

Maximising Value for PV + BESS Co-Located Assets with Tracking Systems

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8th Renewable & Storage Forum



Executive Summary

Nextpower commissioned Aurora Energy Research to assess the incremental value of co-located single-axis trackers in Germany.

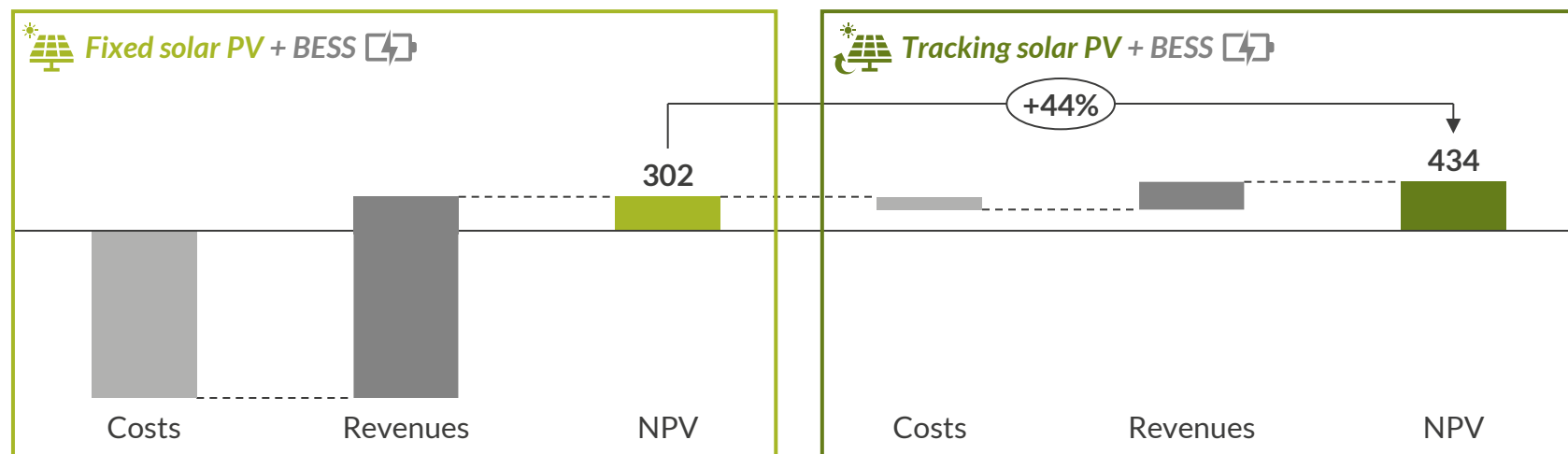
Aurora evaluates the impact of single-axis tracking versus fixed solar PV across eight merchant co-located configurations, varying storage durations (2h vs 4h) and business models (green vs grey energy storage).

Technical assumptions and market prices are based on Aurora's Q2 2026 Central Scenario and inputs from Nextpower.

- Tracking solar PV can be used as an **additional tool** in the developer's toolbox to achieve target hurdle rates, materially improving project economics and increasing system IRRs by up to 2.1 p.p. versus fixed solar PV
- Single-axis **trackers** enhance solar PV revenue capture by widening the production profile, **increasing average yield by 28%** compared with fixed solar PV, while **carrying a modest cost premium**
- In a representative 2h co-located case, **higher revenues outweigh the additional cost of single-axis tracking, increasing the system NPV by 44%**
- The **strongest uplift** is observed in the **green storage case**, where tracking extends the effective charging window, lifting average annual total gross margins by 24% and **boosting IRR from 5.6% for fixed solar PV to 7.7%**
- Rapid solar PV buildout in Germany is placing **sustained downward pressure on solar capture prices**, reinforcing the **value of improved capture through tracking**

