's engineered, pre-assembled eBOS solutions with NexTracker's world-class solar tracker platform, providing customers streamlined procurement and project logistics from a single source. The eBOS products will be offered as standalone, industry-compatible components for both trackers and fixed tilt systems, as well as in formats optimized for use in integrated NX Horizon™ system solutions. BenteK's U.S. fabrication footprint further enhances NexTracker's strong domestic supply chain position. The acquisition continues NexTracker's strategy of incorporating complementary technologies into the NexTracker's market-leading tracker platform to accelerate solar power plant construction, increase performance, and enhance long-term reliability.

Benefits of our solution

We approach tracking with a holistic and forward-thinking view toward increasing solar power plant energy production levels while decreasing operating and maintenance costs. Our trackers provide high levels of performance and operability and improve over time through our separately licensed TrueCapture and NX Navigator solutions. We see trackers as not only a physical mounting and rotating platform for solar panels, but also as a nexus of intelligent control for the entire solar plant. Our innovative approach provides the following significant competitive advantages:

- **Next-generation architecture.** Our self-balancing, independent-row architecture provides many performance and cost advantages, including improved reliability, easier access for maintenance vehicles, a wide rotational range and the ability to optimize the tracker angle on a row-by-row basis for increased energy production. Unlike some linked-row designs, our key drive components are located well above ground to reduce risk from flooding and ground accumulations of snow and ice.
- **TrueCapture capabilities.** TrueCapture reduces the energy production gap between modeled and real-world tracker performance by adjusting tracker rows based on topography, sun position, solar irradiance, and PV panel technology. Its advanced sensors and as-built topographic calibration enable the tracker equipment to more accurately realize its intended energy production benefits.
- **NX Navigator operability and weather mitigation capabilities.** NX Navigator facilitates plant operability and resilience. It provides utility-scale solar plant owners another layer of monitoring and control, allowing owners to proactively manage yield and enable reliable operation across a wide range of severe weather conditions. NX Navigator's next-generation advanced remote monitoring capabilities maintain tracker equipment health and availability while its onsite active controls offer safety defense, and extreme weather risk mitigation. For example, NX Navigator provides rapid stowing modes to reduce risk of damage from hail and a feature that automatically puts the panels into stow position shortly after a loss of utility power.

- **Ease of deployment.** Our solutions are designed to enhance system configuration and planning for customers, reduce costs associated with grading, earthworks, anchoring, deployment and other installation, and reduce time to deploy and operationalize. Our trackers are self-powered, reducing ongoing system reliance on more costly AC power and allowing newly-constructed plants to begin generating solar power weeks or months sooner than tracking solutions that require external power to operate.
- **Future upgradability.** We take an innovative approach to ‘future proofing’ the performance of our trackers over time, enabling the release of improved features and capabilities to both legacy and new solar projects via future enhancements and new products.
- **Superior production for bifacial solar panels.** Our tracker platforms are designed to optimize production from bifacial solar panels. Bifacial panels capture sunlight on both their front and back sides and are increasingly adopted in utility-scale projects. Our architecture is designed to mitigate obstructions that can block reflected light from reaching the back side of the panels.

Customers

Our large and diversified customer base consisted of over 240 active customers across more than forty countries as of March 31, 2025. Customers and owners of our products include many of the largest and most successful companies in the industry. Our EPC customers often build multiple projects at a time for their customers and purchasing decisions are typically made on a per-project basis. A small number of customers deploy our products for ground-mounted distributed generation projects such as powering the customers’ buildings or facilities. For fiscal year 2025, we derived 69% of our revenue from projects in the U.S. and 31% from projects in international markets.

In fiscal year 2023, we began our Volume Commitment Agreement ("VCA") program, which consists of signed contracts with developers, plant owners, and EPCs comprising multiple projects typically to be deployed over multiple years. At the end of fiscal year 2025, our backlog was over \$4.5 billion and included project-specific purchase orders and VCAs comprising multiple specific projects. We define backlog as executed EPC or VCA contracts or purchase orders with deposits of cash paid or financial equivalents, identified named project sites, product and volume requirements, and ship dates.

Sales and marketing

Our sales and marketing strategy is focused on building long-term relationships with key parties involved in developing, building, owning and maintaining utility-scale solar projects. We educate those parties on the benefits of our solutions, including increased energy yield performance, superior constructability, reliability, ease of maintenance and advanced sensor capabilities compared to competing products. We leverage a variety of techniques to build awareness of and communicate our value propositions, including comprehensive digital marketing campaigns, independent studies, white papers, training programs, thought leadership seminars and participation in industry conferences and events. We sell systems both on an individual project basis and through long-term master supply agreements.

Our collaborative, full-project-lifecycle approach to selling involves working closely with developers, independent engineers, EPCs and their subcontractors, project operators and owners, and operations and maintenance providers. We work collaboratively with customers and stakeholders as a strategic partner through all stages of the project lifecycle to ensure success, including collaborating on site design/layout, wind studies, geotechnical analysis and value engineering. Once the sale is completed, our project management teams continue engaging with the customer through installation and commissioning phases to ensure smooth delivery and project execution. Our asset management team then provides ongoing technical and general customer support for the life of the project, offering system monitoring, training programs, spare parts management and other maintenance services. This approach creates a broad array of touchpoints with the customer organization, strengthening loyalty in the relationship that drives repeat business and entry into new markets with the customer.

We have regional sales leaders based in each market that are supported by local project engineering teams and other specialists to help customers evaluate our solutions and optimize system designs in the context of local market characteristics. Due to the critical role of trackers in utility-scale power plants, tracker procurement is based on a complex set of buying criteria with input often coming from multiple stakeholders. As a result, we frequently engage with multiple parties in the sales process including the direct purchaser, such as a developer or EPC, and other stakeholders, such as the long-term plant owner. We believe our comprehensive go-to-market approach throughout the project lifecycle creates stickiness and loyalty in all stakeholder relationships, which can be carried forward as customers expand into new markets.

Our globally diversified operational footprint places sales, engineering and key product and project support functions in close proximity to major tracker markets around the world. This enables us to ensure customer success throughout the project lifecycle, from sales and project design engineering leveraging local expertise to optimize system designs for regional requirements, through deployment and commercial operation. We are well-positioned to provide timely commercial and technical support with personnel in the local time zone and within short travel distances to customer and project sites.

In the United States, we maintain dedicated sales staff principally in California and Tennessee, providing coverage across an expansive geographic market. Our international sales representatives are located in Spain (Madrid and Seville), Australia (Manly), Mexico (Mexico City), India (Hyderabad), United Arab Emirates (Dubai), the Kingdom of Saudi Arabia (Riyadh) and Brazil (São Paulo). Sales employees in Madrid, Manly, Mexico City, Hyderabad and São Paulo are supplemented by regional project engineering and project management staff with significant local expertise. These regional teams leverage deep understanding of local jurisdictions, regulations, language and culture, and location-specific installation considerations of each project to foster customer success.

Several international offices complement our U.S. headquarters with supply chain, operations and R&D support. Our Hyderabad, India office had over 400 employees across sales, engineering, project management and corporate support functions as of March 31, 2025. This office serves not only as a regional hub to support deployments in South Asia and the emerging Middle East and Africa markets, but also as an independent R&D center, including a recently inaugurated Center for Solar Excellence, that conducts parallel technology development alongside our U.S. headquarters, accelerating time-to-market for new features and products.

Research and development

We commit significant resources to our research and development efforts in order to maintain and extend our differentiated technology and innovation leadership and to enhance value for our customers.

We operate state-of-the-art product testing facilities to conduct functional and reliability testing for both individual components and complete system architectures. Approximately 7,800 square feet of laboratory space is dedicated to rapid prototyping and mechanical, electrical and environmental analysis of our products. We operate three Centers for Solar Excellence. Our Fremont, California headquarters is the site of our first Center of Solar Excellence which comprises a six-acre outdoor facility serving as a collaborative technology showcase and research facility, enabling our engineering teams and technology partners to develop, test and commercialize proprietary technologies in a real-world power plant setting. This facility is co-located with our core engineering personnel and allows us to accelerate time-to-market for new products. In October 2024, we inaugurated India's first Center for Solar Excellence in Hyderabad, India, featuring a 13-acre facility with a goal to advance solar tracker technology, further accelerating the region's energy transition. In addition, we launched a Center for Solar Excellence in São Paulo, Brazil in 2022.

We also sponsor an internal program to incubate new product concepts with a dedicated team focused on next generation technologies. This team explores a variety of ideas for potential adoption by our core business. It has considered concepts such as plant-level software and control solutions, modular power plant and microgrid platforms, and intelligent integration of power plant components and systems.

We believe we lead the industry in R&D related to severe weather mitigation and have pioneered work in dynamic wind force analysis in collaboration with leading engineering firms. Our groundbreaking wind-tunnel studies led to the characterization of phenomena such as vortex shedding and influenced tracker wind-protection strategies throughout the industry. Similarly, to understand hail damage risk, we worked with third-party labs to develop protection strategies which ultimately informed our NX Navigator tool. We have a team with significant experience in the solar tracking industry from a number of engineering fields, including electrical, civil and mechanical. As of March 31, 2025, we had over 300 employees in R&D, inclusive of engineers, data scientists, and other related functions.

Our R&D efforts extend beyond the tracker and include initiatives related to the integration of other power plant components to reduce costs and improve performance, availability and dispatchability. The team has successfully extended our core technologies to offer superior integration with energy storage systems as they become prevalent.

Intellectual property

The success of our business depends, in part, on our ability to maintain and protect our proprietary technologies, information, processes and know-how. As of March 31, 2025, we had 262 issued U.S. patents, 385 granted non-U.S. patents and 578 U.S. and non-U.S. patent applications pending, including provisional patent applications pending in the U.S. and pending applications across our product portfolio. Our U.S. issued patents are scheduled to expire between 2025 and 2049. Our patents cover the broad range of our solutions, including mounting, assemblies, software, methods and other solar tracker-related technologies.

In addition to patent protections, we rely on trade secret laws in the U.S. and similar laws in other countries to safeguard our interests with respect to proprietary know-how that is not patentable and processes for which patents are difficult to enforce.

We also use confidentiality agreements and other contractual arrangements to protect our intellectual property. Our policy is for our employees to enter into confidentiality and proprietary information agreements to address intellectual property protection issues and to assign to us all of the inventions, designs and technologies they develop during the course of employment with us. We also require our customers and business partners to enter into confidentiality agreements before we disclose any sensitive aspects of our technology or business plans. We may not have entered into such agreements with all applicable personnel, customers and partners, and, in the case of proprietary information agreements, such agreements may require additional documentation to assign any proprietary information to us. Moreover, such individuals or entities could breach the terms of such agreements. See Item 1A—Risk Factors—“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” for more information regarding other risks related to intellectual property.

Government incentives

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 and other financial incentives. The range and duration of these incentives varies widely by geographic market. The market for grid-connected applications, where solar power is sold into organized electric markets or under power purchase agreements, often depends in large part on the availability and size of these government subsidies and economic incentives. However, the current legislative and regulatory environment, especially at the federal level, relating to these programs is subject to ongoing change, and current incentives could be retained, modified, reduced, or eliminated. Developments such as new or expanded tariffs, proposed Congressional bills, if enacted, changes to the tax credit incentives in the Inflation Reduction Act of 2022 ("IRA"), shifts in policy priorities, or changes in government leadership may negatively impact the availability and stability of these incentives.

United States federal incentives

Historically, the most significant incentive program for our business has been the investment tax credit ("ITC") for solar energy projects. The ITC allows a taxpayer to offset its federal income tax liability by a percentage of its eligible cost basis in a solar energy system put to commercial use. Additionally, federal incentives related to the production of domestic content have provided additional incentives as further described below.

The IRA made significant changes to the federal incentives available to solar energy projects, including the ITC under Section 48 of the Internal Revenue Code (the "IRC") for certain energy projects. As a result of changes made by the IRA, United States taxpayers may be entitled to a 30% ITC for certain qualifying projects placed in service after 2021 and increased further to 40% for projects placed in service after 2022 that satisfy certain "domestic content" requirements. Guidance issued by the U.S. Treasury Department regarding the availability of the ITC has changed in the past and is subject to change in the future, particularly under the new U.S. presidential administration.

Under the IRA, 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. On May 16, 2024, the U.S. Treasury Department and the IRS released Notice 2024-41, which includes a "safe harbor" that taxpayers may use to classify certain components of solar projects and for the purpose of qualifying for the domestic content bonus credit. On January 16, 2025, the U.S. Treasury Department and the IRS released Notice 2025-08, which introduced an updated elective safe harbor. Generally, for a qualified facility or energy project to qualify for a domestic content bonus, the project must include specified

amounts of U.S.-manufactured iron, steel and manufactured products and be able to substantiate that content and its country of manufacture.

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 (the “Section 45X Credit” or “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 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 became 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 that torque tubes and structural fasteners, including several used in our trackers, may qualify as eligible components.

The amount of the Section 45X Credit varies depending on the eligible component. In the case of torque tubes and structural fasteners, the credit amount is equal to 87 cents per kilogram and \$2.28 per kilogram, respectively, through the end of 2029.

The Section 45X Credit amount will be reduced by 25% of these amounts in each of calendar years 2030, 2031 and 2032. In calendar year 2024, our eligible U.S. manufacturing suppliers availed themselves of the Section 45X Credits to varying degrees and we accounted for some of these economic benefits in our cost of acquiring torque tubes and fasteners. Beginning in calendar year 2025, in certain circumstances we have directly obtained the benefit of the Section 45X Credit through the use of an election authorized in the regulations promulgated pursuant to Section 45X of the IRC.

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, 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.

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.

The federal government also currently permits accelerated depreciation by the owner, and in some cases “bonus” depreciation (e.g., 100% in the case of property placed in service during 2022 and then phasing out 20% per year thereafter), based on the year the property is placed in service, for certain equipment it purchases, including solar energy systems.

State and local incentives

Many U.S. states have adopted procurement requirements for renewable energy production and/or a renewable portfolio standard 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.

Some states also offer incentives for distributed generation solar projects, such as a corporate investment or production tax credit for renewable energy facilities. Additionally, many states and local jurisdictions have established property tax incentives for renewable energy facilities that include exemptions, exclusions, abatements and credits.

International incentives

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

Manufacturing

We utilize a ‘capex-light’ manufacturing model, in which most components, including steel parts, are produced by outside qualified vendors through contract manufacturing arrangements. As of March 31, 2025, total global manufacturing capacity was approximately 1,500 MW per week, enabling the support of approximately 80 GW of annual shipments. By outsourcing most of our product manufacturing, we achieved this global capacity with close to no capital investment.

As of March 31, 2025, we had contract manufacturing arrangements with more than 90 facilities located in 19 countries across five continents. This supply chain diversity reflects unique strategies for each of our key global customer markets, optimizing landed costs and lowering risk. We intend to continue to expand our manufacturing footprint to further enable local content in the markets we service.

For the U.S. market, in 2018 following the introduction of tariffs by the U.S. government on imports of Chinese steel and certain solar equipment, we shifted our supply chain to U.S. and other non-China vendors where possible, supplementing capacity with neighboring countries and countries with favorable commercial relationships with the U.S. In some other countries, we developed locally sourced components in order to meet regulatory or customer requirements.

In 2021 and 2022, we further expanded our U.S. supply chain vendor relationships in response to ongoing global logistics and shipping challenges and in anticipation of possible U.S. federal legislation incentivizing domestic manufacturing. The IRA implemented such incentives by, among other things, providing manufacturing tax credits for producing and selling certain tracker components (torque tubes and structural fasteners) in the U.S., and providing an enhanced ITC for solar projects that meet domestic content requirements. See the section entitled “Business—Government incentives—United States federal incentives.”

Our U.S. supply chain approach has been to secure raw material supply commitments with steel mills located in various regions of the U.S. The steel coils produced by such mills are transferred directly to manufacturing suppliers, also known as fabricators, with whom we have established contract manufacturing agreements to produce finished tracker parts such as our primary component torque tubes. We currently have contracts to provide us with a total annual capacity of more than 40 GW of manufacturing for our primary components. More than 25 U.S. fabricators currently manufacture various tracker components. We have prioritized geographic location as a key criterion for U.S. fabricator selection, resulting in a regionally distributed network of manufacturing facilities that are often co-located with or near U.S. mills where steel is melted, processed and coated domestically. This minimizes material handling costs between production steps while reducing transportation costs and delivery times to regional customer project sites.

Monitoring and control of our global supply chain is accomplished through our internal enterprise resource planning (“ERP”) system. Additionally, we have invested in solutions to further enhance real-time tracking through business systems and business intelligence tools providing visibility into all supply chain key performance indicators and enabling rapid response in case of any deviations. Along with these systems, we also have a dedicated team focused on environmental, trade compliance and other external risks, supporting a pro-active approach to planning for potential risks and developing strategies to mitigate them. We utilize a rigorous internal demand forecasting process to ensure sound decisions around capacity development and supplier diversification over the appropriate time horizons. Our regular suppliers have entered into a “Global Business Agreement” with us, providing contractual parameters to right-size their inventory of finished and semi-finished goods and facilitating on-time deliveries to us.

To reduce material movement and inventory, we prioritize drop-shipping all components manufactured by our vendors directly to customer sites. This allows us to minimize warehousing of finished goods inventories, which are used mainly for contingency purposes and warranty replacements. We lease approximately 100,000 square feet of warehouse space across various global facilities, including California, Tennessee and Spain.

Competition

Our solutions are specialized products that are specific to the solar industry. The expertise required to design trackers and customers' reluctance to purchase products from new entrants with a limited history has resulted in a bifurcation of providers based on their track record with major customers. Our principal competitors are Array Technologies, GameChange Solar, PV Hardware, Arctech Solar, TrinaSolar Co., Ltd. and Shoals Technologies Group. We also compete with smaller market participants in various geographies. From time to time, we compete indirectly with manufacturers of fixed-tilt systems in certain emerging markets.

We believe the principal factors that drive competition between vendors in the market include:

- established track record of product performance;
- system energy yield;
- software capabilities;
- product features;
- total cost of ownership and return on investment;
- reliability;
- customer support;
- product warranty terms;
- services;
- supply chain and logistics capabilities; and
- financial strength and stability.

Environmental, Social and Governance (ESG)

Our commitment to ESG is central to Nextracker's mission and vision.

Nextracker is committed to fostering, cultivating and preserving a merit-based culture where employees thrive. We work together in an open, collaborative environment that offers autonomy and flexibility, engages employees intellectually, and allows for camaraderie and team building.

The Nominating, Governance and Public Responsibility Committee ("NGPRC") of our Board of Directors oversees our ESG strategy and the ESG executive council provides periodic updates to the NGPRC on progress. In addition, we maintain an ESG executive council and a cross-functional ESG steering committee led by our ESG Director to drive our sustainability strategy and initiatives. Our ESG team meets regularly with the executive leadership team, executive council, and the ESG steering committee to review our strategy, program and progress.

We launched our inaugural sustainability report in October 2024 which was a major milestone in cementing our commitment to sustainability. The report was built on the foundation blocks of developing an ESG strategic framework which was further drawn from the results of our first ever completed materiality assessment³. The report also marks Nextracker's first independent alignment with the Sustainability Accounting Standards Board ("SASB") standards for the Electrical and Electronic Equipment Industry and reflects our adherence to the United Nations Sustainable Development Goals.

We have further committed ourselves to setting future sustainability targets, including long-term, company-wide emissions reductions aligned with climate science and the Science Based Targets initiative.

In addition, we also achieved an ISO 14001 certification for our headquarters location in Fremont and adopted policies such as the Human Rights Statement, Responsible Minerals Policy and Environmental Policy to support our ESG program holistically.

³ For purposes this assessment, we used the Global Reporting Initiative (GRI) definition of materiality.

Privacy and Data Protection Laws and Regulations

We are or may become subject to a variety of federal, state, local and foreign laws, regulations, rules and industry standards relating to privacy and data protection. For example, in the United States, at the federal level, Section 5 of the Federal Trade Commission Act prohibits unfair or deceptive practices in or affecting commerce, which extends to privacy and data protection practices. There is also discussion in Congress of new federal privacy and data protection laws to which we may become subject if enacted. At the state level, the California Consumer Privacy Act, as amended by the California Privacy Rights Act, requires companies that process information relating to California residents to implement stringent data protection measures and to make disclosures to consumers about their data collection, use and sharing practices, and allows consumers to opt out of certain data sharing with third parties. Similar laws have passed in a number of other states and additional privacy and data protection laws have been proposed as well. Moreover, laws in all 50 U.S. states require businesses to provide notice under certain circumstances to consumers whose personal information has been disclosed as a result of a data breach.

At the international level, we are subject to the EU General Data Protection Regulation (“EU GDPR”) and its equivalent in the United Kingdom (“UK GDPR”), which impose stringent operational requirements on both data controllers and data processors, and introduce significant penalties for non-compliance. While the EU GDPR and UK GDPR remain substantially similar for the time being, the UK government has announced that it would seek to chart its own path on privacy and data protection and reform its relevant laws, including in ways that may differ from the EU GDPR. Legal developments in the European Economic Area (“EEA”) and the United Kingdom also have created complexity and uncertainty regarding processing and transfers of personal data from the EEA to the United States and other so-called third countries outside the EEA and the United Kingdom.

If laws, regulations, rules and industry standards relating to privacy and data protection are implemented, interpreted or applied in a manner inconsistent with our current or future practices or policies, or if we fail to comply with applicable laws or regulations, we could be subject to investigations, enforcement actions and other proceedings. See Item 1A—Risk Factors —“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” for more information regarding other risks related to privacy and data protection.

Human capital

As of March 31, 2025, we had approximately 1,300 full-time employees. Our employees span eight offices globally, including over 300 employees in technical, development or engineering roles. We frequently hire sales, engineering, operational and corporate support staff in countries outside the U.S. in order to better and more efficiently support our regional customers’ solar projects and supply chain activities. As of March 31, 2025, approximately 44% of our employees were based in the U.S., approximately 31% of our employees were based in India and the remainder of our employees were based in other international offices. To a lesser extent, we also use contract workers retained through third-party agencies.

Talent management

We foster a culture that values global perspectives, meritocracy, collaboration and inclusion. Our strength lies in the talent, dedication and unique viewpoints of every employee. To support an inclusive work environment, we provide clear communication, training and resources through our global learning platform. Inclusivity training is part of our onboarding process, and a global Head of Talent Management reports to our Chief Human Resources Manager to lead employee growth and engagement strategies.

We believe in a meritocracy, where employees are recognized and rewarded based on their contributions, performance, and potential. This principle guides our approach to talent management and supports our pay-for-performance philosophy. Meritocracy helps ensure that decisions around compensation, promotions and development are grounded in fairness, consistency and objective performance data. This principle fosters trust in our processes and motivates employees to grow, perform and contribute meaningfully to our collective success.

We prioritize ongoing growth through learning opportunities, dynamic assignments, and leadership development. Employees manage their career paths through annual performance reviews, supported by regular manager check-ins and feedback.

We have also established global Employee Resource Groups (“ERGs”), which are open to all employees and help build community while supporting inclusive programs and employee-led events.

We encourage open feedback through leadership engagement, town halls and employee surveys to continually enhance the employee experience.

Fair wages and benefits

Our total rewards packages are designed to be competitive in the markets in which we operate and are linked to company results and employee performance. We are subject to certain domestic and foreign employment laws regarding wage and benefit requirements. In addition, all of our employees in Spain and Brazil, which together represented approximately 15% of our workforce as of March 31, 2025, are covered by local collective bargaining agreements.

Wellness, health and safety

Providing a safe environment for our employees to thrive is one of our core values. We promote a safety culture through health and safety management systems that implement a data-driven and risk-based approach in monitoring and reporting performance regularly. Our safety management system was certified compliant with the global ISO 45001 standard in 2024.

We build awareness and share specific information about safety with employees around the world through a number of pathways. Our staff are trained to be competent and to do their jobs safely, and we offer extensive safety training for those that need additional protocols. We offer a range of internal and external safety trainings, ranging from basic safety on-boarding training for all staff, to highly specialized technical safety training for certain roles, e.g. electrical safety or hazardous materials handling.

We have risk assessment and control processes in place designed to prevent injuries and minimize operational risks, including incident reporting and analysis. We have developed a standard process across the business providing consistent identification, evaluation and control of existing and potential workplace hazards. Our standardized incident analysis process enables us to determine root causes of injuries, implement corrective actions and prevent recurrence, and provides improved data analytics and lessons learned.

Environmental laws and regulations

We are subject to a variety of environmental, health and safety (“EHS”) laws and regulations in the jurisdictions in which we operate and in which our products are distributed. We do not believe the costs of compliance with these laws and regulations will be material to the business or our operations. We use, handle, generate, store, discharge and dispose of hazardous materials, chemicals and wastes at some of our facilities in connection with our maintenance, research and product development, and testing activities. Any failure by us to control the use of, to remediate the presence of or to restrict adequately the discharge of such materials, chemicals or wastes, or to comply with EHS legal requirements applicable to product content, labeling, distribution or disposal, could subject us to potentially significant liabilities, clean-up costs, monetary damages and fines or suspensions in our business operations. In addition, some of our facilities could be located on properties with a history of use involving hazardous materials, chemicals and wastes and may be contaminated. Although we have not incurred, and do not currently anticipate, any material liabilities in connection with such contamination, we may be required to make expenditures for environmental remediation in the future.

Corporate Information

Our principal executive offices are located at 6200 Paseo Padre Parkway, Fremont, California 94555 and our telephone number is (510) 270-2500. Our website address is www.nextracker.com. Information contained on, or that can be accessed through, our website does not constitute part of this Annual Report on Form 10-K.

Governance

We have a publicly available code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. A copy of the code is available on the governance section of our investor relations website.

Available Information

We are required to file annual, quarterly and current reports and other information with the SEC. Such reports and other information filed or furnished by us with the SEC are available free of charge on our website at [https://](https://www.nextracker.com)

investors.nextracker.com/financials/sec-filings, as soon as reasonably practicable after we file such material with, or furnish it to, the SEC. The SEC maintains a website that contains the materials we file with or furnish to the SEC at www.sec.gov. Our website, the SEC's website and the information contained therein or linked thereto are not part of this Annual Report on Form 10-K.

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 or restricting 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.
- Changes in the global trade environment, including the imposition of import tariffs and wide-ranging, reciprocal and retaliatory tariffs and trade restrictions, could adversely affect the amount or timing of our revenues, results of operations or cash flows.
- 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.
- If we do not maintain environmental, social and governance (“ESG”) practices and disclosures that meet the expectations of customers, regulators, employees, and investors, our relationships with these stakeholders could suffer, which could adversely affect our business and financial results.
- 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.
- We may not be able to convert our orders in backlog into revenue.
- 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.
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- 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.
- Cybersecurity or other data security incidents could materially impact our operations, financial performance, and reputation.
- 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 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.
- Uncertainty in the development, adoption, integration, deployment and use of AI in our products and services, as well as our business more broadly, could adversely affect our business and reputation.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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 could be adversely affected by any violations of the FCPA and other foreign anti-bribery laws.
- 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.
- Fluctuations in foreign currency exchange rates could increase our operating costs and impact our business.

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 Annual 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, 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.

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 or restricting 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 ITC under the IRC for certain energy property. One such change created the Section 45X Credit. Guidance issued by the U.S. Treasury Department regarding the availability of the ITC has changed in the past and is subject to change in the future. The IRA itself may be repealed or amended, including with respect to the ITC (and its successor “tech neutral” credit) and the Section 45X Credit (described below), particularly under the new U.S. presidential administration and U.S. Congress, in a manner which materially adversely affects our business, results of operations and financial condition. The Senate passed an amended budget resolution on April 5, 2025, followed by the House budget resolution passing on April 10, 2025. The concurrent budget resolution allows Congress to progress tax and spending legislation, which may impact federal incentives, including the ITC.

Under the IRA, 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. On May 16, 2024, the U.S. Treasury Department and the IRS released Notice 2024-41, which includes a “safe harbor” that taxpayers may use to classify certain components of solar projects and for the purpose of qualifying for the domestic content bonus credit. On January 16, 2025, the U.S. Treasury Department and the IRS released Notice 2025-08, which introduced an updated elective safe harbor. Generally, for a qualified facility or energy project to qualify for a domestic content bonus, the project must include specified amounts of U.S.-manufactured iron, steel and manufactured products and be able to substantiate that content and its country of manufacture.

In 2024, the U.S. Treasury Department and the IRS issued final Treasury regulations 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.

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 Section 45X Credit, which is a per-unit tax credit that is earned over time for certain clean energy components domestically produced and sold by a manufacturer.

On October 28, 2024, the U.S. Treasury Department and the IRS published the 45X Treasury regulations regarding the Section 45X Credit, which became 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 that torque tubes and structural fasteners, including several used in our trackers, may qualify as eligible components.

The amount of the Section 45X Credit varies depending on the eligible component. In the case of torque tubes and structural fasteners, the credit amount is equal to 87 cents per kilogram and \$2.28 per kilogram, respectively, through the end of 2029.

The Section 45X Credit amount as scheduled in current law will be reduced by 25% of these amounts in each of calendar years 2030, 2031 and 2032. In calendar year 2024, our eligible U.S. manufacturing suppliers availed themselves of the Section 45X Credits to varying degrees and we accounted for some of these economic benefits in our cost of acquiring torque tubes and fasteners. Beginning in calendar year 2025, in certain circumstances, we have directly obtained the benefit of the Section 45X Credit through the use of an election authorized in the 45 Treasury regulations.

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 for every kilowatt-hour of electricity produced by a qualifying solar project and sold to unrelated persons. The 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.

Under the IRA, for certain qualifying projects that begin construction and are placed in service after 2024, each of the ITC and PTC are replaced by similar "technology neutral" tax credit incentives, but also require that projects satisfy a "zero greenhouse gas emissions" standard in order to qualify for the tax credits. Taxpayers that began construction on energy projects or facilities that qualify for the ITC or PTC prior to 2025 may choose to claim the ITC, PTC, or one of the "technology neutral" tax credits in respect of the project assuming that certain continuous construction requirements are met. The technology neutral tax credits are generally available for projects that begin construction prior to 2034 or, if later, the year in which national greenhouse gas emissions are reduced below a threshold amount. Following that time, the technology neutral tax credits will become subject to a three-year phase-out schedule.

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 Section 45Y Credit with respect to certain qualified facilities and the Section 48E Credit with respect to certain qualified facilities.

While the IRA and related tax credit rules are intended to encourage investments in new solar projects, the impact they will have on our results of operations is unclear. We have invested in developing a supply chain and U.S. manufacturing footprint to allow us to sell customers a solar tracker that we believe complies with the domestic content requirements. If the domestic content requirements are re-interpreted or if the IRS regulations are revised to remove or reduce the Section 45X Credit, our business would be adversely affected. In addition, we may not have an adequate supply of tracker products satisfying the domestic content requirements to meet customer demand. 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.

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.

If we or our customers are unable to satisfy or cure 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 we or 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.

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 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 particular, it is anticipated that Congress will shortly consider U.S. federal income tax legislation that may impose a foreign entity of concern ("FEOC") restriction to IRC Section 45X and perhaps other tax credits. It is not yet clear what such legislation will require or whether it will include a FEOC restriction. Should any section of the IRC be amended to include a FEOC restriction, it is also not known how the U.S. Treasury Department might clarify any such restriction through

interpretative guidance or which countries would be identified as nations of concern in this context. Accordingly, the imposition of FEOC restrictions in respect of any of IRC Sections 45, 45Y, 48, 48E, or 45X may increase our production costs.

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, restrictions or prohibitions imposed on solar projects, 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 again 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 have a material adverse impact 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.

Changes in the global trade environment, including the imposition of import tariffs and wide-ranging, reciprocal and retaliatory tariffs and trade restrictions, 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 low-power solar modules, electrical equipment, or for products used in solar energy projects more broadly, such storage batteries and solar modules. The U.S. government has recently imposed additional, new, or higher tariffs on certain products from China and China has responded by imposing additional, new, or higher tariffs on certain products imported from the United States.

On April 2, 2025, President Trump announced a new reciprocal tariff regime intended to reciprocate other countries' tariffs and trade barriers. The new U.S. regime consists of a universal 10% tariff rate on almost all trading partners and higher country-specific reciprocal tariff rates on 57 countries. On April 9, 2025, President Trump suspended implementation of the country-specific reciprocal tariffs on all countries other than China for 90 days, such that as of April 9 imports from most countries are subject only to the baseline 10% tariff, with China alone subject to a much higher reciprocal tariff.

As of April 10, 2025, there is a 145% reciprocal tariff on imports of most China-origin products, with limited exceptions. These reciprocal tariffs generally are additive to other tariffs on various solar energy-related products.

As of March 12, 2025, there are 25% import tariffs on all imports of steel and aluminum products (including "derivative" products), with limited exceptions for products imported from Canada and Mexico, imposed under Section 232 of the Trade Expansion Act of 1962. These steel and aluminum tariffs are not additive to the reciprocal tariffs on China-origin products but are additive to tariffs of 25% on many Chinese steel products currently imposed under Section 301 of the Trade Act of 1974. Our products contain steel some of which is sourced from outside the United States. As a result, steel tariffs could impact our costs and our gross margins and result in interruptions in the steel supply chain.

Imports of solar modules from most countries currently face a 14% tariff pursuant to Section 201 of the Trade Act of 1974. The Section 201 tariff on solar modules is currently scheduled to terminate on February 6, 2026. There also are tariffs on various items of solar equipment, including solar cells and modules, inverters and power optimizers, imported from China under Section 301 of the Trade Act of 1974. Section 301 tariffs on Chinese solar cells and modules are currently 50%, and Section 301 tariffs on parts of lead-acid storage batteries (including separators thereof) are currently 25%. Effective January 1, 2026, Section 301 tariffs on Chinese lithium-ion non-EV batteries are scheduled to increase to 25%. Nextracker products include proprietary crystalline solar photovoltaic ("CSPV") modules that provide off-grid power to our controllers located either on each tracker row or weather stations at the project site. Such CSPV modules are impacted by Section 201 tariffs on solar modules and, if sourced from China, could be impacted by Section 301 tariffs on solar modules. All tariffs on solar cells and modules 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.

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. Imports of CSPV cells and modules from the four Southeast Asian countries covered by the circumvention determinations 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. Entries prior to June 6, 2024, back to April 1, 2022, could be subject to China AD/CVD duty liability if the proper certifications justifying non-payment of cash deposits at the time of entry were not submitted. 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 April 2025, Commerce also issued final affirmative AD/CVD determinations covering CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam not covered by the August 18, 2023 circumvention determinations. Combined AD/CVD cash deposit requirements associated with these new proceedings range from 15% to over 3,000%.

In December 2024, in connection with the August 2023 circumvention final determination, U.S. Customs and Border Protection ("CBP") instructed Nextracker 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 that entered the United States prior to June 6, 2024. These CSPV modules are Nextracker's proprietary modules that provide off-grid power to our controllers located either on each tracker row or on weather stations at the project site. CBP based its instruction to make the cash deposit payment on alleged deficiencies with respect to certifications that were to accompany 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. Nextracker is taking steps which seek to prevent or mitigate the effect of further retroactive cash deposit requirements.

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 power to our controllers 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 any solar panel supply chain disruption due to CBP detentions or otherwise and 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.

In addition, as described above, the Trump Administration has increased tariffs on a variety of products and countries that could materially affect our business. Although we continue to evaluate the impact of these tariffs on our business, we expect that these tariffs will result in higher costs to acquire the materials and components used in our products, such as steel, steel derivative products and CSPV modules. If an environment of significantly increased U.S. tariffs and trade restrictions, together with retaliatory tariffs from other countries, continues or further escalates, the global economy could be adversely affected, including through higher costs, higher interest rates or lower demand for energy, any of which could materially affect our business, financial condition, results of operations, and prospects. In addition, we export products manufactured in the United States to projects outside of the United States, which exposes our business to reciprocal tariffs imposed by other countries in retaliation for the new U.S. tariffs. Such reciprocal tariffs, if applicable to our products, could adversely affect the demand for our products or make us less competitive in those countries.

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 increase, 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 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, tariffs and foreign currency exchange rates. The volatility in the availability and cost of steel may impact our business. Imports of China-origin steel currently are subject to 145% reciprocal tariffs and 25% Section 301 tariffs, meaning that such imports ultimately are subject to 170% tariffs. Imports of steel and many steel derivative products from other countries are subject to a 25% tariff (with limited exceptions for Canadian and Mexican products). Accordingly, ongoing trade disputes, unpredictable tariff policies and uncertainty with respect to the potential for such policy changes may increase procurement costs or restrict access to necessary materials for our products, like steel, potentially leading to disruptions with our suppliers or in our supply chain. We continue to evaluate the potential impact of the imposition of the announced tariffs to our business and financial condition, but we expect that these tariffs will significantly increase our costs.

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. In addition, we may enter into exclusive arrangements which prohibit or limit our ability to use alternative suppliers. 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, the sourcing of compliant materials under domestic content rules may become more complex due to evolving guidance, limited supplier availability, or capacity constraints.

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 have also been, and may continue to be, adversely affected by the recent global escalation in tariffs and trade restrictions, including through higher costs, higher interest rates or lower global demand for energy, any of which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, because the solar projects in which our products are used require substantial upfront capital investment which is expected to be recovered over a period of multiple years, uncertainty and

perceived instability regarding future macroeconomic conditions may deter investment in, or financing of, these solar projects and in turn reduce demand for our products.

Adverse macroeconomic conditions, including slow growth or recession, high unemployment, labor shortages, ongoing or increasing inflation, tighter credit, higher interest rates and currency fluctuations, or the perception that adverse macroeconomic conditions may occur or persist, 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.

If we do not maintain environmental, social and governance (“ESG”) practices and disclosures that meet the expectations of customers, regulators, employees, and investors, our relationships with these stakeholders could suffer, which could adversely affect our business and financial results.

Many governments, customers, investors and employees have enhanced their focus on ESG practices and disclosures, and expectations in this area are rapidly evolving and in some cases may be inconsistent. Failure to adequately maintain 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 have frequently changed in recent years, resulting in changes in the data that we must collect or disclose about our ESG practices, and 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, rules adopted by the SEC in 2024 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. Although the rule has been stayed by the SEC and the SEC recently announced that it has voted to end its legal defense of these enhanced climate-related disclosure rules, it is possible that these rules could be reinstated in the future.

In addition, although the SEC’s 2024 rule requiring extensive climate-related disclosures has been voluntarily stayed, we are still subject to other laws regarding climate-related disclosures in other jurisdictions. For example, California recently enacted climate disclosure laws that may require companies such as ours to report on greenhouse gas emissions, climate-related financial risks, and the use of carbon offsets and emissions reduction claims. Similarly, we are 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, and 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.

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, tsunamis, 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. This includes emerging laws and regulations related to AI, cybersecurity, privacy and data protection, which may impose new compliance obligations on our operations. 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, may be time-consuming and may result in the delay or loss of sales opportunities. Further, U.S. export control laws and economic sanctions 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.

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.

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, 2025, our largest customer constituted 11.5% 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.

Cybersecurity or other data security incidents could materially impact our operations, financial performance, and reputation.

We rely on interconnected information systems, cloud services, and operational technology to support the development, delivery, and performance of our solar tracking systems and energy optimization solutions. These systems are essential to our manufacturing processes, field operations, customer platforms, and internal business functions, and they store or transmit sensitive data, including proprietary, confidential, operational, and personal information.

We, and the third parties we rely on, are subject to ongoing and increasingly sophisticated cybersecurity threats. These include, among other things, attempts to gain unauthorized access, disrupt business operations, steal data or intellectual property, and compromise system integrity. Threats may arise from criminal actors, nation-state groups, insiders, or through firmware and software vulnerabilities, errors, defects or bugs, computer viruses, social engineering, denial-of-service or phishing attacks, fraud or malice on the part of our employees, contractors or service providers or human error, any of which may result in the unauthorized access to or release of sensitive, proprietary, confidential, operational and personal information. Such threats and techniques change frequently, are increasingly sophisticated in nature and may be difficult to detect for long periods of time. The use of artificial intelligence by malicious actors may increase the frequency, speed, scale, and impact of these threats. Further, cybersecurity risks may be heightened as a result of ongoing global conflicts such as the Russia-Ukraine conflict or the ongoing Israel-Hamas conflict.

Given the critical role our systems play in powering field infrastructure and supporting global operations, a successful cybersecurity or other data security incident, whether involving Nextracker or a third-party, could result in delays in product delivery, reduced system performance, loss of intellectual property, unauthorized disclosure of sensitive data, reputational harm, regulatory investigations, and potential legal or contractual liabilities. The energy and manufacturing sectors remain high-value targets, and supply chain interdependencies may heighten our exposure.

We maintain a cybersecurity program that includes layered controls, continuous monitoring, incident response procedures, employee training, and third-party risk assessments. While we regularly evaluate and strengthen our security posture, no program can eliminate all risk. We may not detect or mitigate all threats or incidents in a timely manner.

While we generally perform cybersecurity diligence on our key service providers, we do not directly control our service providers 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 may be held responsible for cybersecurity or other data security incidents attributed to our service providers as they relate to the information we share with them.

We maintain cybersecurity insurance coverage; however, the scope of coverage may not be sufficient in all circumstances, and future availability or terms of such coverage may change.

Any actual or perceived cybersecurity or other data security incident could harm our reputation and impair our ability to attract and retain customers. 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. 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 this Annual Report on 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 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 existing risks, such as fluctuations in the value of foreign currencies, changing tariffs and trade restrictions, 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.

Uncertainty in the development, adoption, integration, deployment and use of AI in our products and services, as well as our business more broadly, could adversely affect our business and reputation.

We use systems and tools that incorporate AI-based technologies, including generative AI, in connection with our business. As with many new and emerging technologies, AI presents numerous risks and challenges that could adversely affect our business. The development, adoption, integration, deployment and use of generative AI technology remains in early stages, and ineffective or inadequate AI governance, development, adoption, integration, deployment or use practices by us or third parties could result in unintended consequences. For example, AI algorithms that we use may be flawed or may be (or may be

perceived to be) based on datasets that are biased or insufficient, which can create inaccurate, incomplete, or misleading content, unintended biases and other discriminatory or unexpected results, errors or inadequacies, any of which many not be easily detectable by us or any of our related service providers. In addition, any latency, disruption, or failure in our AI systems or infrastructure could result in delays or errors in our offerings. Inadequate governance, testing, or quality assurance processes could result in flawed deployments, producing erroneous or harmful outputs, which could damage our reputation and lead to legal liabilities. Thoroughly testing generative AI models is challenging due to their complexity and the unpredictability of their outputs. Developing, testing, and deploying resource-intensive AI systems may require additional investment and increase our costs. There also may be real or perceived social harm, unfairness, or other outcomes that undermine public confidence in the deployment and use of AI. Furthermore, third parties (including our competitors) may deploy AI technologies into their products more quickly or more successfully than us, which could reduce customer demand for our products and services and impair our ability to compete effectively. Any of the foregoing may result in decreased demand for our products and services or harm to our business, financial condition, results of operations, or reputation.

Additionally, if any of our employees, contractors, consultants, vendors or service providers use any third-party AI-based technologies in connection with our business or the services they provide to us, it may lead to the inadvertent disclosure or incorporation of our confidential information into publicly available training sets, which may impact our ability to realize the benefit of, or adequately maintain, protect and enforce our intellectual property or confidential information, harming our competitive position and business. For example, there may be uncertainty around the validity and enforceability of intellectual property rights related to our development, adoption, integration, deployment and use of AI. Any output created by us using AI systems and tools may not be subject to copyright protection, which may adversely affect our intellectual property rights in, or ability to commercialize or use, any such content. In the United States, a number of civil lawsuits have been initiated related to the foregoing and other concerns, any one of which may, among other things, require us to limit the ways in which our AI systems and tools are trained and may affect our ability to develop our AI-based products and services. To the extent that we do not have sufficient rights to use the data or other material or content used in or produced by the AI systems and tools used in our business, or if we experience cybersecurity or other data security incidents in connection with our use of AI, it could adversely affect our reputation and expose us to legal liability or regulatory risk, including with respect to third-party intellectual property, privacy, data protection and cybersecurity, publicity, contractual or other rights. Additionally, third parties that license AI technologies to us may impose unfavorable licensing terms or terminate the licenses altogether which would require us to seek licenses from alternative sources to avoid disruptions in feature delivery.

The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including in relation to the areas of intellectual property, cybersecurity, and privacy and data protection. It is possible that new laws and regulations will be adopted in the United States and in non-U.S. jurisdictions, or that existing laws and regulations may be interpreted, in ways that would affect the operation of our products and services and the way in which we use AI and similar technologies. For example, in Europe, the first set of provisions under the European Union's Artificial Intelligence Act (the "AI Act") became effective on February 2, 2025, with additional provisions becoming effective on later dates. The AI Act establishes, among other things, a risk-based governance framework for regulating AI systems operating in the European Union. This framework would categorize AI systems, based on the risks associated with such AI systems' intended purposes, as creating unacceptable or high risks, with all other AI systems being considered low risk. We may not be able to adequately anticipate or respond to these evolving laws and regulations, and we may need to expend additional resources to adjust our offerings in certain jurisdictions if applicable legal frameworks are inconsistent across jurisdictions. Moreover, because these technologies are themselves highly complex and rapidly developing, it is not possible to predict all of the legal or regulatory risks that may arise relating to our use of such technologies. Compliance with new or changing laws, regulations, or industry standards relating to AI may impose significant operational costs and may limit our ability to develop, adopt, integrate, deploy, or use AI technologies. Failure to appropriately respond to this evolving landscape may result in legal liability, regulatory action, or brand and reputational harm.