Project economics, merchant co-located solar PV with 2h grey BESS, COD 2027¹

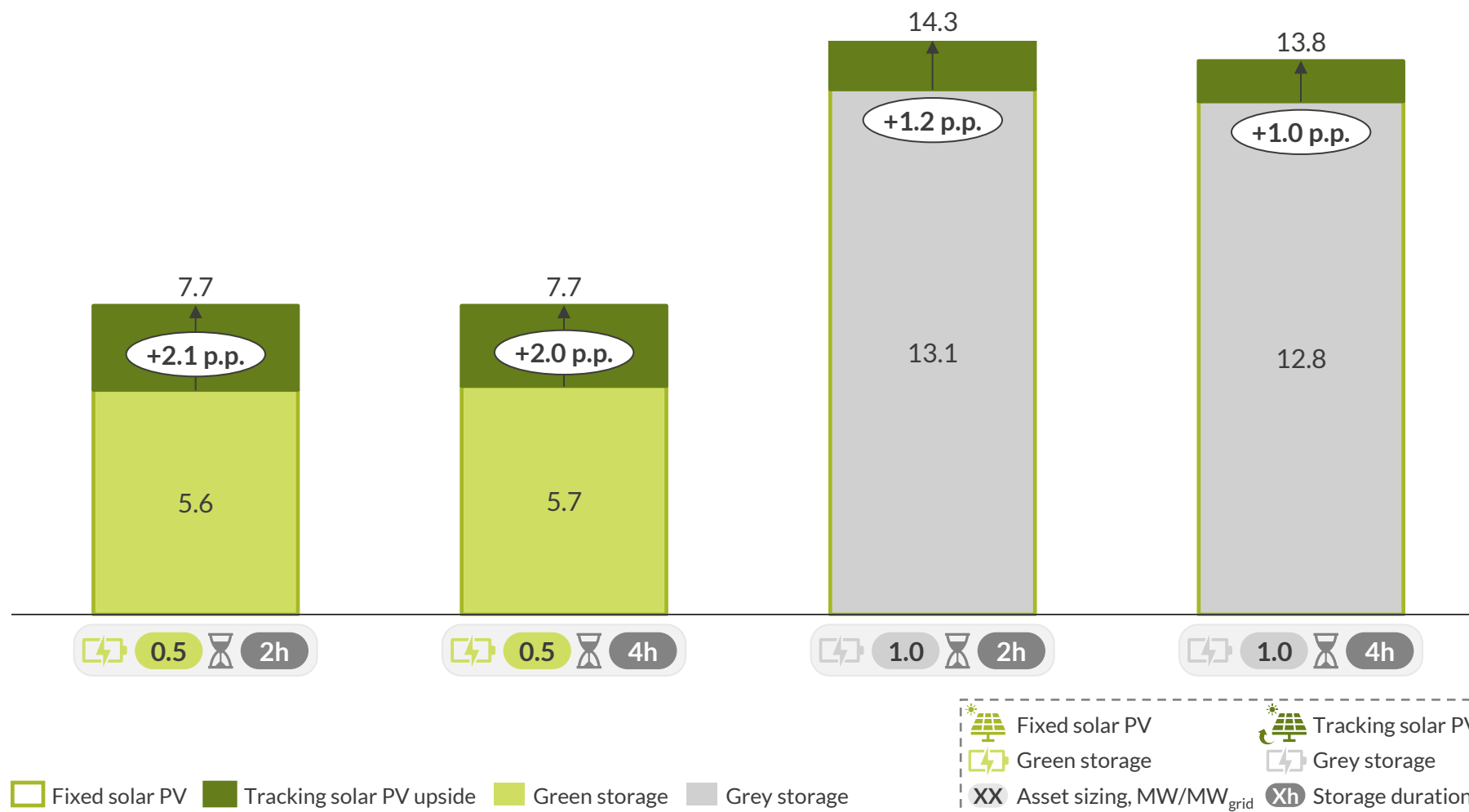
Net Present Value², €/kW_{grid} (real 2025)



1) Economics presented are for a co-located asset, consisting of 150 MW_{AC} solar PV, 120 MW BESS and 120 MW grid connection; 2) 6% WACC applied to PV, 11.5% WACC applied to BESS.

Single-axis trackers unlock additional value in co-located systems, with up to +2.1 p.p. IRR uplift and the greatest impact on green storage

Project IRR, merchant co-located solar PV with BESS, COD 2027¹
% (real 2025, pre-tax)



- Tracking solar PV **significantly boosts IRR** for both green and grey storage
- Green storage co-location benefits most** from tracking solar PV, with a +2.0–2.1 p.p. IRR uplift
- Grey storage outperforms** green storage, as **unrestricted grid charging** enables greater flexibility and higher-value arbitrage, while the larger BESS sizing requires significantly more investment
- Particularly for **projects not meeting target IRR** hurdle rates, tracking solar PV provides a **value-adding lever** across both green and grey storage configurations