As the utilization of AI becomes more prevalent, we anticipate that it will continue to present new or unanticipated ethical, reputational, technical, operational, legal, competitive and regulatory issues, among others. We expect that our incorporation of AI in our business will require additional resources, including the incurrence of additional costs, to develop and maintain our products and services and features to minimize potentially harmful or unintended consequences, to comply with applicable and emerging laws and regulations, to maintain or extend our competitive position, and to address any ethical, reputational, technical, operational, legal, competitive or regulatory issues which may arise as a result of any of the foregoing. As a result, the challenges presented with our use of AI could adversely affect 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.

Transmission providers are now implementing the reforms directed by FERC, which include moving from a serial interconnection queue that processed requests on a first-come, first-served basis to a first-ready, first-served basis. Under the revised interconnection procedures, generation developers must commit more funds and financial security to maintain their interconnection queue positions. In addition, generation developers must provide earlier evidence of site control. These reforms are intended to weed out speculative requests. The reforms also impose penalties if transmission providers delay in preparing and issuing interconnection studies. Ultimately, the reforms imposed by Order No. 2023 should reduce the backlog of interconnection requests across the country and streamline the process to reduce delays in obtaining interconnection agreements.

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 or a decrease in projected demand, including from energy conservation technologies, public initiatives to reduce electricity consumption, improvements in computing efficiency that reduces energy consumption by data centers, 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 or foundations 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.

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

We are a holding company and 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 is allocated to holders of its LLC common units. As the managing member of the LLC, we intend to cause the LLC to make distributions to us according to the Third Amended and Restated Limited Liability Company Agreement of Nextracker LLC (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. 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.

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 entered into a Tax Receivable Agreement with the LLC, Yuma, Inc. ("Yuma"), Yuma Subsidiary, Inc. ("Yuma Sub"), TPG Rise Flash, L.P. ("TPG Rise") and the following affiliates of TPG Rise: TPG Rise Climate Flash CI BDH, L.P., TPG Rise Climate BDH, L.P. and The Rise Fund II BDH, L.P. (together, the "TPG Affiliates") in connection with our initial public offering ("IPO"). Prior to the Spin Transactions (as defined in Note 6 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K), Yuma and Yuma Sub assigned their respective rights under the Tax Receivable Agreement to an entity that remains an affiliate of Flex Ltd. ("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 (as defined in Note 6 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K), (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 Merger (as such terms are defined in Note 6 in the notes to the consolidated financial statements included in this Annual Report on 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 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 became a public company and are now subject to various reporting and corporate governance requirements under the Exchange Act, the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), the listing standards of Nasdaq and other applicable securities rules and regulations. These requirements continue to impose significant compliance obligations upon us and require us, among other things, to file with the SEC annual and quarterly information and other reports specified under the Exchange Act and SEC regulations, prepare and distribute periodic reports and stockholder communications under the applicable federal securities laws and Nasdaq rules and evaluate and maintain our system of internal control over financial reporting under the Sarbanes-Oxley Act.

Additionally, 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. We are continuing to improve our internal controls over financial reporting; however, 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.

We anticipate that the financial and corporate governance requirements that we are subject to as a public company will continue to 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, workplace safety, 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 an amendment to the 2023 Credit Agreement (as defined in the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources). Additionally, during the fiscal year ended March 31, 2025, we repaid in full all outstanding obligations under the term loan under the 2023 Credit Agreement (as discussed in Note 9 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K). The obligations of the borrower, the LLC, under the 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 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 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 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 2023 Credit Agreement restricts, and any future financing agreements may also restrict, our ability to pay dividends. In particular, the 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 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;
- the impact of inflation, higher interest rates or tariffs;
- the reduction, elimination or expiration of government incentives for our products or the solar industry generally;
- 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 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 and March 2025, derivative actions were 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. 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.

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 Merger, 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 this Annual Report on Form 10-K (the “Distributions”), and the Merger), tax attributes, tax returns, tax contests and certain other matters (the “Tax Matters Agreement”), generally restricts Nextracker from taking certain actions that could adversely affect the intended tax treatment of the Spin Distribution or the Merger, 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 Merger 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, the foundations business of SPI, and BenteK. 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 business, 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 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk management and strategy

Nextracker places emphasis on addressing cybersecurity threats and effectively managing associated risks. Our cybersecurity program is designed to identify, assess, and proactively manage material risks.

Our approach to cybersecurity is not a one-time effort but an ongoing process. We engage in monitoring, risk assessments, and robust security measures designed to ensure the confidentiality, integrity, and availability of our information systems, including critical computer networks, hosted services, communication systems, hardware, and software and to protect critical data, including our employees' and customers' data, intellectual property, confidential and proprietary data, and strategic competitive information. We address cybersecurity challenges and enhance our overall risk management efforts by adopting and working to integrate recognized best practices, standards, and controls such as the CIS 18 Critical Security Controls and the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF).

Our cybersecurity program includes some key aspects such as (i) a Cybersecurity Leader who oversees our day-to-day program and who is a long-standing member of both the ISC2 and ISACA organizations, which specialize in cybersecurity and governance, (ii) a cybersecurity council comprised of a cross-section of management with oversight over our program, (iii) incident response, and (iv) ongoing security awareness training.

At Nextracker, we maintain a practical approach to cybersecurity. Our cybersecurity risk management program (an integral part of our overall Enterprise Risk Management Program) is designed to incorporate established best practices and industry standards, drawing guidance from both CIS 18 and NIST CSF. Within our program, we conduct internal and external security-based activities, including reviews and assessments of our third-party service providers and vendors.

Some of our activities include:

- 1. Information Security Assessments:** We collaborate with internal and external partners to evaluate our security.
- 2. Vulnerability Scanning and Penetration Testing:** Engaging third-party service providers to assess external and internal vulnerabilities and potential threats.
- 3. Cyber Risk Register Reviews:** Regularly review our internal risk register to stay vigilant against potential and identified risks.
- 4. Risk Prioritization:** We prioritize and address risks through our dedicated cybersecurity risk management program and the cybersecurity council.

We monitor the threat environment for potential risks, employing various methods, including automated detection tools, environment scans, and investigations of potential threats and reports. We also use threat intelligence feeds and vulnerability databases to monitor our systems, and have incident response processes designed to ensure swift action.

As of the date of this report, we are not aware of any cybersecurity threats or incidents that have materially affected or are reasonably expected to materially affect our business. However, we acknowledge the evolving nature of cybersecurity threats and remain committed to enhancing our protective measures as needed.

For more detailed information about our company's specific cybersecurity risks, please refer to the risk factor titled "Cybersecurity or other data security incidents could harm our business, expose us to liability and cause reputational damage" in Item 1A. Risk Factors of this Annual Report on Form 10-K.

Governance

Our Board of Directors has oversight responsibility for our overall enterprise risk management, and has delegated cybersecurity risk management oversight to the Audit Committee of our Board of Directors. The Audit Committee of our Board of Directors is responsible for reviewing internal risk assessments with respect to cybersecurity, including assessments of the overall threat landscape and related strategies and investments.

Management is responsible for day-to-day risk management activities, including identifying and assessing cybersecurity risks, establishing processes to ensure that potential cybersecurity risk exposures are monitored, implementing appropriate mitigation or remediation measures and maintaining cybersecurity programs. Our cybersecurity programs are under the direction of our Cybersecurity Leader. Our Cybersecurity Leader reports regularly to the cybersecurity council, management and the Audit Committee concerning our significant cybersecurity threats and risks, the processes we have implemented to address them, and various reports, summaries, or presentations on cybersecurity threats, risks, and mitigation. The Audit Committee also reports to our Board of Directors on cybersecurity matters as needed.

ITEM 2. PROPERTIES

Our corporate headquarters are located in Fremont, California, USA and consist of approximately 85,000 square feet of leased office, laboratory and warehouse space which is used to accommodate office staff, research and development projects, machine shop work, tools repair, shipping and receiving. The adjacent Center for Solar Excellence and our foundations research facility located in Paterson, California, composed of approximately twenty-two acres of leased land, is used for field testing, research and development, training and marketing purposes.

In addition, we lease an aggregate of approximately 150,000 square feet of office space in Australia, Brazil, China, India, Mexico, Spain and the United Arab Emirates. We also lease approximately 100,000 square feet of warehouse space across various global facilities, including California, Tennessee and Spain.

We believe our facilities are in adequate condition and meet our current needs. We have the ability to add new facilities and expand our existing facilities as we continue to add employees and expand into new geographic markets.

ITEM 3. 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 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 12 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTER AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information for Common Stock

Our Class A common stock has been listed and traded on the Nasdaq Global Select Market under the symbol “NXT” since February 8, 2023. Prior to that date, there was no public market for our Class A common stock. There is no public market for our Class B common stock.

Holders of Record

As of May 12, 2025, we had 2,502 holders of record of our Class A common stock and no holders of record of our Class B common stock. The actual number of stockholders is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not expect to pay any dividends on our capital stock in the foreseeable future. Additionally, our ability to pay dividends is limited by restrictions on our ability to pay dividends or make distributions under the terms of the agreement governing our credit facilities. Any future determination to declare dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions, and other factors that our board of directors may deem relevant at such time.

Securities Authorized for Issuance Under Equity Compensation Plans

The information required by this item with respect to our equity compensation plans is incorporated by reference to the definitive Proxy Statement to be delivered to shareholders in connection with the Nextracker Inc.'s 2025 Annual Shareholders Meeting and filed with the SEC within 120 days of the fiscal year ended March 31, 2025.

Recent Sales of Unregistered Securities

There were no sales of unregistered equity securities during the fiscal year ended March 31, 2025.

Issuer Purchases of Securities

None.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless the context requires otherwise, references in this Annual Report on Form 10-K to “Nextracker”, the “Company”, “we”, “us” and “our” shall mean, prior to the IPO, 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, 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 consolidated financial statements with a narrative from the perspective of the Company’s management. This section of this Annual Report on Form 10-K discusses fiscal year 2025 and 2024 items and year-to-year comparisons between fiscal year 2025 and 2024. Discussions of fiscal year 2024 items and year-to-year comparisons between fiscal year 2024 and fiscal year

2023 are not included in this Annual Report on Form 10-K and can be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K, 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. You should read the following discussion in conjunction with the notes to the consolidated financial statements and other information included elsewhere in this Annual Report on Form 10-K. 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, and Section 21E of the Securities Exchange Act of 1934, as amended. 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 titled “Liquidity and Capital Resources” below and “Risk Factors.” All forward-looking statements in this document are based on information available to us as of the date of this Annual Report on Form 10-K and we assume no obligation to update any such forward-looking statements, except as required by law.

OVERVIEW

We are a leading solar technology platform provider used in power plants around the world. Our products enable solar power plants to follow the sun’s movement across the sky and optimize performance. With products operating in more than forty countries worldwide, Nextracker offers solar tracker technologies and innovative solutions that accelerate solar power plant construction, increase performance, and enhance long-term reliability. We are the global market leader based on gigawatts (“GW”) shipped for nine consecutive years.

We were founded in 2013 by our Chief Executive Officer, Dan Shugar. Over time, we have developed new and innovative products and services to scale our capabilities.

We have shipped more than 130 GW of solar tracker systems as of March 31, 2025 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 \$3.0 billion, \$2.5 billion and \$1.9 billion in fiscal years 2025, 2024 and 2023, respectively.

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

	Fiscal year ended March 31,								
	2025			2024		2023			
Revenue:	(In thousands, except percentages)								
U.S.	\$	2,031,603	69%	\$	1,702,611	68%	\$	1,298,596	68%
Rest of the World		927,594	31%		797,230	32%		603,541	32%
Total	\$	2,959,197		\$	2,499,841		\$	1,902,137	

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

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In millions)</i>		
Customer A	*	*	\$ 331.0
Customer G	*	\$ 426.1	*

* Percentage below 10%

Foundations Acquisitions

In fiscal year 2025, we expanded our portfolio by launching NX Foundation Solutions, a comprehensive suite of solar foundation technologies and services designed to optimize solar project installations across diverse soil conditions.

On June 20, 2024, as part of an all-cash transaction, we 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, we 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 solar foundations business of SPI (the “Foundations Acquisitions”) expand our foundations offering by accelerating our capability to offer customers a more complete integrated solution for solar trackers and foundations.

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. For further detail on the acquisitions refer to Note 15 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Inflation Reduction Act of 2022

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 45X Credit, which was established as part of the IRA, is a per-unit tax credit earned over time for each qualifying clean energy component domestically produced and sold by a manufacturer.

Our business model

We generate revenue from the sale of solar trackers system, including foundations, and from TrueCapture, our energy yield management system. Our most significant source of revenue is the sale of solar tracking products. Our customers include EPCs, as well as solar project developers and owners. We usually enter into a different contract with our customers for each individual solar project. Contracts typically stipulate total price, technical solution, specifications of the system sold, delivery and activation schedule, warranty terms and related services provided. The delivery period for a specific contract can range from days to several months depending on the size of the project. Our contract prices range from a few hundred thousand dollars for the smallest projects to over one hundred million dollars for the largest.

Demand for our products is largely driven by installations of utility-scale solar projects around the world. The volume of solar projects installations is dependent on a variety of factors, including, but not limited to, the cost of solar plants in comparison to other forms of power generation, prevailing electricity prices, conventional power generation plant retirement, global renewable energy targets, government regulations, and public incentives promoting solar energy. Our revenue is subject to variability as these factors change over time, and as a result may cause variability in our quarterly shipments. Increases in competitive tracker pricing pressure can also affect our revenue by lowering the average selling price (“ASP”) of our products.

We operate in nearly all significant tracker markets around the world. We have dedicated sales staff in the United States, Brazil, Mexico, Spain and other countries in Europe, India, Australia, the Middle East, and Africa to support our sales activities in those geographies. Our local presence is complemented with the following go-to-market strategies:

- Our sales and marketing strategy is focused on building long-term relationships with key stakeholders involved in developing, building, owning, and maintaining utility-scale solar projects. We educate those stakeholders on the benefits of our solutions, including increased energy yield performance, superior constructability, reliability, ease of maintenance, and advanced sensor capabilities compared to competing products.
- In the United States and more mature international markets, our sales team maintains active relationships with key stakeholders and customers such as developers and builders of utility-scale solar systems. We leverage these relationships and knowledge of the available project pipeline, inbound requests for proposals (“RFPs”) from potential customers, and competitive dynamics. Frequently we are either awarded the project outright or become ‘short-listed’ among a group of eligible bidders. In each case we create a detailed proposal that leverages our project engineering expertise to offer a compelling project and/or project portfolio-specific value proposition.
- In less mature international markets, we leverage a variety of broad and account-based marketing techniques to acquire customers. These include conducting thought leadership seminars and developer forums, installation training programs, and participation in industry conferences, events, and trade associations.
- We set pricing for our products based on the long-term value derived from energy yield performance and total cost of ownership. For our core tracker products, we offer differing pricing to address multiple market segments based on site characteristics and weather protection requirements, among other factors.

Basis of presentation

The accompanying 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. In the opinion of our management, all adjustments (consisting only of normal recurring adjustments) considered necessary to present our financial statements fairly have been included. All intercompany transactions and accounts within Nextracker have been eliminated.

On January 2, 2024, Flex completed the spin-off (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) of all of its remaining direct or indirect interests in shares of Nextracker.

Key business and operational metrics

In addition to information related to our financial performance, we use certain operating metrics to evaluate our business. These metrics, together with our financial statements, are used by our management to measure our performance, identify trends impacting our business and formulate projections. One metric we use to evaluate our sales performance and to track market acceptance of our products from year to year is GW delivered generally and the change in GW delivered from year to year specifically. GW is calculated specifically for each project and represents the nameplate, or maximum, power output capacity of the project under optimized conditions once the project is fully operational. GW delivered for a project is calculated as the total nameplate capacity of the project multiplied by the cost of materials delivered to the project as a percentage of the total materials cost of the project.

	Fiscal year ended March 31,			2025 vs. 2024	2024 vs. 2023
	2025	2024	2023	% Change	% Change
GW delivered	33.6	26.0	18.0	29%	44%

Critical accounting policies and significant management estimates

The preparation of financial statements in conformity with 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 consolidated financial statements.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements. For further discussion of our significant accounting policies, refer to Note 2 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Revenue recognition

We account for revenue in accordance with Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers* (“ASC 606”) for all periods presented.

In applying ASC 606, we recognize revenue from the sale of solar tracker systems, parts, extended warranties on solar tracker systems components and energy yield management systems along with associated maintenance and support. In determining the appropriate amount of revenue to recognize, we apply the following steps: (i) identify the contracts with the customers; (ii) identify performance obligations in the contracts; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations per the contracts; and (v) recognize revenue when (or as) we satisfy a performance obligation. In assessing the recognition of revenue, we evaluate whether two or more contracts should be combined and accounted for as one contract and if the combined or single contract should be accounted for as multiple performance obligations. Further, we assess whether control of the product or services promised under the contract is transferred to the customer at a point in time or over time. For further details on our revenue recognition refer to Note 2 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Inflation Reduction Act of 2022 (“IRA”) 45X Vendor Rebates and Assignments

We have executed agreements with certain suppliers to grow 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 either share a portion of the economic value of the credit related to our purchases in the form of a vendor rebate or assign their credit directly to us (“an assignment”) pursuant to Section 6418 of the IRC. We account for the 45X Credits shared or assigned to us 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. 45X Credits assigned to us are also treated as a reduction to our federal tax payable as further discussed in Note 13 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Product warranty

We offer an assurance type warranty for our products against defects in design, materials and workmanship for a period ranging from two 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 our 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.

Changes to our expected failure rates related to our core products have not materially impacted our warranty obligation in fiscal years 2023 and 2024. The Company continues to monitor and update the warranty liability based on current estimates related to the cost of replacement parts and repairs.

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 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 between the preliminary allocation and end of the purchase price allocation period. Any changes in these estimates may have a material effect on our consolidated financial position and results of operations.

Income taxes

We operate in numerous states and countries and must allocate our income, expenses, and earnings under the various laws and regulations of each of these taxing jurisdictions. Accordingly, our provision for income taxes represents our total estimate of the liability for income taxes that we have incurred in doing business each year in the jurisdictions in which we operate. Annually, we file tax returns that represent our filing positions with each jurisdiction and settle our tax return liabilities. Each jurisdiction has the right to audit those tax returns and may take different positions with respect to income and expense allocations and taxable earnings determinations. Because the determination of our annual income tax provision is subject to judgments and estimates, actual results may vary from those recorded in our financial statements. We recognize additions to and reductions in income tax expense during a reporting period that pertains to prior period provisions as our estimated liabilities are revised and our actual tax returns and tax audits are completed.

Our management is required to exercise judgment in developing our provision for income taxes, including the determination of deferred tax assets and liabilities and any valuation allowance that might be required against deferred tax assets. For further details on our income taxes, refer to Note 13 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Tax receivable agreement

We have recorded a liability of \$419.4 million and \$391.6 million, as of March 31, 2025 and 2024, respectively, of which \$394.9 million and \$391.6 million, respectively, were included in TRA liabilities and \$24.5 million and zero, respectively, were included in other current liabilities on the consolidated balance sheets and represents 85% of the estimated future tax benefits subject to the Tax Receivable Agreement entered into by Nextracker Inc. on February 13, 2023 (the “Tax Receivable Agreement” or “TRA”). In U.S. federal, state and local income tax or franchise tax that we realize or are deemed to realize (determined by using certain assumptions) as a result of favorable tax attributes, will be available to us as a result of certain transactions executed in connection with our IPO and follow-on offering, exchanges of Class A common stock and payments made under the TRA. The actual amount and timing of any payments under these agreements will vary depending upon a number of factors, including the amount and timing of the taxable income we generate in the future and the tax rate then applicable, and the portion of our payments under the TRA constituting imputed interest. Estimating future taxable income is inherently uncertain and requires judgment. In projecting future taxable income, we consider our historical results as well as assumptions related to future forecasts for our various businesses by location. The impact of any changes in the total projected obligations recorded under the TRA as a result of actual changes in the geographic mix of our earnings, changes in tax legislation and tax rates or other factors that may impact our actual tax savings realized will be reflected in income before taxes in the period in which the change occurs.

Key components of our results of operations

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

Revenue

We derive our revenue from the sale of solar trackers and energy yield management systems 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 included under selling, general and administrative expenses. Acquisition related costs are 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 energy yield management systems. 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 consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K.

For a discussion of our results of operations for the fiscal year ended March 31, 2024 compared to the fiscal year ended March 31, 2023, refer to 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.

	Fiscal year ended March 31,			2025 vs.	2024 vs.
	2025	2024	2023	2024 % Change	2023 % Change
Statement of Operations and Comprehensive Income Data:					
	<i>(In thousands, except percentages)</i>				
Revenue	\$ 2,959,197	\$ 2,499,841	\$ 1,902,137	18 %	31%
Cost of sales	1,950,372	1,686,792	1,615,164	16	4
Gross profit	1,008,825	813,049	286,973	24	183
Selling, general and administrative expenses	290,321	183,571	96,869	58	90
Research and development	79,392	42,360	21,619	87	96
Operating income	639,112	587,118	168,485	9	248
Interest expense	13,096	13,820	1,833	(5)	654
Other income, net	(22,000)	(34,699)	(2,431)	(37)	1,327
Income before income taxes	648,016	607,997	169,083	7	260
Provision for income taxes	130,770	111,782	47,750	17	134
Net income and comprehensive income	\$ 517,246	\$ 496,215	\$ 121,333	4 %	309%

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 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 and 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), 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.

	Fiscal year ended March 31,		
	2025	2024	2023
Other Financial Information:	<i>(In thousands, except percentages)</i>		
Adjusted gross profit	\$ 1,023,496	\$ 702,683	\$ 300,017
Adjusted operating income	768,853	522,771	203,127
Adjusted net income	630,639	451,395	153,095
Adjusted EBITDA	776,496	521,465	208,977
Adjusted gross margin	34.6%	28.1%	15.8%
Adjusted net income margin	21.3%	18.1%	8.0%
Adjusted EBITDA margin	26.2%	20.9%	11.0%

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.

	Fiscal year ended March 31,					
	2025		2024		2023	
Reconciliation of GAAP to Non-GAAP Financial Measures:						
	<i>(In thousands, except percentages)</i>					
GAAP gross profit & margin	\$ 1,008,825	34.1%	\$ 813,049	32.5%	\$ 286,973	15.1%
Stock-based compensation expense	11,927		10,764		12,794	
Intangible amortization	2,744		275		250	
Advanced manufacturing tax credit vendor rebate (3)	—		(121,405)		—	
Adjusted gross profit & margin	\$ 1,023,496	34.6%	\$ 702,683	28.1%	\$ 300,017	15.8%
GAAP operating income & margin	\$ 639,112	21.6%	\$ 587,118	23.5%	\$ 168,485	8.9%
Stock-based compensation expense	118,880		56,783		31,994	
Intangible amortization	5,523		275		1,207	
Legal costs and other (1)	—		—		1,441	
Acquisition related costs (2)	5,338		—		—	
Advanced manufacturing tax credit vendor rebate (3)	—		(121,405)		—	
Adjusted operating income & margin	\$ 768,853	26.0%	\$ 522,771	20.9%	\$ 203,127	10.7%
GAAP net income & margin	\$ 517,246	17.5%	\$ 496,215	19.8%	\$ 121,333	6.4%
Stock-based compensation expense	118,880		56,783		31,994	
Intangible amortization	5,523		275		1,207	
Adjustment for taxes	(16,348)		19,527		(2,880)	
Legal costs and other (1)	—		—		1,441	
Acquisition related costs (2)	5,338		—		—	
Advanced manufacturing tax credit vendor rebate (3)	—		(121,405)		—	
Adjusted net income & margin	\$ 630,639	21.3%	\$ 451,395	18.1%	\$ 153,095	8.0%
GAAP net income & margin	\$ 517,246	17.5%	\$ 496,215	19.8%	\$ 121,333	6.4%
Interest, net	(9,246)		2,124		1,833	
Provision for income taxes	130,770		111,782		47,750	
Depreciation expense	7,884		4,088		3,419	
Intangible amortization	5,523		275		1,207	
Stock-based compensation expense	118,880		56,783		31,994	
Legal costs and other (1)	—		—		1,441	
Acquisition related costs (2)	5,338		—		—	
Advanced manufacturing tax credit vendor rebate (3)	—		(121,405)		—	
Other tax related loss (income), net	101		(28,397)		—	
Adjusted EBITDA & margin	\$ 776,496	26.2%	\$ 521,465	20.9%	\$ 208,977	11.0%

- (1) Represents additional charges incurred in relation to a litigation matter. The net settlement and direct legal costs in aggregate are excluded from our Adjusted net income. Based on historical experience we do not believe that the settlement and associated charges 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.
- (2) 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.

- (3) Vendor credits as previously defined under the section above entitled "Inflation Reduction Act of 2022 45X Vendor Rebates and Assignments." During the fourth quarter of fiscal year 2024, the Company determined the amount and collectability of the 45X Credit vendor rebates it expects to receive in accordance with the vendor contracts and recognized a cumulative reduction to cost of sales of \$121.4 million related to 45X Credit vendor rebates earned on production of eligible components shipped to projects starting on January 1, 2023 through March 31, 2024. We believe that the assessment of our operations excluding the benefit from the vendor credits provides a more consistent comparison of our performance given the cumulative nature of the amount recorded in the fiscal year. In fiscal year 2024, these vendor rebates were not taken into account as factors in evaluating management's performance when determining incentive compensation or to evaluate the effectiveness of our business strategies. However, starting in fiscal year 2025, vendor rebates are taken into account to evaluate management's performance.

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

Revenue

Revenue increased by \$459.4 million, or 18%, for our fiscal year 2025 compared to fiscal year 2024, driven by a 29% increase in GW delivered as we delivered approximately 34 GW during fiscal year 2025, compared to 26 GW during fiscal year 2024. The revenue increase from additional GW delivered was slightly offset by a reduction in revenue per watt primarily due to declining costs per watt compared to the previous year. Revenue increased approximately \$329.0 million, or 19%, in the U.S. and \$130.4 million or 16% in the Rest of the World during fiscal year 2025 compared to the previous year. The growth from the Rest of the World was driven primarily from increased shipments to India, Latin America, the Middle East and Europe.

Cost of sales and gross profit

Cost of sales increased by \$263.6 million, or 16%, during fiscal year 2025 compared to fiscal year 2024 primarily due to the 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. During fiscal year 2025, we recognized approximately \$224.9 million of reduction to cost of sales related to the 45X Credit earned on production of eligible components shipped during the period, compared to \$121.4 million recognized in fiscal year 2024. Freight and logistics costs decreased slightly as a percentage of revenue during fiscal year 2025 compared to fiscal year 2024.

Gross profit increased by \$195.8 million, or 24%, during fiscal year 2025 compared to fiscal year 2024, primarily resulting from the U.S. and Rest of the World revenue growth noted above and the impact of the 45X Credit discussed below. Maintaining pricing discipline, favorable cost absorption, including lower freight and logistic costs, across our customer base and regions we serve were the primary drivers supporting the increased margin. We have also expanded our global supply chain that allows sourcing local material, provides flexibility servicing our customers and directly reduces freight and logistics costs. Freight and logistics costs as a percentage of cost of sales decreased by about 120 basis points during fiscal year 2025 compared to fiscal year 2024. Gross margin increased by 157 basis points from 32.5% for fiscal year 2024 to 34.1% for fiscal year 2025.

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, as more fully described in Note 2 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K. The 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. The 45X Credit was eligible for domestic parts manufactured after January 1, 2023. We have executed agreements with certain suppliers to grow 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. 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. Additionally, during fiscal year 2025 and pursuant to Section 6418 of the IRC, we contractually agreed with certain suppliers on the transfer and assignment of 45X Credits attributable to eligible parts produced and sold starting January 1, 2024 through December 31, 2024. Such 45X Credits, which were purchased at negotiated discounts, resulted in an offset of our federal tax payable as further discussed in Note 13 in the notes to the consolidated financial statements included elsewhere in this Annual report on Form 10-K.

Selling, general and administrative expenses

Selling, general and administrative expenses increased \$106.8 million, or 58%, to \$290.3 million for fiscal year 2025, from approximately \$183.6 million in fiscal year 2024 while also increasing approximately 247 basis points from approximately 7.3% to over 9.8% 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 \$60.2 million incurred in conjunction with our 2022 equity incentive plan, and the remaining increase in costs of approximately \$46.5 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 \$37.0 million, or 87%, to \$79.4 million for fiscal year 2025 from approximately \$42.4 million during fiscal year 2024 driven by our continued investment in innovation, expanding our engineering team and supporting our new business acquisitions.

Interest expense

Interest expense modestly decreased \$0.7 million, or 5%, to \$13.1 million for fiscal year 2025 from \$13.8 million during fiscal year 2024.

Other income, net

Other income, net was \$22.0 million for fiscal year 2025, which primarily included \$22.2 million interest income, partially offset by \$1.4 million of unfavorable foreign currency exchange losses. Other income, net was \$34.7 million for fiscal year 2024, which primarily included a \$28.4 million of other tax related other income driven by the reduction of our liability under the TRA due to a decrease in our fiscal year state blended tax rate in fiscal year 2024.

Provision for income tax

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% in fiscal years 2025, 2024 and 2023. For fiscal years 2025, 2024 and 2023, we recorded total income tax expense of \$130.8 million, \$111.8 million and \$47.8 million, respectively, which reflected consolidated effective income tax rates of 20.2%, 18.4% and 28.2%, respectively. The increase in tax expense as well as effective tax rate from fiscal year 2024 to 2025 is driven by a reduction in tax benefits related to stock based compensation associated with the non-deductible executive compensation, and the change in the amount of non-controlling interests as further described in Note 6 in the notes to the consolidated financial statements included elsewhere in this Annual report on Form 10-K.

During fiscal year 2025, 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 \$8.6 million income tax benefit was recorded as a discrete item in fiscal year 2025 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.

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.

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

In connection with the IPO, Nextracker Inc. and the LLC, as the borrower, entered into a senior credit facility with a syndicate of banks (as amended from time to time, the “2023 Credit Agreement”) comprised of (i) a term loan in the aggregate principal amount of \$150.0 million (the “Term Loan”), and (ii) a revolving credit facility in an aggregate principal amount of \$500.0 million (the “RCF”). The RCF is available to fund working capital, capital expenditures and other general corporate purposes.

On February 19, 2025, the Company repaid in full all outstanding obligations under the Term Loan under the 2023 Credit Agreement and wrote off an immaterial amount of unamortized issuance cost associated with the Term Loan upon the repayment.

As a result of an amendment to the 2023 Credit Agreement entered into by Nextracker Inc. and the LLC on June 21, 2024, the Company capitalized \$6.0 million of issuance costs for the RCF which is included in other assets on the consolidated balance sheets as of March 31, 2025. These issuance costs along with the unamortized issuance costs associated with the RCF that were outstanding as of the June 21, 2024 will be amortized over the remaining term of the 2023 Credit Agreement.

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 is available for the issuance of letters of credit, which was increased from \$300.0 million to \$500.0 million by an amendment to the 2023 Credit Agreement entered into by Nextracker Inc. and the LLC on June 21, 2024. 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 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 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 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.

Borrowings under the 2023 Credit Agreement are prepayable and commitments subject to being reduced in each case at the LLC’s option without premium or penalty. The 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 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 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 2023 Credit Agreement requires the LLC to maintain a consolidated total net leverage ratio below a certain threshold. As of March 31, 2025, we were in compliance with all applicable covenants under the 2023 Credit Agreement 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 CI 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 Note 13 in the notes to the consolidated financial statements included elsewhere in this Annual Report on 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

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Net cash provided by operating activities	\$ 655,794	\$ 428,973	\$ 107,669
Net cash used in investing activities	(186,096)	(6,660)	(3,159)
Net cash used in financing activities	(177,649)	(78,267)	(3,572)

Fiscal year 2025

Net cash provided by operating activities was \$655.8 million during fiscal year 2025. Total cash provided during the period was driven by net income of \$517.2 million adjusted for non-cash charges of approximately \$139.6 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. Our net working capital accounts remained consistent year over year as the increase in our accounts receivable, including Section 45X credit receivable, and other assets were offset by increased accounts payable net of a reduction in other current liabilities. Other current and noncurrent liabilities decreased \$55.1 million primarily due to a decrease in accrued freight, accounts receivable and contract assets in aggregate increased \$56.4 million due to the timing of billings and deliveries. Further, a \$92.1 million increase was attributable to our Section 45X credit receivable. Other current and noncurrent assets increased \$67.9 million driven by advance payments to suppliers. Offsetting the cash outflows were increases in accounts payable of \$102.9 million, due to increased volume and timing of related payment cycles, and increases in deferred revenue of \$34.7 million driven primarily by increased deposits on higher bookings during the year.

Net cash used in investing activities was approximately \$186.1 million and directly attributable to the \$152.2 million payment for the acquisitions completed during the fiscal year, net of cash acquired, coupled with a \$33.9 million purchase of property and equipment.

Net cash used in financing activities was \$177.6 million primarily resulting from a \$150.0 million repayment of our Term Loan, 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 for issuance costs for the RCF.

Fiscal year 2024

Net cash provided by operating activities was \$429.0 million during fiscal year 2024. Total cash provided during the period was driven by net income of \$496.2 million adjusted for non-cash charges of approximately \$25.5 million primarily related to deferred income taxes associated with our Tax Receivable Agreement partially offset by stock-based compensation expense, depreciation and amortization; coupled with depreciation, amortization 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 \$92.8 million. Accounts receivable and contract assets in aggregate increased approximately \$213.1 million during fiscal year 2024, resulting from a significant increase in revenue during the second half of the fiscal year, and increase of inventories of approximately \$61.0 million due to strong future demand. Partially offsetting the cash outflows were increases in accounts payable of approximately \$245.4 million partially associated with increased volume in the second half of the fiscal year and increase in our payment cycles, increases in deferred revenue of

approximately \$82.6 million driven by increased deposits on higher bookings during the fiscal year, coupled with increases in other assets of \$104.2 million primarily related to the recognition of the vendor rebate receivables, and increases in other liabilities of approximately \$42.5 million primarily due to the increase in the TRA liability.

Net cash used in investing activities was approximately \$6.7 million and directly attributable to the purchase of property and equipment.

Net cash used in financing activities was \$78.3 million primarily resulting from the tax distributions to our non-controlling interest holders pursuant to the LLC Agreement, and our payment to Flex for the cash pool payable outstanding to Flex. After repaying such amount to Flex, no such cash pool payable was outstanding as of March 31, 2024.

Fiscal year 2023

Net cash provided by operating activities was \$107.7 million during fiscal year 2023. Total cash provided during the period was driven by net income of \$121.3 million adjusted for non-cash charges of approximately \$65.6 million primarily related to stock-based compensation expense, deferred income taxes associated with the Tax Receivable Agreement that we entered into in connection with the IPO; coupled with depreciation and amortization. Cash from net income was decreased by the overall increase in our net operating assets and liabilities, primarily our net working capital accounts, resulting in an outflow of approximately \$79.2 million. Accounts receivable and contract assets in aggregate increased approximately \$167.3 million during fiscal year 2023, resulting from increased sales, longer billing and collection periods. Other assets increased by \$19.0 million primarily due to advance payments to suppliers to secure product with longer lead times and expansion of supplier capacity in the United States, continued logistics constraints and increased operations. Accounts payable decreased approximately \$37.0 million, which was directly associated with the offsetting decrease in inventory of approximately \$25.1 million. The decline in inventory and accounts payable are directly attributable to our continued expansion of U.S. manufacturing that has reduced our in-transit time for our inventory. Offsetting the cash outflows were increases in deferred revenue of approximately \$120.5 million, primarily resulting from increased operations, upfront funding of new contracts, and increases in other liabilities of approximately \$21.8 million.

Net cash used in investing activities was approximately \$3.2 million and directly attributable to the purchase of property and equipment.

Net cash used in financing activities was \$3.6 million primarily resulting from net inflows of \$150.0 million from our credit facilities, coupled with net cash transfers from Flex of \$24.2 million primarily pursuant to the centralized cash management function performed by Flex. Offsetting these inflows was a distribution of \$175.0 million that we made to Flex (through Yuma and Yuma Sub, and TPG Rise, as further described in Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K). We did not retain the proceeds of the IPO, which were distributed to the pre-IPO owners in exchange for LLC common units.

Cash management and financing

We had a total liquidity of approximately \$1.7 billion as of March 31, 2025, 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 balance as of March 31, 2025.

Contractual obligations and commitments

As discussed in the “Credit Facilities” section above, we repaid in full all outstanding obligations under the Term Loan under the 2023 Credit Agreement. For further details on the 2023 Credit Agreement, refer to Note 9 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

We have historically maintained a low level of net working capital requirements and funded those requirements through cash from operations as we do not require a significant amount of investment to fund growth. The Company currently does not participate in off-balance sheet financial arrangements. We have purchase obligations that arise in the normal course of business primarily consisting of binding purchase orders for inventory-related items.

We also have leased certain facilities under operating lease commitments as further described in Note 3 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

We also have outstanding firm purchase orders with certain suppliers for the purchase of inventory, which are not included in the table above. Most of the purchase obligations are generally short-term in nature. We generally do not enter into non-cancelable purchase orders for materials. Our purchase obligations can fluctuate significantly from period to period and can materially impact our future operating asset and liability balances, and our future working capital requirements. We intend to use our existing cash balances, together with anticipated cash flows from operations to fund our existing and future contractual obligations.

Recently adopted accounting pronouncements

Refer to Note 2 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K for recently adopted accounting pronouncements.

ITEM 7A. 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 as of March 31, 2025. Refer to Note 9 in the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

There were no material changes in our exposure to market risks for changes in interest and foreign currency exchange rates for the fiscal year ended March 31, 2025 as compared to the fiscal year ended March 31, 2024, except with respect to potential interest rate changes to our senior credit facilities, for which the impact was immaterial for the fiscal year ended 2025.

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 percentage of revenue from our largest customers that exceeded 10% of our total revenue during the periods included below:

	Fiscal year ended March 31,		
	2025	2024	2023
Customer A	*	*	17.4%
Customer G	*	17.0%	*
Top five largest customers	32.0%	41.1%	40.5%

* Percentage below 10%

Our trade accounts receivables 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.

The following table sets forth the percentage of accounts receivable, net and contract assets, from our largest customers that exceeded 10% of our total accounts receivable, net and contract assets during the periods included below:

	As of March 31,		
	2025	2024	2023
Customer A	*	12.4%	15.2%
Customer F	*	*	14.0%
Customer G	*	15.5%	*
Flex	11.5%	*	*
Top five largest customers	32.1%	46.5%	43.5%

* Percentage below 10%

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 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 March 31, 2025 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 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Nextracker Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Nextracker Inc. and subsidiaries (the "Company") as of March 31, 2025 and 2024, the related consolidated statements of operations and comprehensive income, redeemable interest and stockholders' deficit / parent company equity (deficit), and cash flows, for each of the three years in the period ended March 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated May 21, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Contract Estimates, Revenue Recognition– Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company recognizes solar tracker system project revenues over time, based on costs incurred to date on the project as a percentage of total expected costs to be incurred. Revenue for the year ended March 31, 2025 includes amounts recorded for projects which are not yet complete and therefore require estimation. Accounting for contracts for which revenue is recognized over time requires management to estimate the total expected costs to be incurred. As part of these estimates, management must make various assumptions regarding the cost and availability of materials including variable freight costs. Certain assumptions, mainly the cost of materials and cost of variable freight, are subject to considerable judgment, and they are sensitive to various assumptions and inputs such as changes in expected costs for materials and freight.

Auditing management's estimates of total expected costs to be incurred was challenging due to significant judgments made by management with respect to materials and freight as future results may vary significantly from past estimates due to changes in facts and circumstances as the project progresses to completion. This led to significant auditor judgment and effort in performing procedures to evaluate management's estimates of the total expected costs to be incurred in order to complete projects.

How the Critical Audit Matter Was Addressed in the Audit

We have focused our procedures on the assumptions with higher judgment and which have a material impact to the financials. We have determined such assumptions to include materials and variable freight costs. Our audit procedures related to management's estimates of total expected costs to be incurred included the following, among others:

- We performed a thorough risk assessment on the assumptions used in the calculation to identify the assumptions that involve higher judgment and have material impact to the financial statements.
- We tested the design and implementation as well as operating effectiveness of management's control for determining the estimates of total expected costs to be incurred.
- We evaluated the reasonableness of significant assumptions involved and management's ability to estimate total expected costs to be incurred for a sample of projects by:
 - Testing the underlying data utilized in management's estimates by agreeing to source data or by developing an independent expectation.
 - Performing retrospective reviews by comparing actual performance to previously estimated performance to evaluate the thoroughness and precision of management's estimation process.
 - Testing the mathematical accuracy of management's cumulative revenue adjustments recorded during the year.

/s/ DELOITTE & TOUCHE LLP

San Jose, California

May 21, 2025

We have served as the Company's auditor since 2021.

Nextracker Inc.
Consolidated balance sheets
(In thousands, except per share and per share amounts)

	As of March 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 766,103	\$ 474,054
Accounts receivable, net of allowance of \$1,472 and \$3,872, respectively	472,462	382,687
Contract assets	405,890	397,123
Inventories	209,432	201,736
Section 45X credit receivable	215,616	125,415
Other current assets	88,483	187,220
Total current assets	2,157,986	1,768,235
Property and equipment, net	60,395	9,236
Goodwill	371,018	265,153
Other intangible assets, net	53,241	1,546
Deferred tax assets	498,778	438,272
Other assets	51,098	36,340
Total assets	<u>\$ 3,192,516</u>	<u>\$ 2,518,782</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 585,299	\$ 456,639
Accrued expenses	97,000	82,410
Deferred revenue	247,127	225,539
Current portion of long-term debt	—	3,750
Other current liabilities	104,086	123,148
Total current liabilities	1,033,512	891,486
Long-term debt, net of current portion	—	143,967
Tax receivable agreement (TRA) liability	394,879	391,568
Long-term deferred revenue	96,635	69,331
Other liabilities	39,360	30,402
Total liabilities	1,564,386	1,526,754
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Class A common stock, \$0.0001 par value, 900,000,000 shares authorized, 145,648,231 shares and 140,773,223 shares issued and outstanding, respectively	15	14
Class B common stock, \$0.0001 par value, 500,000,000 shares authorized, zero shares and 3,856,175 shares issued and outstanding, respectively	—	—
Accumulated deficit	(2,557,410)	(3,066,578)
Additional paid-in-capital	4,185,823	4,027,560
Accumulated other comprehensive (loss) income	(298)	17
Total Nextracker Inc. stockholders' equity	1,628,130	961,013
Non-controlling interest	—	31,015
Total stockholders' equity	1,628,130	992,028
Total liabilities and stockholders' equity	<u>\$ 3,192,516</u>	<u>\$ 2,518,782</u>

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

Nextracker Inc.
Consolidated statements of operations and comprehensive income
(In thousands, except share and per share amounts)

	Fiscal year ended March 31,		
	2025	2024	2023
Revenue	\$ 2,959,197	\$ 2,499,841	\$ 1,902,137
Cost of sales	1,950,372	1,686,792	1,615,164
Gross profit	1,008,825	813,049	286,973
Selling, general and administrative expenses	290,321	183,571	96,869
Research and development	79,392	42,360	21,619
Operating income	639,112	587,118	168,485
Interest expense	13,096	13,820	1,833
Other income, net	(22,000)	(34,699)	(2,431)
Income before income taxes	648,016	607,997	169,083
Provision for income taxes	130,770	111,782	47,750
Net income and comprehensive income	\$ 517,246	\$ 496,215	\$ 121,333
Less: Net income attributable to Nextracker LLC prior to the reorganization transactions	—	—	117,744
Less: Net income attributable to non-controlling interests and redeemable non-controlling interests	8,078	189,974	2,446
Net income attributable to Nextracker Inc.	<u>\$ 509,168</u>	<u>\$ 306,241</u>	<u>\$ 1,143</u>
Earnings per share attributable to Nextracker Inc. common stockholders (1)			
Basic	\$ 3.55	\$ 3.97	\$ 0.02
Diluted	\$ 3.47	\$ 3.37	\$ 0.02
Weighted-average shares used in computing per share amounts:			
Basic	143,539,344	77,067,639	45,886,065
Diluted	149,275,950	147,284,330	145,851,637

(1) For fiscal year 2023, basic and diluted income per share is applicable only for the period February 9, 2023 through March 31, 2023, which is the period following the initial public offering (“IPO”) and the related Transactions. See Note 8 for the calculation of shares used in the computation of earnings per share and the basis for the computation of earnings per share.

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

Nexttracker Inc.