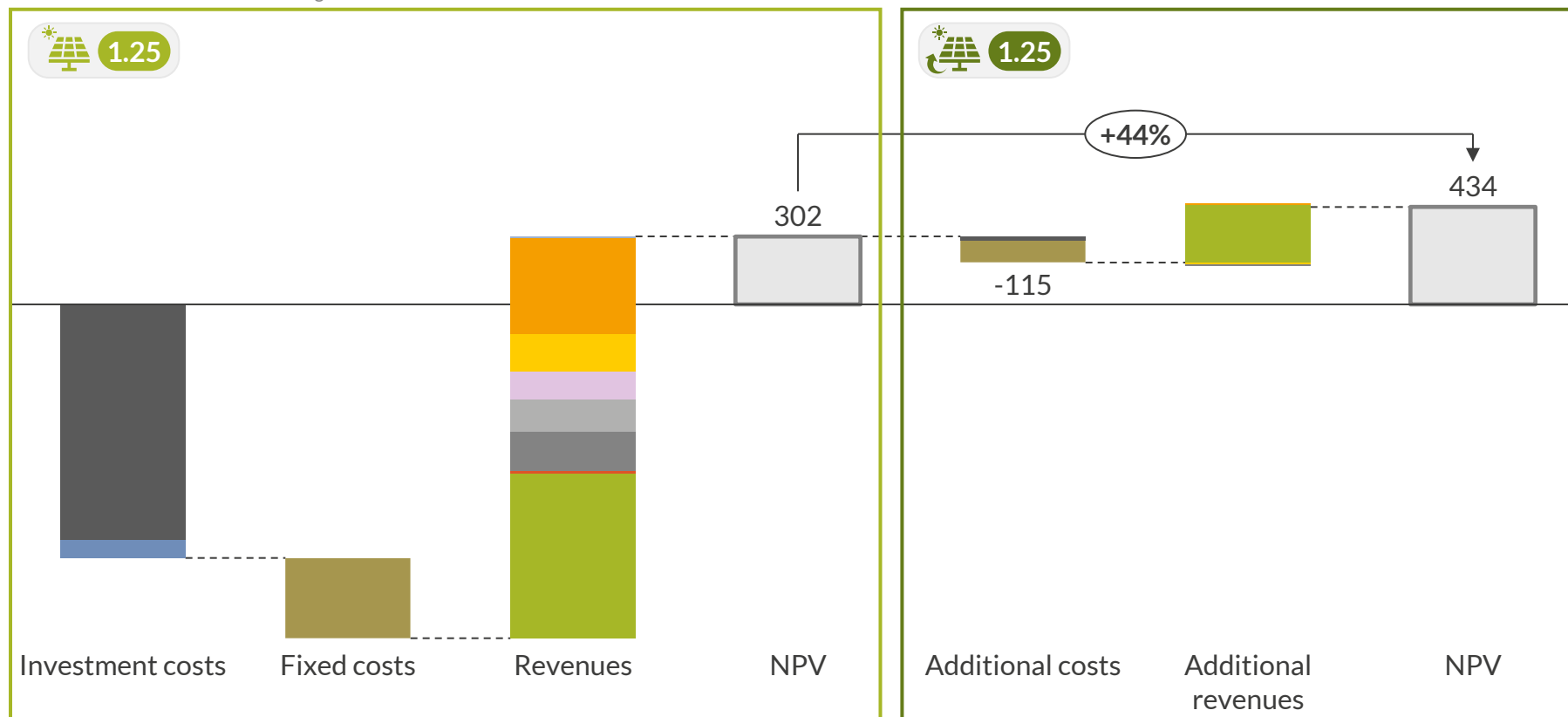
1) Economics presented are for a co-located asset, consisting of 150 MW_{AC} solar PV and 120 MW grid connection.

Tracking solar PV increases system NPV by 44% as incremental revenues are more than twice the additional costs

Project economics, merchant co-located solar PV with 2h grey BESS, COD 2027¹

Net Present Value, €/kW_{grid} (real 2025, 6% WACC applied to PV, 11.5% WACC applied to BESS)

1.0 2h



- **Additional revenues** between fixed and tracking solar PV are driven by **widened generation profile** and **improved RES cashflow**
- Additional investment and operational costs of the tracking solar PV asset amount to -115 €/kW_{grid}, with single-axis trackers carrying a **modest cost premium** of +3% CAPEX and +22% OPEX compared to fixed
- Overall, additional costs are outweighed by the higher RES revenue, resulting in a **44% NPV upside** (132 €/kW_{grid}) for tracking solar PV compared to fixed, when co-located with a 2h duration grey storage asset

CAPEX End of life value Continuous intraday FCR
 OPEX Day-Ahead aFRR energy RES cashflow
 Baukostenzuschuss² Intraday aFRR capacity NPV

Fixed solar PV Tracking solar PV
 Green storage Grey storage
 XX Asset sizing, MW/MW_{grid} Xh Storage duration

1) Economics presented are for a co-located asset, consisting of 150 MW_{AC} solar PV, 120 MW BESS and 120 MW grid connection. 2) One-off construction cost contribution.



About Nextpower

- Leading solar technology platform for utility-scale power plants
- #1 Global market share; #1 U.S., Europe, LATAM and Australia¹
- \$3.559 billion in revenue in FY26
- 160+ GW shipped since 2013 founding²
- 2000+ employees, nine global offices, HQ Silicon Valley
- 100+ manufacturing facilities
- 45+ countries served
- 1500+ patents issued and pending³
- Public company NASDAQ: NXT
- Investment-grade credit rating from Fitch

¹ Through 2024 based on GW trackers shipped – Wood Mackenzie Ltd., Global Solar PV Tracker Market Share 2025 and Wood Mackenzie Ltd., The Global PV Tracker Landscape 2016: Prices, Forecasts, Market Shares and Vendor Profiles, October 2016

² 160+ GW shipped as of FY26 end

³ 1400+ issued patents (U.S. and international) as of September 2025

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