Consolidated statements of redeemable interest and stockholders' deficit / parent company equity (deficit) (In thousands, except share amounts)

	Redeemable preferred units	Redeemable non- controlling interests	Accumulated net parent investment (deficit)	Class A common stock		Class B common stock		Additional paid-in- capital	Accumulated deficit	Accumulated other comprehensive income	Total Nexttracker Inc. stockholders' equity (deficit)	Non- controlling interests	Total stockholders' equity (deficit)
				Shares outstanding	Amounts	Shares outstanding	Amounts						
BALANCE AT MARCH 31, 2022	\$ 504,168	\$ —	\$ (3,035)	—	\$ —	—	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Net income prior to reorganization transactions	—	—	117,744	—	—	—	—	—	—	—	—	—	—
Stock-based compensation expense prior to reorganization	—	—	3,143	—	—	—	—	—	—	—	—	—	—
Paid-in-kind dividend for Series A redeemable preferred units	21,427	—	(21,427)	—	—	—	—	—	—	—	—	—	—
Net transfer to Parent	—	—	(31,544)	—	—	—	—	—	—	—	—	—	—
Distribution to Yuma, Yuma Sub and TPG	—	—	(175,000)	—	—	—	—	—	—	—	—	—	—
Effect of reorganization transactions	(525,595)	265,564	110,119	15,279,190	2	—	—	149,915	—	—	149,917	—	149,917
Issuance of Class A common stock sold in IPO	—	—	—	30,590,000	3	—	—	693,778	—	—	693,781	—	693,781
Issuance of Class B common stock to Yuma, Yuma Sub and TPG	—	—	—	—	—	128,794,522	10	66	—	—	76	—	76
Use of IPO proceeds as consideration for Yuma's transfer of LLC common unit	—	—	—	—	—	(30,590,000)	—	(693,781)	—	—	(693,781)	—	(693,781)
Establishment of tax receivable agreement	—	—	—	—	—	—	—	36,864	—	—	36,864	—	36,864
Net income subsequent to reorganization transactions	—	2,446	—	—	—	—	—	—	1,143	—	1,143	—	1,143
Stock-based compensation expense subsequent to reorganization	—	—	—	—	—	—	—	28,851	—	—	28,851	—	28,851
Issuance of Class A common stock	—	—	—	16,875	—	—	—	—	—	—	—	—	—
Redemption value adjustment	—	3,292,618	—	—	—	—	—	(215,693)	(3,076,925)	—	(3,292,618)	—	(3,292,618)
BALANCE AT MARCH 31, 2023	\$ —	\$3,560,628	\$ —	45,886,065	\$ 5	98,204,522	\$ 10	\$ —	\$ (3,075,782)	\$ —	\$ (3,075,767)	\$ —	\$ (3,075,767)
Net income	—	171,937	—	—	—	—	—	—	306,241	—	306,241	18,037	324,278
Stock-based compensation expense and other	—	—	—	—	—	—	—	56,783	—	—	56,783	—	56,783
Vesting of Nexttracker Inc. RSU awards	—	—	—	538,811	—	—	—	—	—	—	—	—	—
Issuance of Class A common stock sold in follow-on offering	—	—	—	15,631,562	1	—	—	552,008	—	—	552,009	—	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)	—	(552,009)
Value adjustment of tax receivable agreement	—	—	—	—	—	—	—	18,337	—	—	18,337	—	18,337
Reclassification of redeemable non-controlling interest	—	(622,292)	—	—	—	—	—	622,292	—	—	622,292	—	622,292
Tax distribution	—	(64,365)	—	—	—	—	—	(2,792)	—	—	(2,792)	(2,515)	(5,307)
Redemption value adjustment	—	822,635	—	—	—	—	—	(525,598)	(297,037)	—	(822,635)	—	(822,635)
Effect of spin-off from Flex	—	(3,868,543)	—	74,432,619	7	(74,432,619)	(7)	3,835,711	—	—	3,835,711	32,832	3,868,543
Shares exchanged by non-controlling interest holders	—	—	—	4,284,166	1	(4,284,166)	(1)	22,826	—	—	22,826	(17,339)	5,487
Total other comprehensive gain	—	—	—	—	—	—	—	—	—	17	17	—	17
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

Nextracker Inc.

Consolidated statements of redeemable interest and stockholders' deficit / parent company equity (deficit) (continued)

(In thousands, except share amounts)

	Redeemable preferred units	Redeemable non- controlling interests	Class A common stock			Class B common stock			Additional paid-in- capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total Nextracker Inc. stockholders' equity	Non- controlling interests	Total stockholders' equity									
			Accumulated net parent investment	Shares outstanding	Amounts	Shares outstanding	Amounts																
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		—		—		—		—		—		509,168		—		509,168		8,078		517,246			
Stock-based compensation expense		—		—		—		—		118,880		—		—		118,880		—		118,880			
Vesting of Nextracker Inc. RSU awards		—		—		—		999,928		—		—		—		—		—		—			
Exercise of Nextracker Inc. Options awards		—		—		—		18,905		—		—		—		—		—		—			
Shares exchanged by non-controlling interest holders		—		—		—		3,856,175		1	(3,856,175)		—		29,970		—		29,971		(29,971)		—
TRA revaluation		—		—		—		—		—		7,635		—		—		7,635		—		7,635	
Stock-based compensation tax benefits		—		—		—		—		—		(1,698)		—		—		(1,698)		—		(1,698)	
Other equity		—		—		—		—		—		3,476		—		—		3,476		—		3,476	
Tax distribution		—		—		—		—		—		—		—		—		—		(9,122)		(9,122)	
Total other comprehensive loss		—		—		—		—		—		—		(315)		—		(315)		—		(315)	
BALANCE AT MARCH 31, 2025	\$	—	\$	—	\$	—	145,648,231	\$	15	—	\$	—	\$4,185,823	\$ (2,557,410)	\$	(298)	\$	1,628,130	\$	—	\$	1,628,130	

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

Nextracker Inc.
Consolidated statements of cash flows
(In thousands)

	Fiscal year ended March 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	\$ 517,246	\$ 496,215	\$ 121,333
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	13,407	4,363	4,626
Provision for (recovery of) credit losses	(2,399)	2,427	1,243
Non-cash other expense (income)	16,599	(638)	1,609
Amortization of debt issuance cost	1,824	571	143
Stock-based compensation	118,880	56,783	31,994
Deferred income taxes	(8,744)	(37,990)	25,990
Changes in operating assets and liabilities:			
Accounts receivable	(47,648)	(113,955)	(160,265)
Contract assets	(8,767)	(99,163)	(7,084)
Inventories	(2,970)	(60,981)	25,062
Section 45X credit receivable	(92,086)	(125,415)	—
Other current and noncurrent assets	67,916	21,244	(18,984)
Accounts payable	102,905	245,374	(37,026)
Other current and noncurrent liabilities	(55,055)	(42,468)	21,838
Deferred revenue (current and noncurrent)	34,686	82,606	120,472
Due to related parties	—	—	(23,282)
Net cash provided by operating activities	655,794	428,973	107,669
Cash flows from investing activities:			
Payment for acquisitions, net of cash acquired	(152,175)	—	—
Purchases of property and equipment	(33,921)	(6,160)	(3,183)
Proceeds from the disposition of property and equipment	—	—	24
Purchase of intangible assets	—	(500)	—
Net cash used in investing activities	(186,096)	(6,660)	(3,159)
Cash flows from financing activities:			
Proceeds from bank borrowings and long-term debt	—	—	170,000
Repayments of bank borrowings	(150,000)	—	(20,000)
Payment of debt issuance cost	(6,017)	—	—
TRA payment	(15,520)	—	—
Distribution to non-controlling interest holders	(6,112)	(66,881)	(175,000)
Net proceeds from issuance of Class A shares	—	552,009	693,781
Net proceeds from issuance of Class B shares	—	—	76
Purchase of LLC common units from Yuma, Inc.	—	(552,009)	(693,781)
Net transfers (to) from Flex	—	(8,335)	24,205
Other financing activities	—	(3,051)	(2,853)
Net cash used in financing activities	(177,649)	(78,267)	(3,572)
Net increase in cash and cash equivalents	292,049	344,046	100,938
Cash and cash equivalents beginning of period	474,054	130,008	29,070
Cash and cash equivalents end of period	\$ 766,103	\$ 474,054	\$ 130,008

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

1. Description of business and organization of Nextracker Inc.

Nextracker Inc. and its subsidiaries ("Nextracker", "we", the "Company") is a leading solar technology platform provider used in power plants around the world. Nextracker's products enable solar power plants to follow the sun's movement across the sky and optimize performance. With products operating in more than forty countries worldwide, Nextracker offers solar tracker technologies and innovative solutions that accelerate solar power plant construction, increase performance, and enhance long-term reliability. Nextracker has operations in the United States, Brazil, Argentina, Peru, Mexico, Spain and other countries in Europe, India, Australia, the Middle East and Africa.

Prior to the completion of the Transactions, as described in Note 6, Nextracker operated as part of Flex Ltd. ("Flex") and not as a standalone entity. On December 19, 2022, Nextracker Inc. was formed as a Delaware corporation which was at the time a 100%-owned subsidiary of Yuma, Inc ("Yuma"), a Delaware corporation and former indirect wholly-owned subsidiary of Flex. Nextracker Inc. was formed for the purpose of completing the initial public offering of its Class A common stock (the "IPO") and other related Transactions, in order to carry on the business of Nextracker LLC ("Nextracker LLC" or "LLC").

On January 2, 2024, Flex closed the spin-off of all of its remaining interests in Nextracker to Flex shareholders (the "spin-off") and the Company is now operating as a standalone entity.

The Initial Public Offering ("IPO"), the follow-on offering and the separation from Flex

On February 8, 2023, the Company's registration statement on Form S-1 relating to its IPO was declared effective by the Securities and Exchange Commission ("SEC") and the shares of its Class A common stock began trading on the Nasdaq Global Select Market on February 9, 2023. The IPO closed on February 13, 2023, pursuant to which the Company issued and sold 30,590,000 shares of its Class A common stock at a public offering price of \$24.00 per share, giving effect to the exercise in full of the underwriter's option to purchase additional shares. The Company received net proceeds of \$693.8 million, after deducting \$40.4 million in underwriting discounts. The Company used all of the net proceeds from the IPO to purchase 30,590,000 Nextracker LLC common units from Yuma (see Note 6). On July 3, 2023 the Company completed a follow-on offering of Class A common stock and issued 15,631,562 shares of Class A common stock and received net proceeds of \$552.0 million. All of the net proceeds were used by Nextracker to purchase 14,025,000 Nextracker LLC common units from Yuma, and 1,606,562 Nextracker LLC common units from TPG Rise, an affiliate of TPG Inc. ("TPG"). Simultaneously, 14,025,000 and 1,606,562 shares of Class B common stock were surrendered by Flex and TPG, respectively, and cancelled. A proportionate share of redeemable non-controlling interest was reclassified to permanent equity as a result.

On October 25, 2023, pursuant to the terms of that certain Agreement and Plan of Merger, dated as of February 7, 2023 (the "Merger Agreement"), by and among Flex, Nextracker, Yuma, and Yuma Acquisition Corp., a wholly-owned subsidiary of Nextracker, Flex delivered to Nextracker the Merger Notice (as defined in the Merger Agreement) exercising Flex's right to effect the transactions contemplated by the Merger Agreement. Concurrently, the Company filed a Registration Statement on Form S-4, including in a final prospectus filed with the SEC on October 27, 2023.

On January 2, 2024, Flex closed the spin-off of all of its remaining interests in Nextracker to Flex shareholders (See Note 6). Simultaneously, 74,432,619 shares of Class B common stock previously owned by Flex were cancelled, and an equivalent number of shares of Class A common stock were issued to Flex shareholders on a pro-rata basis of their ownership interest in Flex's common stock.

On February 5, 2025, TPG exchanged all its remaining Nextracker LLC common units, together with a corresponding number of shares of Class B common stock of the Company, for shares of Class A common stock of the Company. As of March 31, 2025, the Company has no Class B common stock outstanding.

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 closed the spin-off of all its remaining interests in Nextracker LLC common units held by Yuma, Yuma Subsidiary, Inc., a Delaware corporation and wholly-owned subsidiary of Yuma (“Yuma Sub”), to Flex shareholders. Nextracker LLC common units held by Yuma, Yuma Sub, TPG Rise and the following affiliates of TPG: TPG Rise Climate Flash CI 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 were presented on the consolidated balance sheets as permanent equity under the caption “non-controlling interests.” As of March 31, 2025, the non-controlling interests previously presented on the consolidated balance sheets are no longer presented since TPG exchanged all its remaining Nextracker LLC common units, together with a corresponding number of shares of Class B common stock of the Company, for shares of Class A common stock of the Company. The exchange of all of TPG’s remaining Nextracker LLC common units results in the Company owning 100% of Nextracker LLC through its wholly owned subsidiaries. It also triggered a reconsideration event and the Company reevaluated if Nextracker LLC still met the definition of a VIE. As of March 31, 2025, the Company determined that Nextracker LLC no longer meets the definition of a VIE as the Company’s voting rights in Nextracker LLC are no longer disproportionate with its equity interests.

Basis of presentation

The accompanying 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. 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. All intercompany transactions and accounts within Nextracker have been eliminated.

As a result of the spin-off, Flex no longer directly or indirectly holds a financial interest in the Company. As of March 31, 2025, the non-controlling interests previously presented on the consolidated balance sheets are no longer presented.

Certain prior period presentations and disclosures were reclassified to ensure comparability with the current period presentation. Specifically, amounts owed to us by vendors as part of contractually agreed upon sharing of the economic value of such advanced manufacturing production credits previously presented as part of other current assets are now being presented as section 45X credit receivable on the consolidated balance sheets. The Company also recast fiscal year 2024 consolidated statements of cash flows reflecting similar reclassifications between changes in section 45X credit receivable and other current assets to align with the current year presentation. Additionally, deferred tax assets, current portion of long-term debt, and Tax Receivable Agreement (the “Tax Receivable Agreement” or “TRA”) liability and long-term deferred revenue, were reclassified to separate line items from other assets, other current liabilities and other liabilities, respectively, on the consolidated balance sheet as of March 31, 2024. Lastly, the deferred tax asset related to the interest deduction on investment in Nextracker LLC in Note 13, previously presented in the investment in Nextracker LLC deferred tax asset, is now presented as a separate line item.

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, net in the accompanying consolidated statements of operations and comprehensive income. The Company recognized net foreign currency exchange losses of \$1.4 million and \$2.5 million, respectively, during fiscal years 2025 and 2024, due to unfavorable exchange rate fluctuations in certain currencies. The Company recognized immaterial net foreign currency exchange gains during fiscal year 2023.

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. 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 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 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 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 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 consolidated financial position and results of operations.

Revenue recognition

The Company accounts for revenue in accordance with Accounting Standards Codification ("ASC") 606, *Revenue From Contracts With Customers* ("ASC 606") for all periods presented. In applying ASC 606, the Company recognizes revenue from the sale of solar tracker systems, parts, extended warranties on solar tracker systems components and energy yield management systems along with associated maintenance and support. In determining the appropriate amount of revenue to recognize, the Company applies the following steps: (i) identify the contracts with the customers; (ii) identify performance obligations in the contracts; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations per the contracts; and (v) recognize revenue when (or as) Nextracker satisfies a performance obligation. In assessing the recognition of revenue, the Company evaluates whether two or more contracts should be combined and accounted for as one contract and if the combined or single contract should be accounted for as multiple performance obligations. Further, the Company assesses whether control of the product or services promised under the contract is transferred to the customer at a point in time or over time.

The Company's contracts for specific solar tracker system projects with customers are predominantly accounted for as one performance obligation because the customer is purchasing an integrated service, which includes Nextracker's overall management of the solar tracker system project and oversight through the installation process to ensure a functioning system is commissioned at the customer's location. The Company's performance creates and enhances an asset that the customer controls as the Company performs under the contract, which is principally as tracker system components are delivered to the designated project site. Although the Company sources the component parts from third party manufacturers, it obtains control and receives title of such parts before transferring them to the customer because Nextracker is primarily responsible for fulfillment to its customer. The Company's engineering services and professional services are interdependent with the component parts whereby the parts form an input into a combined output for which it is the principal, and Nextracker could redirect the parts before they are transferred to the customer if needed. The customer owns the work-in-process over the course of the project and Nextracker's performance enhances a customer-controlled asset, resulting in the recognition of the performance obligation over time. The measure of progress is estimated using an input method based on costs incurred to date on the project as a percentage of total expected costs to be incurred. The costs of materials and hardware components are recognized as control is transferred to the customer, which is typically upon delivery to the customer site. As such, the cost-based input measure is considered the best measure of progress in depicting the Company's performance in completing a tracker system.

Contracts with customers that result in multiple performance obligations include contracts for the sale of components and solar tracker system project contracts with an extended warranty and/or which include the sale of energy yield management systems.

For contracts related to sale of components, Nextracker's obligation to the customer is to deliver components that are used by the customer to create a tracker system and does not include engineering or other professional services or the obligation to provide such services in the future. Each component is a distinct performance obligation, and often the components are delivered in batches at different points in time. Nextracker estimates the standalone selling price ("SSP") of each performance obligation based on a cost plus margin approach. Revenue allocated to a component is recognized at the point in time that control of the component transfers to the customer.

At times, a customer will purchase a service-type warranty with a tracker system project. Nextracker uses a cost plus margin methodology to determine the SSP for both the tracker system project and the extended warranty. The revenue allocated to each performance obligation is recognized over time based on the period over which control transfers. The Company recognizes revenue allocated to the extended warranty on a straight-line basis over the contractual service period, which is generally 10 to 15 years. This period starts once the standard workmanship warranty expires, which is generally 2 to 10 years from the date control of the underlying tracker system components is transferred to the customer. To date, revenues recognized related to extended warranty were not material.

Nextracker generates revenues from sales of its TrueCapture and NX Navigator offerings, which are often sold separately from the tracker system. These systems are generally sold with maintenance services, which include ongoing security updates, upgrades, bug fixes and support. The energy yield management and the maintenance services are separate performance obligations. Nextracker estimates the SSP of the energy yield management using an adjusted market approach and estimates the SSP of the maintenance service using a cost plus margin approach. Revenue allocated to the energy yield management is recognized at a point in time upon transfer of control of the energy yield management, and revenue allocated to the maintenance service is generally recognized over time on a straight-line basis during the maintenance term. Revenues related to sales of energy yield management were \$55.3 million for the fiscal year ended March 31, 2025 and not material for the fiscal years ended March 31, 2024 and 2023.

Contract estimates

Accounting for contracts for which revenue is recognized over time requires Nextracker to estimate the expected margin that will be earned on the project. These estimates include assumptions on the cost and availability of materials including variable freight costs. Nextracker reviews and updates its contract-related estimates each reporting period and recognizes changes in estimates on contracts under the cumulative catch-up method. Under this method, the impact of the adjustment on profit recorded to date is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance is recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, Nextracker recognizes the total loss in the period it is identified.

Contract balances

The timing of revenue recognition, billings and cash collections results in contract assets and contract liabilities (deferred revenue) on the 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 \$405.9 million and \$397.1 million as of March 31, 2025 and March 31, 2024, respectively, are presented in the consolidated balance sheets, of which \$140.4 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.

During the fiscal years ended March 31, 2025 and 2024, Nextracker converted \$203.3 million and \$152.3 million deferred revenue to revenue, respectively, which represented 69% and 72%, respectively, of the beginning period balance of deferred revenue.

Remaining performance obligations

As of March 31, 2025, Nextracker had \$343.8 million of the transaction price allocated to the remaining performance obligations. The Company expects to recognize revenue on approximately 72% 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.

Practical expedients and exemptions

Nextracker has elected to adopt certain practical expedients and exemptions as allowed under ASC 606, such as (i) recording sales commissions as incurred because the amortization period is less than one year, (ii) not adjusting for the effects of significant financing components when the contract term is less than one year, (iii) excluding collected sales tax amounts from the calculation of revenue and (iv) accounting for the costs of shipping and handling activities that are incurred after the customer obtains control of the product as fulfillment costs rather than a separate service provided to the customer for which consideration would need to be allocated.

Inflation Reduction Act of 2022 (“IRA”) 45X Vendor Rebates and Assignments

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 (“IRC”) 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. The Company has executed agreements with certain suppliers to grow its U.S. manufacturing footprint. These suppliers produce 45X Credit-eligible parts, including torque tubes and structural fasteners, that will then be incorporated into a solar tracker. The 45X Credit was eligible for domestic parts manufactured after January 1, 2023. The Company has contractually agreed with these suppliers to either share a portion of the economic value of the credit related to Nextracker's purchases in the form of a vendor rebate or assign their credit directly to the Company (“an assignment”) pursuant to Section 6418 of the IRC. The Company accounts for these 45X Credits shared and assigned to the Company 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 the Company recognizes such amounts as a reduction of cost of sales on the consolidated statements of operations and comprehensive income. 45X Credits assigned to Nextracker are also treated as a reduction to the Company's federal tax payable as further discussed in Note 13.

During the fourth quarter of fiscal year 2024, the Company determined the amount and collectability of the 45X Credit vendor rebates it expects to receive in accordance with the vendor contracts and recognized a cumulative reduction to cost of sales of \$121.4 million related to 45X Credit vendor rebates earned on production of eligible components shipped to projects starting on January 1, 2023 through March 31, 2024.

Fair value

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability. The accounting guidance for fair value establishes a fair value hierarchy based on the level of independent objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is as follows:

Level 1 - Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 - Applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, such as: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets) such as cash and cash equivalents and money market funds; or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 - Applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The fair values of Nextracker's cash and cash equivalents, accounts receivable, and accounts payable approximate their carrying values due to their short maturities.

Concentration of credit risk

Financial instruments which potentially subject the Company to concentrations of credit risk are primarily accounts receivable, derivative instruments, and cash and cash equivalents.

Customer credit risk

Nextracker has an established customer credit policy, through which it manages customer credit exposures through credit evaluations, credit limit setting, monitoring and enforcement of credit limits for new and existing customers. Nextracker performs ongoing credit evaluations of its customers' financial condition and makes provisions for credit losses based on the outcome of those credit evaluations. Nextracker evaluates the collectability of its accounts receivable based on specific customer circumstances, current economic trends, historical experience with collections and the age of past due receivables. To the extent Nextracker identifies exposures as a result of credit or customer evaluations, Nextracker also reviews other customer related exposures, including but not limited to contract assets, inventory and related contractual obligations.

The following table summarizes the activity in Nextracker's allowance for credit losses during fiscal years 2025, 2024 and 2023:

	Balance at beginning of year	Charges/ (recoveries) to costs and expenses (1)	Deductions/ Write-Offs	Balance at end of year
Allowance for credit losses:				
	<i>(In thousands)</i>			
Year ended March 31, 2023	\$ 3,574	\$ (1,054)	\$ (752)	\$ 1,768
Year ended March 31, 2024	1,768	2,197	(93)	3,872
Year ended March 31, 2025	3,872	(2,399)	(1)	1,472

(1) Charges and recoveries incurred during fiscal years 2025, 2024 and 2023 are primarily for costs and expenses or bad debt and recoveries related to various distressed customers.

The following table sets forth the revenue from customers that individually accounted for greater than 10% of the Company's revenue and the respective percentages during the periods included below:

	Fiscal year ended March 31,					
	2025		2024		2023	
	<i>(In millions, except percentages)</i>					
Customer A	*	*	*	*	\$ 331.0	17.4%
Customer G	*	*	\$ 426.1	17.0%	*	*

* Percentage below 10%

The following table sets forth the percentage of accounts receivable, net and contract assets, from the Company's largest customers that exceeded 10% of its total accounts receivable, net and contract assets as of the periods included below:

	As of March 31,		
	2025	2024	2023
Customer A	*	12.4%	15.2%
Customer F	*	*	14.0%
Customer G	*	15.5%	*
Flex	11.5%	*	*

* Percentage below 10%

Accounts receivable, net

Nextracker's accounts receivable are due primarily from solar contractors across the United States and internationally. Credit is extended in the normal course of business based on evaluation of a customer's financial condition and, generally, collateral is

not required. Trade receivables consist of uncollateralized customer obligations due under normal trade terms requiring payment within 30 to 90 days of the invoice date. Management regularly reviews outstanding accounts receivable and provides for estimated losses through an allowance for credit losses. In evaluating the level of the allowance for credit losses, Nextracker makes judgments regarding the customers' ability to make required payments, economic events and other factors. As the financial conditions of Nextracker's customers change, circumstances develop or additional information becomes available, adjustments to the allowance for credit losses may be required. When deemed uncollectible, the receivable is charged against the allowance.

Product warranty

Nextracker offers an assurance type warranty for its products against defects in design, materials and workmanship for a period ranging from two 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 the Company's 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 fiscal years ended March 31, 2025 and 2024:

	As of March 31,	
	2025	2024
	<i>(In thousands)</i>	
Beginning balance	\$ 12,511	\$ 22,591
Provision (release) for warranties issued	11,613	(4,459)
Payments	(6,143)	(5,621)
Ending balance	<u>\$ 17,981</u>	<u>\$ 12,511</u>

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.

Property and equipment, net

Property and equipment are stated at cost, or acquisition-date fair value for property and equipment acquired in business combinations, less accumulated depreciation and amortization. Depreciation and amortization are recognized on a straight-line basis over the estimated useful lives of the related assets, with the exception of building leasehold improvements, which are depreciated over the term of the lease, if shorter. Repairs and maintenance costs are expensed as incurred. Property and equipment is comprised of the following:

	Depreciable life (In years)	As of March 31,	
		2025	2024
		(In thousands)	
Machinery and equipment	3 - 8	\$ 37,929	\$ 10,623
Leasehold improvements	Up to 5	10,854	5,168
Furniture, fixtures, computer equipment and software	3 - 7	13,515	11,783
Construction-in-progress	—	18,942	3,051
		81,240	30,625
Accumulated depreciation		(20,845)	(21,389)
Property and equipment, net		\$ 60,395	\$ 9,236

Total depreciation expense associated with property and equipment was approximately \$7.9 million, \$4.1 million, and \$3.4 million in fiscal years 2025, 2024 and 2023, respectively.

Nextracker reviews property and equipment for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of property and equipment is determined by comparing the carrying amount to the lowest level of identifiable projected undiscounted cash flows the property and equipment are expected to generate. An impairment loss is recognized when the carrying amount of property and equipment exceeds the fair value. Management determined there was no impairment for the fiscal years ended March 31, 2025, 2024 and 2023.

Deferred income taxes

Nextracker accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statement carrying amounts and tax basis of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized or settled. Nextracker recognizes a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Nextracker accounts for uncertain income tax positions by recognizing the impact of a tax position in its consolidated financial statements when Nextracker believes it is more likely than not that the tax position would not be sustained upon examination by the appropriate tax authorities based on the technical merits of the position.

Income taxes

The Company operates in numerous states and countries and must allocate its income, expenses, and earnings under the various laws and regulations of each of these taxing jurisdictions. Accordingly, the Company's provision for income taxes represents its total estimate of the liability for income taxes that the Company has incurred in doing business each year in the jurisdictions in which Nextracker operates. Annually, the Company files tax returns that represent its filing positions with each jurisdiction and settles its tax return liabilities. Each jurisdiction has the right to audit those tax returns and may take different positions with respect to income and expense allocations and taxable earnings determinations. Because the determination of the Company's annual income tax provision is subject to judgments and estimates, actual results may vary from those recorded in its financial statements. The Company recognizes additions to and reductions in income tax expense during a reporting period that pertains to prior period provisions as its estimated liabilities are revised and its actual tax returns and tax audits are completed.

Goodwill and other intangibles assets

In accordance with accounting standards related to business combinations, goodwill is not amortized; however, certain finite-lived identifiable intangible assets, primarily customer relationships and acquired developed technology, are amortized over their estimated useful lives. Nextracker reviews identified intangible assets and goodwill for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Nextracker also tests goodwill at

least annually for impairment at the beginning of its fourth fiscal quarter. Refer to Note 5 for additional information about goodwill and other intangible assets.

Other current assets

Other current assets include short-term deposits and advances of \$50.2 million and \$104.7 million as of March 31, 2025 and 2024, respectively, primarily related to advance payments to certain vendors for procurement of inventory.

Deferred tax assets

Deferred tax assets of \$498.8 million and \$438.3 million as of March 31, 2025 and 2024, respectively, primarily related to the Company's investment in Nextracker LLC as further described in Note 13.

Accrued expenses

Accrued expenses include accruals primarily for freight and tariffs of \$42.9 million and \$43.2 million as of March 31, 2025 and 2024, respectively. In addition, accrued expenses also includes \$54.1 million and \$39.2 million accrued payroll as of March 31, 2025 and 2024, respectively.

Tax Receivable Agreement and 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 \$419.4 million and \$391.6 million, as of March 31, 2025 and 2024, respectively, of which \$394.9 million and \$391.6 million, respectively, were included in TRA liabilities and \$24.5 million and zero, respectively, were included in other current liabilities on the consolidated balance sheets, representing 85% of the estimated future tax benefits subject to the TRA. Any U.S. federal, state and local income tax or franchise tax that the Company realizes or is deemed to realize (determined by using certain assumptions) as a result of favorable tax attributes, will be available to the Company as a result of certain transactions contemplated in connection with Nextracker's IPO, exchanges of Class A common stock and payments made under the TRA. The actual amount and timing of any payments under these agreements, will vary depending upon a number of factors, including, among others, the amount and timing of the taxable income the Company generates in the future and the tax rate then applicable, and the portion of its payments under the tax receivable agreements constituting imputed interest. Estimating future taxable income is inherently uncertain and requires judgment. In projecting future taxable income, the Company considers its historical results as well as assumptions related to future forecasts for its various businesses by location. The impact of any changes in the total projected obligations recorded under the tax receivable agreements as a result of actual changes in the geographic mix of the Company's earnings, changes in tax legislation and tax rates or other factors that may impact its actual tax savings realized will be reflected in income before taxes in the period in which the change occurs. During fiscal year 2025, a payment of \$15.5 million was made to Flex, TPG and the TPG Affiliates, which is presented as a financing activity on the consolidated statement of cash flows.

Other liabilities

Other liabilities primarily consist of long-term lease liabilities, as disclosed in the "Leases" section below, and the long-term portion of standard product warranty liabilities of \$6.4 million and \$6.4 million as of March 31, 2025 and 2024, respectively.

Stock-based compensation

Stock-based compensation is accounted for in accordance with ASC 718-10, *Compensation-Stock Compensation*. The Company records stock-based compensation costs related to its incentive awards. Stock-based compensation cost is measured at the grant date based on the fair value of the award. Compensation cost for time-based awards is recognized on a straight-line basis over the respective vesting period. Compensation cost for performance-based awards with a performance condition is reassessed each period and recognized based upon the probability that the performance conditions will be achieved. The performance-based awards with a performance condition are expensed when the achievement of performance conditions are probable. The total expense recognized over the vesting period will only be for those awards that ultimately vest and forfeitures are recorded when they occur. Refer to Note 7 for further discussion.

Leases

Nextracker is a lessee with several non-cancellable operating leases, primarily for warehouses, buildings, and other assets such as vehicles and equipment. The Company determines if an arrangement is a lease at contract inception. A contract is a lease or contains a lease when (i) there is an identified asset, and (ii) the customer has the right to control the use of the identified asset. The Company recognizes a right-of-use ("ROU") asset and a lease liability at the lease commencement date for Nextracker's operating leases. For operating leases, the lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. The Company has elected the short-term lease recognition and measurement exemption for all classes of assets, which allows Nextracker to not recognize ROU assets and lease liabilities for leases with a lease term of 12 months or less and with no purchase option Nextracker is reasonably certain of exercising. Nextracker has also elected the practical expedient to account for the lease and non-lease components as a single lease component, for all classes of underlying assets. Therefore, the lease payments used to measure the lease liability include all of the fixed considerations in the contract. Lease payments included in the measurement of the lease liability comprise the following: fixed payments (including in-substance fixed payments) and variable payments that depend on an index or rate (initially measured using the index or rate at the lease commencement date). As Nextracker cannot determine the interest rate implicit in the lease for its leases, the Company uses an estimated incremental borrowing rate as of the commencement date in determining the present value of lease payments. The estimated incremental borrowing rate is the rate of interest the Company would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. The lease term for all of Nextracker's leases includes the non-cancellable period of the lease plus any additional periods covered by either an option to extend (or not to terminate) the lease that Nextracker is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor.

As of March 31, 2025 and 2024, current operating lease liabilities were \$8.5 million and \$3.9 million, respectively, which are included in other current liabilities on the consolidated balance sheets and long-term lease liabilities were \$25.6 million and \$13.6 million, respectively, which are included in other liabilities on the consolidated balance sheets. ROU assets are included in other assets on the consolidated balance sheets. Refer to Note 3 for additional information about Leases.

Recently issued accounting pronouncement

Accounting Standards Update ("ASU") 2024-03 and 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures*: In November 2024, the Financial Accounting Standards Board ("FASB") 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 expects to adopt the new guidance in fiscal year 2028 with an immaterial impact on its consolidated financial statements.

ASU 2023-09, *Improvements to income Tax Disclosures*: In December 2023, the FASB issued a new accounting standard to expand the disclosure requirements for income taxes, specifically related to rate reconciliation and income taxes paid. The new standard is effective to the Company beginning in fiscal year 2026 with early adoption permitted. The Company expects to adopt the new guidance in fiscal year 2026 with an immaterial impact on its consolidated financial statements.

Recently adopted accounting pronouncement

ASU 2023-07, *Segment Reporting—Improvement to Reportable Segment Disclosures*: In November 2023, the FASB 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. The Company adopted the new guidance in fiscal year 2025 with no material impact on its financial position, results of operations or cash flows, but the adoption did result in new and expanded segment disclosures. The Company has included such disclosures in Note 14.

3. Leases

Nextracker has several commitments under operating leases for warehouses, buildings, and equipment. Leases have initial lease terms ranging from one year to ten years.

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Notes to the consolidated financial statements

The components of lease cost recognized under ASC 842 *Leases* were as follow (in thousands):

	Fiscal year ended March 31,		
	2025	2024	2023
Operating lease cost	\$ 8,049	\$ 2,281	\$ 1,922

Amounts reported in the consolidated balance sheet as of March 31, 2025 and 2024 were as follows (in thousands, except weighted average lease term and discount rate):

	As of March 31,	
	2025	2024
<i>Operating Leases:</i>		
Operating lease ROU assets	\$ 32,795	\$ 17,390
Operating lease liabilities	34,114	17,457
Weighted-average remaining lease term (In years)	4.9	4.3
Weighted-average discount rate	6.2 %	5.6 %

Other information related to leases was as follows (in thousands):

	Fiscal year ended March 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 7,780	\$ 2,299	\$ 1,928
Non-cash investing and financing activity:			
Right-of-use assets obtained in exchange of lease liabilities	\$ 29,858	\$ 15,873	\$ 756
Reduction of lease liabilities and right-of-use assets from lease termination	(8,608)	—	—

Future lease payments under non-cancellable leases as of March 31, 2025 are as follows (in thousands):

	Operating Leases
Fiscal year ended March 31,	
2026	\$ 9,458
2027	8,763
2028	7,044
2029	6,317
2030	2,418
Thereafter	6,054
Total undiscounted lease payments	40,054
Less: imputed interest	5,940
Total lease liabilities	\$ 34,114

4. Revenue

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 Nexttracker's revenue disaggregated based on timing of transfer-point in time and over time for the fiscal years ended March 31, 2025, 2024 and 2023:

	Fiscal year ended March 31,		
	2025	2024	2023
	(In thousands)		
Timing of Transfer			
Point in time	\$ 77,037	\$ 35,268	\$ 50,516
Over time	2,882,160	2,464,573	1,851,621
Total revenue	<u>\$ 2,959,197</u>	<u>\$ 2,499,841</u>	<u>\$ 1,902,137</u>

5. Goodwill and intangible assets

Goodwill

As of March 31, 2025 and 2024, goodwill totaled \$371.0 million and \$265.2 million, respectively and is not deductible for tax purposes. During fiscal year 2025, the additions to the Company's goodwill are driven by its acquisitions of Ojjo, Inc. ("Ojjo") and the solar foundations business held by Solar Pile International ("SPI") as further described below in Note 15.

There were no changes in goodwill during the fiscal year ended March 31, 2024. The following table summarizes the activity in the Company's goodwill during the fiscal year ended March 31, 2025 (in thousands):

Balance as of March 31, 2024	\$ 265,153
Additions	103,565
Purchase accounting adjustments	2,300
Balance as of March 31, 2025	<u>\$ 371,018</u>

The Company evaluates goodwill for impairment at the reporting unit level annually, and in certain circumstances, such as when there is a change in reporting units or whenever there are indications that goodwill might be impaired. The Company performed its annual goodwill impairment assessment on January 1, 2025, and assessed qualitative factors to determine whether it is more likely or not that the fair value of its reporting units is less than its carrying amount. The qualitative assessment required management to make various judgmental assumptions including but not limited to macroeconomic conditions, industry and market considerations, cost factors, financial performances, change in stock price. Management assessed each factor and evaluated whether the evidence, in aggregate, would indicate that it is more likely than not that the Company's reporting unit is less than its carrying amount. As a result of the qualitative assessment of its goodwill, the Company determined that no impairment existed as of the date of the impairment test because the fair value of its reporting unit exceeded its carrying value.

Other intangible assets

Nextracker amortizes identifiable intangible assets consisting of developed technology, customer relationships, and trade names because these assets have finite lives. Nextracker's intangible assets are amortized on a straight-line basis over the estimated useful lives. The basis of amortization approximates the pattern in which the assets are utilized over their estimated useful lives. No residual value is estimated for any intangible assets.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable. An impairment loss is recognized when the carrying amount of an intangible asset exceeds its fair value. The fair value of Nextracker's intangible assets is determined based on management's estimates of cash flows and recoverability. Nextracker reviewed the carrying value of its intangible assets as of March 31, 2025 and 2024, and concluded that such amounts continued to be recoverable.

The components of identifiable intangible assets are as follows (in thousands):

	Weighted-average remaining useful life (in years)	As of March 31, 2025			As of March 31, 2024		
		Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Developed technology	9.4	\$ 39,200	\$ (2,394)	\$ 36,806	\$ —	\$ —	\$ —
Customer relationships	4.2	18,000	(2,779)	15,221	—	—	—
Trade name and other intangibles	3.4	3,018	(1,804)	1,214	3,000	(1,454)	1,546
Total		<u>\$ 60,218</u>	<u>\$ (6,977)</u>	<u>\$ 53,241</u>	<u>\$ 3,000</u>	<u>\$ (1,454)</u>	<u>\$ 1,546</u>

The gross carrying amount of intangible assets are removed when fully amortized. Total intangible asset amortization expense recognized in operations during the fiscal years ended March 31, 2025, 2024 and 2023 are as follows:

	Fiscal year ended March 31,		
	2025	2024	2023
	(In thousands)		
Cost of sales	\$ 2,744	\$ 275	\$ 250
Selling general and administrative expense	2,779	—	957
Total amortization expense	<u>\$ 5,523</u>	<u>\$ 275</u>	<u>\$ 1,207</u>

The estimated future annual amortization expense for the acquired finite-lived intangible assets as of March 31, 2025 is as follows:

Fiscal year ending March 31,	Amount
	(In thousands)
2026	\$ 7,893
2027	7,870
2028	7,841
2029	7,695
2030	4,741
Thereafter	17,183
Total amortization expense	<u>\$ 53,223</u>

6. The Transactions

The Company and Nextracker LLC completed the following reorganization and other transactions in connection with the IPO (collectively, referred to as the “Transactions”):

- Immediately prior to the completion of the IPO, the Company issued 128,794,522 shares of its Class B common stock to Yuma, Yuma Sub, and TPG Rise (not inclusive of those held by affiliated blocker corporations – see below) immediately following the Transactions and before giving effect to the IPO.
- Immediately prior to the completion of the IPO and as permitted under and in accordance with the limited liability company agreement of Nextracker LLC in effect prior to the IPO (the “Prior LLC Agreement”), TPG Rise exercised its right to have certain blocker corporations affiliated with TPG Rise each merge with a separate direct, wholly-owned subsidiary of the Company, with the blocker corporations surviving each such merger, in a transaction intended to qualify as a tax-free transaction. In connection with such blocker corporations’ mergers, the investors in each such blocker corporation received a number of shares of the Company’s Class A common stock with a value based on the

Series A Preferred Units held by such blocker corporation for a total of 15,279,190 shares of the Company's Class A common stock.

- Immediately prior to the closing of the IPO, Nextracker LLC made a distribution in an aggregate amount of \$175.0 million (the "Nextracker LLC Distribution"). With respect to such Nextracker LLC Distribution, \$21.7 million was distributed to TPG Rise and \$153.3 million to Yuma and Yuma Sub in accordance with their pro rata units of Nextracker LLC. The Nextracker LLC Distribution was financed, in part, with net proceeds from the \$150.0 million term loan under the senior credit facility with a syndicate of banks (as amended from time to time, the "2023 Credit Agreement"), as further discussed in Note 9.
- The Company used all the net proceeds from the IPO (\$693.8 million) to purchase 30,590,000 Nextracker LLC common units from Yuma at a price per unit equal to \$22.68.
- In connection with Yuma's transfer to the Company of 30,590,000 Nextracker LLC common units, a corresponding number of shares of the Company's Class B common stock held by Yuma were canceled.
- In connection with the IPO, the Company's repurchased all 100 shares of common stock previously issued to Yuma for an immaterial amount.

On February 8, 2023, the Company amended and restated its certificate of incorporation to, among other things, authorize 900,000,000 shares of \$0.0001 par value Class A common stock, 500,000,000 shares of \$0.0001 par value Class B common stock, and 50,000,000 shares of par value \$0.0001 preferred stock.

On February 13, 2023, the members of Nextracker LLC entered into the Third Amended and Restated Limited Liability Company Agreement of Nextracker LLC (the "LLC Agreement") to, among other things, effect the Transactions described above and to appoint the Company as the managing member of Nextracker LLC. As of March 31, 2024, the Company beneficially owns 140,773,223 Nextracker LLC common units after the completion of the IPO, the Transactions, the follow-on offering and the Spin Transactions described below.

The 2023 follow-on offering

On July 3, 2023, Nextracker completed an underwritten offering of 18,150,000 shares of Class A common stock, of which 15,631,562 shares were offered and sold by the Company and 2,518,438 shares were offered and sold by certain of the Company's stockholders for approximately \$662.5 million in total gross proceeds, including the full exercise of the underwriters' option to purchase additional shares of Class A common stock. The Company received net proceeds of \$552.0 million. The entire net proceeds from the sale of shares by Nextracker were used by Nextracker to acquire 14,025,000 Nextracker LLC common units from Yuma, and 1,606,562 Nextracker LLC common units from TPG Rise. Simultaneously, 14,025,000 and 1,606,562 shares of Class B common stock were surrendered by Flex and TPG, respectively, and cancelled.

As a result of this follow-on offering (referred to as the "Follow-on"), as of the closing date on July 3, 2023:

- Approximately \$1.8 million of offering costs were paid by Flex.
- Immediately following the completion of the Follow-on, Flex (through Yuma and Yuma Sub), owned 74,432,619 shares of Class B common stock, representing approximately 51.45% of the total outstanding shares of the Company's outstanding common stock.
- Additionally, TPG owned 8,140,341 shares of Class B common stock representing approximately 5.63% of the total outstanding shares of the Company's outstanding common stock.
- The Company beneficially owned 62,053,870 Nextracker LLC units, representing approximately 42.91% of the total common units of Nextracker LLC.

Exchange Agreement

The Company, Nextracker LLC, Yuma, Yuma Sub and TPG entered into an exchange agreement (the "Exchange Agreement") under which Yuma, Yuma Sub and TPG (or certain permitted transferees thereof) have the right, subject to the terms of the Exchange Agreement, to require Nextracker LLC to exchange Nextracker LLC common units (together with a corresponding number of shares of Class B common stock) for newly-issued shares of Class A common stock of the Company on a basis, or, in the alternative, the Company may elect to exchange such Nextracker LLC common units (together with a corresponding number of shares of Nextracker Class B common stock) for cash equal to the product of (i) the number of Nextracker LLC

common units (together with a corresponding number of shares of Class B common stock) being exchanged, (ii) the then-applicable exchange rate under the Exchange Agreement (which will initially be one and is subject to adjustment) and (iii) the Class A common stock value (based on the market price of Nextracker's Class A common stock), subject to customary conversion rate adjustments for stock splits, stock dividends, reclassifications and other similar transactions; provided further, that in the event of an exchange request by an exchanging holder, Nextracker may at its option effect a direct exchange of shares of Class A common stock for Nextracker LLC common units and shares of Class B common stock in lieu of such exchange or make a cash payment to such exchanging holder, in each case pursuant to the same economic terms applicable to an exchange between the exchanging holder and Nextracker LLC. As Nextracker LLC interests are redeemable upon the occurrence of an event not solely within the control of the Company, such interests are presented in temporary equity on the consolidated balance sheets.

The Separation Transactions

On October 25, 2023, Flex announced its plan to effect a spin-off of all of its remaining interests in Nextracker pursuant to the Merger Agreement to be effected through the following transactions (together, the "Spin Transactions"): (i) a court-approved capital reduction of Flex to be carried out pursuant to Section 78G of the Singapore Companies Act (the "Capital Reduction"), (ii) a distribution of all the shares of the common stock, par value \$0.001, of Yuma (the "Yuma Common Stock"), which was a wholly-owned subsidiary of Flex that, directly or indirectly, held all of Flex's remaining interest in Nextracker, by way of a distribution in specie to Flex shareholders (the "Spin Distribution"), (iii) the merger of Yuma with and into Yuma Acquisition Corp., with Yuma surviving the merger as a wholly-owned subsidiary of Nextracker (the "Merger") and pursuant to which each share of Yuma Common Stock outstanding immediately prior to the Merger would automatically convert into the right to receive a number of shares of the Company's Class A common stock based on the Exchange Ratio (as defined in the Merger Agreement) (with cash payments to holders of shares of Yuma Common Stock in lieu of any fractional shares of Nextracker's Class A common stock in accordance with the terms of the Merger Agreement), and (iv) the merger of Yuma with and into a wholly-owned limited liability company subsidiary of Nextracker, with such limited liability company surviving the merger as a wholly-owned subsidiary of Nextracker, undertaken shortly following the completion of the Merger.

On January 2, 2024, Flex closed the spin-off of all of its remaining interests in Nextracker to Flex shareholders. Immediately prior to the spin-off, Flex held 100% of the shares of Yuma Common Stock, and Yuma held, directly and indirectly through Yuma Sub, (i) 74,432,619 shares of Nextracker's Class B common stock, par value \$0.0001 per share, representing approximately 51.48% of the total outstanding shares of Nextracker's common stock, based on the number of shares of Nextracker's common stock outstanding as of December 29, 2023 and (ii) 74,432,619 of the common units of Nextracker LLC, representing approximately 51.48% of the economic interest in the business of Nextracker.

In addition to the Spin Distribution, Flex and Nextracker consummated the Merger, with Yuma surviving the Merger as a wholly-owned subsidiary of Nextracker. As a result of the Merger, each share of Yuma Common Stock issued and outstanding as of immediately prior to the closing of the Merger was automatically converted into the right to receive a number of shares of Class A common stock of the Company, based on an Exchange Ratio (as defined below), with cash payments to holders of shares of Yuma Common Stock in lieu of any fractional shares of Class A common stock of the Company in accordance with the terms of the Merger Agreement. The "Exchange Ratio" is equal to the quotient of (i) 74,432,619, which is the number of shares of Class A common stock of Nextracker held by Yuma and Yuma Sub (assuming the exchange by Yuma and Yuma Sub of all Nextracker LLC common units, together with a corresponding number of shares of Class B common stock of the Company held by Yuma and Yuma Sub, for shares of Class A common stock of the Company) divided by (ii) the number of issued and outstanding shares of Yuma Common Stock immediately prior to the effective time of the Merger.

As the Merger represents a business combination of entities under common control, the transaction was accounted for in accordance with ASC 805-50, *Business Combinations* – Related Issues. Upon consummation of the Merger, the assets and liabilities of Yuma, particularly the redeemable interest in Nextracker, were recognized at their carrying value on the date of transfer as a transaction under common control. Once acquired, the redeemable noncontrolling interest was derecognized at its carrying amount. In addition, the Company recognized the issuance of its Class A common stock as consideration of the acquisition of Yuma, with the difference between the carrying value of the redeemable noncontrolling interest acquired and the par value of the Class A common stock recorded in additional paid-in capital.

On February 5, 2025, TPG exchanged all its remaining Nextracker LLC common units, together with a corresponding number of shares of Class B common stock of the Company, for shares of Class A common stock of the Company.

Tax distributions

During fiscal years 2025 and 2024, and pursuant to the LLC Agreement, Nextracker LLC made a pro rata tax distributions cash payment to its non-controlling interest holders in the aggregate amount of approximately \$6.1 million and \$66.9 million, respectively.

7. 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 IPO in February 2023, 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 2022 Plan is administered by the Board or such other committee appointed by the Board. Awards granted under the 2022 Plan expire no more than 10 years from the grant date. The 2022 Plan authorized the grant of 24.0 million equity-based awards. As of March 31, 2025, the Company had approximately 13.4 million equity-based awards available for grant under the 2022 Plan.

During fiscal year 2025, the Company granted the following three types of equity-based compensation awards to its employees under the 2022 Plan:

- *Restricted incentive unit awards* ("RSU"), whereby vesting is generally 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.
- *Options awards*, whereby such awards will cliff-vest on the third anniversary of the grant date, subject generally to continuous service through vesting date; and
- *Performance based vesting awards* ("PSUs") 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 earned PSUs will cliff-vest on March 31, 2027.

The service period of options and PSU awards granted in fiscal year 2024 is three years. The service period of options and PSU awards granted in fiscal year 2023 is four years, and three years, respectively.

On the date any performance-based vesting requirement is satisfied, the award holder will become vested in the number of awards that have satisfied the time-based vesting requirement, if any.

Stock-based compensation expense

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

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Cost of sales	\$ 11,927	\$ 10,764	\$ 12,794
Selling, general and administrative expenses	98,532	38,325	19,200
Research and development	8,421	7,694	—
Total stock-based compensation expense	<u>\$ 118,880</u>	<u>\$ 56,783</u>	<u>\$ 31,994</u>

During the fourth quarter of fiscal year 2025, the Company recognized net incremental stock-based compensation expense of approximately \$14.8 million for certain PSU awards for which the performance conditions were achieved. Such expense is included in the amounts above.

Cumulative expense upon IPO and modification of awards

In connection with the IPO and the approval of the NI Plan, all awards previously issued under the LLC Plan were determined to be modified. The modification of the awards granted under the LLC Plan, pre-IPO, were concluded to qualify as a Type I probable-to-probable modification (in accordance with ASC 718-20-55), which resulted in an increase in the total fair value of such awards of \$12.3 million, with the Company recording an immaterial amount of incremental stock-based compensation expense related to such modification during the fiscal year ended March 31, 2023.

Considering that the vesting of the awards granted under the 2022 Plan was contingent on an IPO, which occurred on February 9, 2023, the Company recognized \$23.3 million of cumulative stock-based compensation expense for all awards outstanding under the 2022 Plan as of that date.

As of March 31, 2025, the total unrecognized compensation expense for unvested awards under the 2022 Plan and the related remaining weighted average period for expensing is summarized as follow:

	Unrecognized compensation expense (in thousands)	Weighted average remaining period (in years)
Options	\$ 14,840	1.5
RSU	78,486	2.0
PSU	37,856	1.5
Total unrecognized compensation expense	<u>\$ 131,182</u>	

Determining fair value — RSU awards

Valuation and Amortization Method - The Company determined the fair value of RSUs granted in fiscal year 2025 under the 2022 Plan based on the closing price per share of its Class A common stock as of the grant date of the awards. The compensation expense is generally recognized on a straight-line basis over the respective vesting period.

The valuation of RSUs granted under the 2022 Plan, during fiscal year 2023 (prior to the IPO) was determined in accordance with the guidance provided by the American Institute of Certified Public Accountants Practice Aid, "Valuation of Privately-Held-Company Equity Securities Issued as Compensation." Application of these approaches involves the use of estimates, judgment and assumptions that are highly complex and subjective, such as those regarding the Company's expected future revenue and EBITDA, discount rates, market multiples, the selection of comparable companies and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact the Company's valuations as of each valuation date and may have a material impact on the valuation of its common stock.

Determining fair value — Options and PSU awards

Valuation - The Company estimated the fair value of Options awards granted in fiscal years 2025 and 2024 under the 2022 Plan, using a Black-Scholes option pricing model.

The fair values of Options awards granted in fiscal year 2023 and PSU awards granted in fiscal years 2025, 2024 and 2023, under the 2022 Plan, were estimated using Monte-Carlo simulation models, which is a probabilistic approach for calculating the fair value of the awards.

Expected volatility - Volatility used in the Black-Scholes option pricing, or in the Monte Carlo simulation, is derived from the historical volatility of Nextracker's Peer Group.

Risk-Free Rate assumptions - The Company bases the risk-free interest rate used in the Monte Carlo simulation based on the continuously compounded risk-free rate in the Monte Carlo simulations to calculate the drift rate of the Company and peer group stock prices. The risk-free rate of return was calculated using the U.S. Treasury daily yield curve.

The fair value of the Company's awards granted under the 2022 Plan was estimated based on the following assumptions:

	Fiscal year ended March 31,		
	2025	2024	2023
Expected volatility	52% - 60%	65.0%	65% - 70%
Expected dividends	—%	—%	—%
Risk-free interest rate	4.4% - 5.0%	3.8% - 4.6%	2.5% - 2.7%

Awards activity

The following table summarizes the RSU awards activity under the 2022 Plan for the fiscal year ended March 31, 2025:

	Fiscal year ended March 31,	
	2025	
	Number of RSUs	Weighted average grant date fair value per share
Unvested RSU awards outstanding, beginning of fiscal year	2,718,133	\$31.37
Granted	1,727,191	41.52
Vested	(999,928)	30.32
Forfeited (1)	(205,025)	34.54
Unvested RSU awards outstanding, end of fiscal year	3,240,371	\$37.04

(1) Awards forfeited due to employee terminations.

The weighted average grant date fair value of RSU awards granted during the fiscal years ended March 31, 2024 and 2023 was \$41.55 and \$17.03 per award, respectively, and the weighted average modification date fair value was \$20.40 per award as of February 9, 2023. The total fair value of RSUs vested during the fiscal years ended March 31, 2025 and 2024 was \$30.3 million and \$13.2 million, respectively. There were no RSUs vested during the fiscal year ended March 31, 2023.

The following table summarizes the PSU awards activity under the 2022 Plan for the fiscal year ended March 31, 2025:

	Fiscal year ended March 31,	
	2025	
	Number of PSUs	Weighted average grant date fair value per share
Unvested PSU awards outstanding, beginning of fiscal year	1,007,476	\$47.01
Granted (1)	940,217	74.18
Vested	—	—
Forfeited	(27,970)	58.30
Unvested PSU awards outstanding, end of fiscal year	1,919,723	\$59.70

(1) Includes 292,958 PSU awards related to the third tranche of performance-based awards granted in fiscal year 2023 that met the criteria for a grant date under ASC 718 as the performance metrics for these awards were determined during fiscal year 2025. Additionally, includes 219,709 PSU awards representing the number of awards achieved above target levels based on the achievement of the performance-based metrics for the second tranche of PSU awards granted in fiscal year 2023.

The weighted average grant date fair value of the PSU awards granted during the fiscal years ended March 31, 2024 and 2023 was \$54.77 and \$19.35 per award, respectively, and the weighted average modification date fair value was \$23.01 per award as of February 9, 2023.

Additional information for the PSUs awarded in fiscal year 2025 is further detailed in the table below:

Year of grant	Performance end date	Targeted number of awards as of March 31, 2025	Weighted average grant date fair value per share	Range of shares that may be issued	
				Minimum	Maximum
Fiscal Year 2023	March 31, 2025	512,667	\$87.43	—	1,025,334 (1)
Fiscal Year 2025	March 31, 2027	399,580	\$58.30	—	1,198,740 (2)

(1) Payouts can range from 0% to 200% of the applicable tranche targets based on the achievement levels of the Company's Total Shareholder Return ("TSR"), as determined in the Restricted Incentive Unit Award Agreement under the 2022 Plan for performance-based vesting awards.

(2) Payouts can range from 0% to 300% based on the achievement of certain metrics specific to the Company.

The following table summarizes the Options awards activity under the 2022 Plan for the fiscal year ended March 31, 2025:

	Fiscal year ended March 31, 2025			
	Number of Options	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value (in thousands)
Options awards outstanding, beginning of fiscal year	3,151,402	\$23.84		
Granted	296,493	47.05		
Exercised	(18,905)	10.39		
Forfeited (1)	(66,492)	29.33		
Options awards outstanding, end of fiscal year	3,362,498	\$25.85	3.1	\$ 56,121
Options awards exercisable as of end of fiscal year	712	\$10.39	2.2	\$ 25
Options awards vested and expected to vest, end of fiscal year	3,362,498	\$25.85	3.1	\$ 56,121

(1) Awards forfeited due to employee terminations.

The weighted average grant date fair value of Options awards granted during the fiscal years ended March 31, 2025, 2024 and 2023 was \$29.05, \$24.95 and \$5.17 per award, respectively and the weighted average modification date fair value was \$6.30 per award as of February 9, 2023. The aggregate intrinsic value of Options awards exercised during the fiscal years ended March 31, 2025 was \$0.6 million. The total fair value of Options awards vested during the fiscal year ended March 31, 2025 was immaterial. No Options awards vested or exercised during the fiscal years ended March 31, 2024 or 2023. Cash received from Options awards exercised and the tax benefit for the tax deductions from Option awards exercised during the fiscal year ended March 31, 2025 was immaterial.

The following table presents the composition of options outstanding and exercisable as of March 31, 2025:

Range of Exercise Price	Options outstanding			Options exercisable	
	Number of Shares Outstanding	Weighted average remaining contractual life (in years)	Weighted average exercise price	Number of shares exercisable	Weighted average exercise price
<\$20	712	2.2	\$10.39	712	\$10.39
\$20.00 - \$40.00	2,616,432	1.8	21.00	—	N/A
\$40.00 - \$60.00	745,354	7.5	42.90	—	N/A
	3,362,498	3.1	\$25.85	712	\$10.39

NEXTRACKER

Notes to the consolidated financial statements

Out of the 3.4 million options outstanding as of March 31, 2025, approximately 2.6 million options were granted in fiscal year 2023 whereby vesting was tied to certain performance metrics specific to the Company. The vesting information for these shares is further detailed in the table below.

Year of grant	Options performance period end date	Targeted number of awards as of March 31, 2025	Weighted average grant date fair value per share	Range of shares that may be issued	
				Minimum	Maximum
Fiscal Year 2023	March 31, 2026	2,616,432	\$6.30	—	2,616,432

8. Earnings per share

Basic earnings per share excludes dilution and is computed by dividing net income available 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.

NEXTRACKER

Notes to the consolidated financial statements

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

	Fiscal year ended March 31, 2025			Fiscal year ended March 31, 2024			February 9, 2023 - March 31, 2023		
	Income	Weighted average shares outstanding	Per share	Income	Weighted average shares outstanding	Per share	Income	Weighted average shares outstanding	Per share
	<u>Numerator</u>	<u>Denominator</u>	<u>Amount</u>	<u>Numerator</u>	<u>Denominator</u>	<u>Amount</u>	<u>Numerator</u>	<u>Denominator</u>	<u>Amount</u>
	(In thousands, except share and per share amounts)								
Basic EPS									
Net income attributable to Nextacker Inc. common stockholders	\$ 509,168	143,539,344	\$ 3.55	\$ 306,241	77,067,639	\$ 3.97	\$ 1,143	45,886,065	\$ 0.02
Effect of Dilutive Impact									
Common stock equivalents from Options awards (1)		1,198,258			1,089,554			377,316	
Common stock equivalents from RSUs (2)		1,349,145			1,268,923			1,291,346	
Common stock equivalents from PSUs (3)		1,287,558			558,733			92,388	
Income attributable to non-controlling interests and common stock equivalent from Class B common stock	\$ 8,078	1,901,645		\$ 189,974	67,299,481		\$ 2,446	98,204,522	
Diluted EPS									
Net income	\$ 517,246	149,275,950	\$ 3.47	\$ 496,215	147,284,330	\$ 3.37	\$ 3,589	145,851,637	\$ 0.02

Notes to the consolidated financial statements

- (1) During fiscal years ended March 31, 2025 and 2024, approximately 0.7 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. No Options awards were excluded from the computation of diluted earnings per share in the fiscal year ended March 31, 2023.
- (2) During fiscal years ended March 31, 2025 and 2024, an immaterial amount of RSU awards, were excluded from the computation of diluted earnings per share due to their anti-dilutive impact on the weighted-average ordinary share equivalents. No RSU awards were excluded from the computation of diluted earnings per share in the fiscal year ended March 31, 2023.
- (3) During fiscal years ended March 31, 2025 and 2024, an immaterial amount of PSU awards and no 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. No PSU awards were excluded from the computation of diluted earnings per share in the fiscal year ended March 31, 2023.

9. Bank borrowings and long-term debt

On February 13, 2023, the Company and Nextracker LLC, as the borrower, entered into the 2023 Credit Agreement, which is comprised of (i) a term loan in the aggregate principal amount of \$150.0 million (the “Term Loan”), and (ii) a revolving credit facility in an aggregate principal amount of \$500.0 million (the “RCF”). The RCF is available to fund working capital, capital expenditure and other general corporate purposes.

On February 19, 2025, the Company repaid in full all outstanding obligations under the Term Loan under the 2023 Credit Agreement and wrote off an immaterial amount of unamortized issuance cost associated with the term loan upon the repayment.

As a result of an amendment to the 2023 Credit Agreement entered into by Nextracker Inc. and the LLC on June 21, 2024, the Company incurred and capitalized \$6.0 million of issuance cost for the revolver, which is included in other assets in the consolidated balance sheets. These issuance costs along with the unamortized issuance costs associated with the RCF that were outstanding as of the June 21, 2024 will be amortized over the remaining term of the 2023 Credit Agreement. As of March 31, 2025, the Company had \$6.0 million unamortized issuance costs for the RCF.

As of March 31, 2024, the Company had \$147.7 million, outstanding under the Term Loan, net of issuance costs, of which \$144.0 million was included in long-term debt, net of current portion and \$3.7 million was included in current portion of long-term debt on the consolidated balance sheets.

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 is available for the issuance of letters of credit, which was increased from \$300.0 million to \$500.0 million by an amendment to the 2023 Credit Agreement entered into by Nextracker Inc. and the LLC on June 21, 2024. 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 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. As of March 31, 2025, the Company had approximately \$913.7 million available under the RCF, net of \$86.3 million of outstanding letters of credit.

The obligations of the LLC under the 2023 Credit Agreement and related loan documents are jointly and severally guaranteed by the Company, 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 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.

Borrowings in U.S. dollars under the 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 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 2023 Credit Agreement requires the LLC to maintain a consolidated total net leverage ratio below a certain threshold. As of March 31, 2025, the Company was in compliance with all applicable covenants under the 2023 Credit Agreement and the RCF.

As of March 31, 2024, the Term Loan, which was categorized as Level 2 on the fair value hierarchy, bore interest at the applicable SOFR rate as of disbursement date, plus a spread based on certain financial metrics for the last twelve-month period and therefore the carrying amount approximated the fair value as of March 31, 2024. The effective interest rate for the Company's long-term debt was 7.12% for the fiscal year ended March 31, 2024.

10. Supplemental cash flow disclosures

The following table represents supplemental cash flow disclosures of income taxes paid, interest paid, and non-cash investing and financing activities:

	Fiscal year ended March 31,		
	2025	2024	2023
Supplemental disclosure:	<i>(In thousands)</i>		
Income taxes paid (1)	\$ 125,519	\$ 28,551	\$ —
Interest paid	10,319	10,654	—
Non-cash investing and financing activities:			
Unpaid purchases of property and equipment	\$ 1,663	\$ 1,596	\$ 206
TRA revaluation	7,635	23,823	—
Stock-based compensation tax benefits	1,698	—	—
Unpaid distribution to non-controlling interest holders	3,010	—	—
Other equity	3,476	—	—
Reclassification of redeemable non-controlling interest	—	622,292	—
Capitalized offering costs	—	—	(5,331)
Legal settlement paid by Parent (2)	—	—	20,428
Paid-in-kind dividend for Series A redeemable preferred units	—	—	21,427
Settlement of assets and liabilities with Parent	—	—	52,529

(1) Amount presented in fiscal year 2025 is net of transfer and assignment of 45X Credit of \$63.8 million.

(2) Amount presented in fiscal year 2023 is net of insurance recovery of \$22.3 million related to the Company's litigation settlement in July 2022.

11. Relationship with Flex

On January 2, 2024, Nextracker became a fully independent company upon completion of the Spin Transactions, as described in Note 6, and Flex ceased to be a related party on that date.

Allocation of corporate expenses prior to the IPO and spin-off

Prior to the IPO, Nextracker was managed and operated in the normal course of business by Flex. Accordingly, certain shared costs were allocated to Nextracker and reflected as expenses in these consolidated financial statements for fiscal years 2024 and 2023. Nextracker's management and the management of Flex considered the expenses included and the allocation methodologies used to be reasonable and appropriate reflections of the historical Flex expenses attributable to Nextracker for purposes of the stand-alone financial statements up until the IPO. However, the expenses reflected in these consolidated financial statements for fiscal years 2024 and 2023 may not be indicative of the expenses that would have been incurred by Nextracker during the periods presented if Nextracker historically operated as a separate, stand-alone entity during such

periods, which expenses would have depended on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology and infrastructure. In addition, the expenses reflected in the consolidated financial statements for fiscal years 2024 and 2023 may not be indicative of expenses that Nextracker will incur in the future.

The consolidated financial statements for the period prior to the IPO, include expense allocations for certain functions provided by Flex, including, but not limited to, general corporate expenses related to finance, legal, information technology, human resources, and stock-based compensation. These expenses were allocated to Nextracker on the basis of direct usage when identifiable, with the remainder allocated on the basis of revenue, headcount or other measure.

During the fiscal year ended March 31, 2023, Nextracker was allocated \$5.2 million of general corporate expenses incurred by Flex. Of these expenses, \$3.4 million was included within selling, general and administrative expenses and \$1.8 million was included in cost of sales in the consolidated statements of operations and comprehensive income. An immaterial amount of general corporate expenses incurred by Flex was allocated to Nextracker during the fiscal year 2024 for the period prior to the spin-off.

Cash management and financing prior to the IPO and spin-off

Prior to the IPO, Nextracker participated in Flex's centralized cash management programs. Disbursements were independently managed by Nextracker.

All significant transactions between Nextracker and Flex that were not historically cash settled were reflected in the consolidated statement of cash flows, for the period prior to the IPO, as net transfers to parent as these were deemed to be internal financing transactions. All intra-company accounts, profits and transactions have been eliminated. The following is a summary of material transactions reflected in the accumulated net parent investment through February 8, 2023 during the fiscal year ended March 31, 2023 (in thousands):

Corporate allocations (excluding stock-based compensation expense)	\$	1,483
Transfer of operations to Nextracker (1)		(39,025)
Net cash pooling activities (2)		(35,240)
Income taxes		41,238
Net transfers to parent	\$	<u>(31,544)</u>

- (1) Primarily represents certain international operations where related income and/or losses are included in Nextracker's consolidated statements of operations. Cash was also collected by the international operations on behalf of Nextracker, for which Nextracker and Flex do not intend to settle in the future. For the fiscal year 2023, the balance includes the legal settlement paid by Flex.
- (2) Primarily represents financing activities for cash pooling and capital transfers.

The cash balance reflected in the consolidated balance sheets consist of the cash managed and controlled by Nextracker. Prior to the IPO, when Nextracker was a controlled entity of Flex, Nextracker's U.S. operations participated in the Flex cash pooling management programs intra-quarter. All outstanding positions were settled or scheduled for settlement as of each quarter end. Cash pooling activities during the period prior to the IPO were reflected under net transfers from Parent in the consolidated statements of redeemable interest and stockholders' deficit / parent company deficit and the consolidated statements of cash flows. As of the date of the separation with Flex, Nextracker no longer participates in the Flex cash pooling management programs and no cash pool payable was outstanding as of March 31, 2024.

Prior to the separation from Flex, due to related parties related to balances resulting from transactions between Nextracker and Flex subsidiaries that were historically cash settled. Nextracker purchased certain components and services from other Flex affiliates of \$67.1 million for the fiscal year ended March 31, 2023.

Agreements with Flex

- ***Umbrella agreement*** — In February 2023, Nextracker Brasil Ltda., an indirect, wholly-owned subsidiary of Nextracker Inc., and Flextronics International Tecnologia Ltda., an affiliate of Flex, entered into an umbrella agreement (the "Umbrella Agreement") that governs the terms, conditions and obligations of a strategic commercial relationship between Nextracker Inc. and Flex for the sale of the Company's solar trackers in Brazil. The Umbrella

Agreement is renewable automatically for successive one-year periods, unless a party provides written notice to the other parties that such party does not intend to renew within at least ninety days prior to the end of any term.

- **Tax Matters Agreement** — Immediately prior to the Spin Distribution, Nextracker, Flex and Yuma entered into a tax matters agreement (the “Tax Matters Agreement”) 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 Spin Distribution and the Merger), tax attributes, tax returns, tax contests and certain other matters.

12. 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 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 Sub. As of the date of the tax distribution, Yuma Acquisition Sub LLC and Yuma Sub were wholly-owned subsidiaries of Nextracker Inc. On February 21, 2025, Flex and Flextronics International USA, Inc. filed suit in the Delaware Court of Chancery, alleging that Flex is entitled to the distribution that was paid to Yuma Acquisition Sub LLC and Yuma Sub. On February 6, 2024, under the terms of the contracts governing Nextracker’s spin-off from Flex. The complaint asserts claims against Nextracker Inc., Nextracker LLC, Yuma Acquisition Sub LLC and Yuma Sub for breach of contract, breach of the implied covenant of good faith and fair dealing, mistake and unjust enrichment.

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, and March 18, 2025, purported stockholders of Nextracker filed stockholder derivative actions against the Company’s directors and certain of its 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 described above. The derivative actions assert claims on behalf of Nextracker for, among other things, violations of the federal securities laws and breaches of fiduciary duties, and seek 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, 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. Entries prior to June 6, 2024, back to April 1, 2022, could be subject to China AD/CVD duty liability if the proper certifications justifying non-payment of cash deposits at the time of entry were not submitted. 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 April 2025, Commerce also issued final affirmative AD/CVD determinations covering CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam not covered by the August 18, 2023 circumvention determinations. Combined AD/CVD cash deposit requirements associated with these new proceedings range from 15% to over 3,000%.

In December 2024, in connection with the circumvention final determination, U.S. Customs and Border Protection (“CBP”) instructed Nextracker to pay AD/CVD cash deposits totaling approximately \$1 million, relating to a small number of its imports of CSPV modules from Malaysia and Thailand that entered the United States prior to June 6, 2024. These CSPV modules are Nextracker's proprietary modules that provide off-grid power to its controllers located either on each tracker row or weather stations at the project site. CBP based its instruction to make the cash deposit payment on alleged deficiencies with respect to certifications that were to accompany the imports. If CBP were to instruct the Company to make AD/CVD cash deposit payments relating to other past imports of its 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. Nextracker is taking steps which seek to prevent or mitigate the effect of further retroactive cash deposit requirements. Management cannot reasonably estimate a range of potential loss.

13. Income taxes

The domestic and foreign components of income before income taxes were comprised of the following:

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Domestic	\$ 620,166	\$ 576,009	\$ 117,115
Foreign	27,850	31,988	51,968
Total	<u>\$ 648,016</u>	<u>\$ 607,997</u>	<u>\$ 169,083</u>

The provision for income taxes consisted of the following:

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Current:			
Domestic	\$ 132,181	\$ 65,286	\$ 35,244
Foreign	11,486	7,904	18,238
Total	143,667	73,190	53,482
Deferred:			
Domestic	\$ (13,452)	\$ 30,496	\$ (8,660)
Foreign	555	8,096	2,928
Total	(12,897)	38,592	(5,732)
Provision for income taxes	<u>\$ 130,770</u>	<u>\$ 111,782</u>	<u>\$ 47,750</u>

Notes to the consolidated financial statements

The domestic statutory income tax rate was 21% in fiscal years 2025, 2024 and 2023. The reconciliation of the income tax expense expected based on domestic statutory income tax rates to the expense (benefit) for income taxes included in the consolidated statements of operations is as follows:

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Income taxes based on domestic statutory rates	\$ 136,083	\$ 127,679	\$ 35,508
Effect of tax rate differential	1,682	2,165	7,487
Foreign-derived intangible income deduction	(20,747)	(9,055)	(3,235)
Foreign disregarded entities	6,261	5,574	11,020
Foreign tax deduction	—	—	(3,659)
Change in TRA Liability	23	(12,416)	—
Amount allocated to non-controlling interest	(1,702)	(41,348)	(1,671)
Stock-based compensation	7,097	—	—
State	15,314	7,810	4,535
Change in state effective rate	(7,494)	31,279	—
Guaranteed payment on Series A Preferred Units	—	—	(4,500)
Other	(5,747)	94	2,265
Provision for income taxes	<u>\$ 130,770</u>	<u>\$ 111,782</u>	<u>\$ 47,750</u>

The components of deferred income taxes are as follows:

	As of March 31,	
	2025	2024
<i>(In thousands)</i>		
Deferred tax liabilities:		
Foreign taxes	\$ (18,128)	\$ (14,319)
Fixed assets	(2,871)	(3)
Intangible assets	(10,329)	—
Others	(4,047)	(763)
Total deferred tax liabilities	(35,375)	(15,085)
Deferred tax assets:		
Stock-based compensation	24,125	15,629
Net operating loss and other carryforwards	23,417	5,032
Investment in Nextracker LLC	435,802	384,594
Interest deduction on investment in Nextracker LLC	28,267	25,122
Foreign tax credits	13,632	9,455
Others	9,962	5,908
Total deferred tax assets	535,205	445,740
Valuation allowances	(1,052)	(1,173)
Total deferred tax assets, net of valuation allowances	534,153	444,567
Net deferred tax asset	\$ 498,778	\$ 429,482

The net deferred tax asset is classified as follows:

Long-term asset	\$ 498,778	\$ 438,272
Long-term liability	—	(8,790)
Total	\$ 498,778	\$ 429,482

The Company has recorded deferred tax assets of approximately \$23.4 million related to tax losses and other carryforwards. These tax losses and other carryforwards will expire at various dates as follows:

Expiration dates of deferred tax assets related to operating losses and other carryforwards	
Fiscal year	<i>(In millions)</i>
2026 - 2031	\$ —
2032 - 2037	364
2038 - Post	139
Indefinite	22,914
Total	\$ 23,417

Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. On the basis of this evaluation, as of March 31, 2025, no change to the valuation allowance account of \$1.1 million related to a foreign jurisdiction has been recorded to recognize only the portion of the deferred tax asset that is most likely than not to be realized. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased.

As of March 31, 2025, the Company has provided for earnings in foreign subsidiaries that are not considered to be indefinitely reinvested and therefore subject to withholding taxes on \$77.9 million of undistributed foreign earnings, recording a deferred tax liability of approximately \$5.5 million thereon.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Balance, beginning of fiscal year	\$ 349	\$ 434	\$ 440
Increase / (decrease) to tax positions in prior period	(4)	(85)	(6)
Increase due to business combinations	1,118	—	—
Lapse of statute of limitations	(345)	—	—
Balance, end of fiscal year	<u>\$ 1,118</u>	<u>\$ 349</u>	<u>\$ 434</u>

Nextracker and its subsidiaries file federal, state, and local income tax returns in multiple jurisdictions around the world. With few exceptions, Nextracker is no longer subject to income tax examinations by tax authorities for years before 2018.

The Company recognizes interest and penalties accrued related to unrecognized tax benefits within the Company's tax expense. The Company had immaterial accrued interest and penalties as of March 31, 2025 and 2024, respectively. Based on current information, the Company does not expect any of these unrecognized tax benefits to reverse in the next twelve months.

The Company has entered into 45X Credit transfer and assignment agreements with certain suppliers which resulted in an offset of the Company's federal tax payable by \$63.8 million for the year ended March 31, 2025.

Tax Receivable Agreement

On February 13, 2023, Nextracker Inc. entered into the TRA with the LLC, Yuma, Yuma Sub, TPG Rise and the TPG Affiliates. The Tax Receivable Agreement provides for the payment by Nextracker Inc. to Yuma, Yuma Sub, TPG and the TPG Affiliates (or certain permitted transferees thereof) of 85% of the tax benefits, if any, that Nextracker Inc. is deemed to realize under certain circumstances as a result of (i) its allocable share of existing tax basis in tangible and intangible assets resulting from exchanges or acquisitions of outstanding Series A Preferred Units or common units of the LLC (collectively, the "LLC Units"), including as part of the Transactions or under the Exchange Agreement, (ii) increases in tax basis resulting from exchanges or acquisitions of LLC Units and shares of Nextracker Inc.'s Class B common stock (including as part of the Transactions or under the Exchange Agreement), (iii) certain pre-existing tax attributes of certain blocker corporations affiliated with TPG Rise that each merged with a separate direct, wholly-owned subsidiary of Nextracker Inc., as part of the Transactions, and (iv) certain other tax benefits related to Nextracker Inc. entering into the Tax Receivable Agreement, including tax benefits attributable to payments under the Tax Receivable Agreement. 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.

As of March 31, 2025 and 2024, a liability of \$419.4 million and \$391.6 million, respectively, was recorded for the expected amount to be paid to Flex affiliate, TPG and the TPG affiliates, of which \$394.9 million and \$391.6 million, respectively, were included in TRA liabilities and \$24.5 million and zero, respectively, were included in other current liabilities on the consolidated balance sheets. Separately, a deferred tax asset of \$435.8 million and \$384.6 million has been booked as of March 31, 2025 and 2024, respectively, reflecting Nextracker's outside basis difference in Nextracker LLC, which is included in deferred tax assets and other assets on the consolidated balance sheets. The difference between the liability and the deferred tax asset was recorded to additional paid-in-capital on the consolidated balance sheets.

During fiscal years 2025 and 2024, the Company incurred \$0.1 million and \$28.4 million of other tax related loss and income, respectively, driven by the reduction in its liability under the TRA due to an increase and decrease in its forecasted estimated state effective tax rate. These tax related income have been presented in other income, net on the consolidated statement of operations for the fiscal years ended March 31, 2025 and 2024.

Pillar Two

The Organization for Economic Co-operation and Development ("OECD"), a global policy forum, issued Pillar Two Global Anti-Base Erosion rules, which a global minimum tax of 15% would apply to multinational groups with consolidated financial statement revenue in excess of EUR 750 million. The Company has evaluated the impact of these rules and currently believes that it will not have a material impact on its financial results through 2026.

As many countries have proposed or enacted Pillar Two in jurisdictions in which the Company operates, the Company continues to monitor the relevant developments.

Tax distributions

During fiscal years 2025 and 2024, and pursuant to the LLC Agreement, Nextracker LLC made pro rata tax distributions cash payment to its non-controlling interest holders in the aggregate amount of approximately \$6.1 million and \$66.9 million, respectively.

14. 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, using consolidated net income as the primary measure of segment profit to support business expansion, new product development and operational efficiencies.

The measure of segment assets is reported on the consolidated balance sheets as total consolidated assets.

For all periods presented, Nextracker has one operating and reportable segment. The following table presents significant segment expenses with respect to the Company’s single reportable segment for the fiscal years ended March 31, 2025, 2024 and 2023:

	Fiscal year ended March 31,		
	2025	2024	2023
	<i>(In thousands)</i>		
Revenue	\$ 2,959,197	\$ 2,499,841	\$ 1,902,137
Less:			
Material cost	1,799,343	1,498,699	1,184,291
45X vendor credits	(224,879)	(121,405)	—
Freight, labor and other cost of sales	375,908	309,498	430,873
Selling, general and administrative expenses	290,321	183,571	96,869
Research and development	79,392	42,360	21,619
Interest expense	13,096	13,820	1,833
Other income, net	(22,000)	(34,699)	(2,431)
Provision for income taxes	130,770	111,782	47,750
Net income and comprehensive income	<u>\$ 517,246</u>	<u>\$ 496,215</u>	<u>\$ 121,333</u>

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

	Fiscal year ended March 31,			
	2025	2024	2023	
Revenue:	<i>(In thousands, except percentages)</i>			
U.S.	\$ 2,031,603 69%	\$ 1,702,611 68%	\$ 1,298,596 68%	
Rest of the World	927,594 31%	797,230 32%	603,541 32%	
Total	<u>\$ 2,959,197</u>	<u>\$ 2,499,841</u>	<u>\$ 1,902,137</u>	

The United States is the principal country of domicile.

The following table summarizes the countries that accounted for more than 10% of revenue in fiscal years 2025, 2024 and 2023. Revenue is attributable to the countries to which the products are shipped.

	Fiscal year ended March 31,								
	2025		2024		2023				
Revenue:	(In thousands, except percentages)								
U.S.	\$	2,031,603	69%	\$	1,702,611	68%	\$	1,298,596	68%
Brazil		—	*		281,272	11%		295,846	16%

* Percentage below 10%

No other country accounted for more than 10% of revenue for the fiscal years presented in the table above.

As of March 31, 2025 and 2024, property and equipment, net in the United States was \$56.6 million and \$9.0 million, respectively, which represents substantially all of the Company's consolidated property and equipment, net. No other countries accounted for more than 10% of property and equipment, net as of March 31, 2025 and 2024.

15. Business acquisitions

During the fiscal year ended March 31, 2025, the Company completed three 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 consolidated statements of operations and comprehensive income. As of March 31, 2025, 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 consolidated balance sheets.

The Company incurred approximately \$5.3 million of acquisition costs which are presented as selling, general and administrative expenses on the 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 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.

NEXTRACKER

Notes to the consolidated financial statements

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	\$	5,484
Property and equipment		23,576
Intangible assets		49,700
Goodwill		105,865
Other assets		4,633
Total assets		189,258
Current liabilities		17,467
Other liabilities, non-current		7,074
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 consolidated financial results for all periods presented.

Additionally, during fiscal year 2025, the Company completed an immaterial acquisition and received approximately \$7.5 million of intangible assets, primarily developed technology, to be amortized over a useful life of ten years. The transaction was not material to the Company's consolidated financial results for all periods presented.

In May 2025, the Company closed two acquisitions with an aggregate purchase price of \$119 million, including cash consideration of approximately \$90 million, net of cash acquired. These acquisitions expand Nextracker's capabilities to provide our customers electrical infrastructure components that collect and transport electricity from solar panels to the power grid and certain services related to operations and maintenance. These acquisitions continue Nextracker's strategy of adding and incorporating complementary technologies into the company's market-leading tracker platform to accelerate solar power plant construction, increase performance, and enhance long-term reliability.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. 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 Securities Exchange Act of 1934, as amended (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 March 31, 2025. 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. Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate “internal control over financial reporting,” as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act. Our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of March 31, 2025 based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on the results of its evaluation, management concluded that our internal control over financial reporting was effective as of March 31, 2025. The effectiveness of our internal control over financial reporting as of March 31, 2025 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in its report dated May 21, 2025, which has been included herein.

c. 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 March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

d. 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.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Nextracker Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Nextracker Inc. and subsidiaries (the “Company”) as of March 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2025, of the Company and our report dated May 21, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying “Management’s Report on Internal Control Over Financial Reporting”. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed 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. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

San Jose, California

May 21, 2025

ITEM 9B. OTHER INFORMATION

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

During the three-month period ended March 31, 2025, certain of our officers or directors listed below adopted or terminated trading arrangements for the purchase or sale of shares of our Class A common stock in amounts and prices determined in accordance with a formula set forth in each such plan:

Name and Title	Action	Date	Rule 10b5-1 ⁽¹⁾	Non- Rule 10b5-1 ⁽²⁾	Aggregate Number of Securities/ Total Dollar Value to be Purchased	Aggregate Number of Securities/ Total Dollar Value to be Sold	Expiration
Nicholas (Marco) Miller, COO	Adoption	March 13, 2025	X			Up to 73,590 shares ⁽³⁾	March 31, 2026

- (1) Intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).
(2) Not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).
(3) Up to 50% of the net shares that vest between June 12, 2025 and March 31, 2026 upon settlement of PSUs and RSUs held by the reporting person will be sold.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information with respect to this item may be found in Nextracker Inc.'s definitive proxy statement to be delivered to shareholders in connection with Nextracker Inc.'s 2025 Annual Shareholders Meeting. Such information is incorporated by reference.

ITEM 11. EXECUTIVE COMPENSATION

Information with respect to this item may be found in Nextracker Inc.'s definitive proxy statement to be delivered to shareholders in connection with Nextracker Inc.'s 2025 Annual Shareholders Meeting. Such information is incorporated by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information with respect to this item may be found in Nextracker Inc.'s definitive proxy statement to be delivered to shareholders in connection with Nextracker Inc.'s 2025 Annual Shareholders Meeting. Such information is incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information with respect to this item may be found in Nextracker Inc.'s definitive proxy statement to be delivered to shareholders in connection with Nextracker Inc.'s 2025 Annual Shareholders Meeting. Such information is incorporated by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES (Deloitte & Touche LLP, PCAOB ID 34)

Information with respect to this item may be found in Nextracker Inc.'s definitive proxy statement to be delivered to shareholders in connection with Nextracker Inc.'s 2025 Annual Shareholders Meeting. Such information is incorporated by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

- a. Documents filed as part of this Annual Report on Form 10-K:
- i. Financial Statements. See Item 8, "Financial Statements and Supplementary Data."
 - ii. Financial Statement Schedules. All financial statement schedules have been omitted as the information is not required under the related instructions or is not applicable or because the information required is already included in the financial statements or the notes to those financial statements.
 - iii. Exhibits. The Exhibit Index, which immediately precedes the signature page to this Annual Report on Form 10-K, is incorporated by reference into this Annual Report on Form 10-K.

ITEM 16. FORM 10-K SUMMARY

None.

EXHIBIT INDEX

Exhibit No.	Description	Filed Herewith	Incorporated by reference			
			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
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, As Amended.		10-K	001-41617	4.1	June 9, 2023
10.1	Form of Third Amended and Restated Limited Liability Company Agreement of Nextracker LLC.		S-1/A	333-269238	10.1	February 1, 2023
10.2	Form of Exchange Agreement.		S-1	333-269238	10.2	January 13, 2023
10.3	Form of Tax Receivable Agreement.		S-1/A	333-269238	10.3	January 24, 2023
10.4	Form of Letter Agreement.		S-1/A	333-269238	10.4	January 24, 2023
10.5	Form of Amended and Restated Separation Agreement by and among Flex Ltd., Nextracker LLC, Nextracker Inc. and Flextronics International USA, Inc.		S-1/A	333-269238	10.5	February 1, 2023
10.6†	Second Amended and Restated 2022 Nextracker Inc. Equity Incentive Plan, as amended and restated effective as of August 19, 2024.		10-Q	001-4167	10.1	November 1, 2024

<u>10.7†</u>	Form of Restricted Incentive Unit Award Agreement under the 2022 Equity Incentive Plan for time-based vesting awards (Executive).	S-1	333-269238	10.11	January 13, 2023
<u>10.8†</u>	Form of Restricted Incentive Unit Award Agreement under the 2022 Equity Incentive Plan for performance-based vesting awards (Executive).	S-1	333-269238	10.12	January 13, 2023
<u>10.9†</u>	Form of Unit Option Award Agreement under the 2022 Equity Incentive Plan for time-based vesting awards (Executive).	S-1	333-269238	10.13	January 13, 2023
<u>10.10†</u>	Form of Restricted Stock Unit Award Agreement under the 2022 Nextracker Inc. Equity Incentive Plan for time-based vesting awards (Executive).	10-Q	001-41617	10.1	August 9, 2023
<u>10.11†</u>	Form of Restricted Stock Unit Award Agreement under the 2022 Nextracker Inc. Equity Incentive Plan (Director).	10-Q	001-41617	10.2	August 9, 2023
<u>10.12†</u>	Form of Performance Stock Unit Award Agreement under the 2022 Nextracker Inc. Equity Incentive Plan FY25 (Executive).	10-Q	001-41617	10.1	August 6, 2024
<u>10.13†</u>	Form of Stock Option Award Agreement under the 2022 Nextracker Inc. Equity Incentive Plan for time-based vesting awards (Executive).	10-Q	001-41617	10.4	August 9, 2023
<u>10.14†</u>	Form of Indemnification Agreement.	S-1	333-269238	10.15	January 13, 2023
<u>10.15†</u>	Nextracker Inc. Executive Severance Plan.	10-Q	001-41617	10.1	January 31, 2025
<u>10.16†</u>	Nextracker Inc. Executive Change in Control Severance Plan.	10-Q	001-41617	10.2	January 31, 2025
<u>10.17†</u>	Transition and Consulting Services Agreement with L. Schlesinger.	10-Q	001-41617	10.3	January 31, 2025
<u>10.18</u>	Form of Agreement and Plan of Merger, by and among Flex Ltd., Yuma, Inc., Nextracker Inc., and Yuma Acquisition Corp.	S-1/A	333-269238	10.16	January 24, 2023
<u>10.19</u>	Form of Credit Agreement by and among Nextracker Inc., the Other Holding Entities Party Thereto, Nextracker LLC, the Lenders Party Thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and Sumitomo Mitsui Banking Corporation, Unicredit Bank AG, New York Branch and U.S. Bank National Association, as Co-Documentation Agents.	S-1/A	333-269238	10.22	February 1, 2023
<u>10.20</u>	Amendment No. 2 dated June 21, 2024 to the Credit Agreement, dated as of February 13, 2023, by and among Nextracker Inc., as Parent, Nextracker LLC, as Borrower, and the other parties thereto.	8-K	001-41617	10.1	June 21, 2024
<u>10.21</u>	Amendment No. 3 dated February 14, 2025 to the Credit Agreement, dated as of February 13, 2023, by and among Nextracker Inc., as Parent, Nextracker LLC, as Borrower, and the other parties thereto.	8-K	001-41617	10.1	February 19, 2025

10.22	Tax Matters Agreement, dated January 2, 2024, by and among Nextracker Inc., Flex Ltd. and Yuma Inc.	8-K	001-41617	10.1	January 2, 2024
19.1	Nextracker Inc. Insider Trading and Trading Window Policy.	X			
21.1	List of Subsidiaries of the Registrant.	X			
23.1	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.	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			
97.1	Nextracker Inc. Financial Restatement Compensation Recoupment Policy.	10-K	001-41617	97.1	May 28, 2024
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 Annual Report on Form 10-K 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: May 21, 2025

By: /s/ Daniel Shugar

Daniel Shugar
Chief Executive Officer
(Principal Executive Officer)

Date: May 21, 2025

By: /s/ Charles Boynton

Charles Boynton
Chief Financial Officer
(Principal Financial Officer)

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints jointly and severally, Daniel Shugar and Charles Boynton and each one of them, his attorneys-in-fact, each with the power of substitution, for her or him in any and all capacities, to sign any and all amendments to this Report, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or her or his substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Signatures</u>	<u>Title</u>	<u>Date</u>
_____ /s/ Daniel Shugar Daniel Shugar	Chief Executive Officer (Principal Executive Officer)	May 21, 2025
_____ /s/ Charles Boynton Charles Boynton	Chief Financial Officer (Principal Financial Officer)	May 21, 2025
_____ /s/ David P. Bennett David P. Bennett	Chief Accounting Officer (Principal Accounting Officer)	May 21, 2025
_____ /s/ William D. Watkins William D. Watkins	Chairman of the Board	May 21, 2025
_____ /s/ Julie Blunden Julie Blunden	Director	May 21, 2025
_____ /s/ Jonathan Coslet Jonathan Coslet	Director	May 21, 2025
_____ /s/ Jeffrey B. Guldner Jeffrey B. Guldner	Director	May 21, 2025
_____ /s/ Steven Mandel Steven Mandel	Director	May 21, 2025
_____ /s/ Willy Shih Willy Shih	Director	May 21, 2025
_____ /s/ Brandi Thomas Brandi Thomas	Director	May 21, 2025
_____ /s/ Howard Wenger Howard Wenger	Director	May 21, 2025