



# Q4 EARNINGS REPORT

February 2026

# Disclaimer

## Forward-Looking Statements

This presentation contains forward-looking statements. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws. Words, and variations of words, such as “will,” “may,” “expect,” “would,” “could,” “might,” “intend,” “plan,” “believe,” “likely,” “estimate,” “anticipate,” “objective,” “predict,” “project,” “drive,” “seek,” “aim,” “target,” “potential,” “commitment,” “outlook,” “continue,” “goal” or any other similar words are intended to identify our forward-looking statements. Although we believe that the expectations and assumptions reflected in any of our forward-looking statements are reasonable, actual results or outcomes could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control, which could cause our actual results to differ materially from those indicated in these forward-looking statements. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this presentation except as required by applicable law or regulation. For important information on forward-looking statements, please see our earnings release for Q4 2025 on our investor relations website at <https://investors.shoals.com>.

## Non-GAAP Financial Information

All results shared within this presentation are non-GAAP unless noted as “reported,” in which case we are referring to our results on a GAAP basis. Please see GAAP to non-GAAP reconciliations at the end of this presentation for comparable GAAP measures. Refer to the definitions of these measures in our earnings release for Q4 2025 on our investor relations website at <https://investors.shoals.com>.

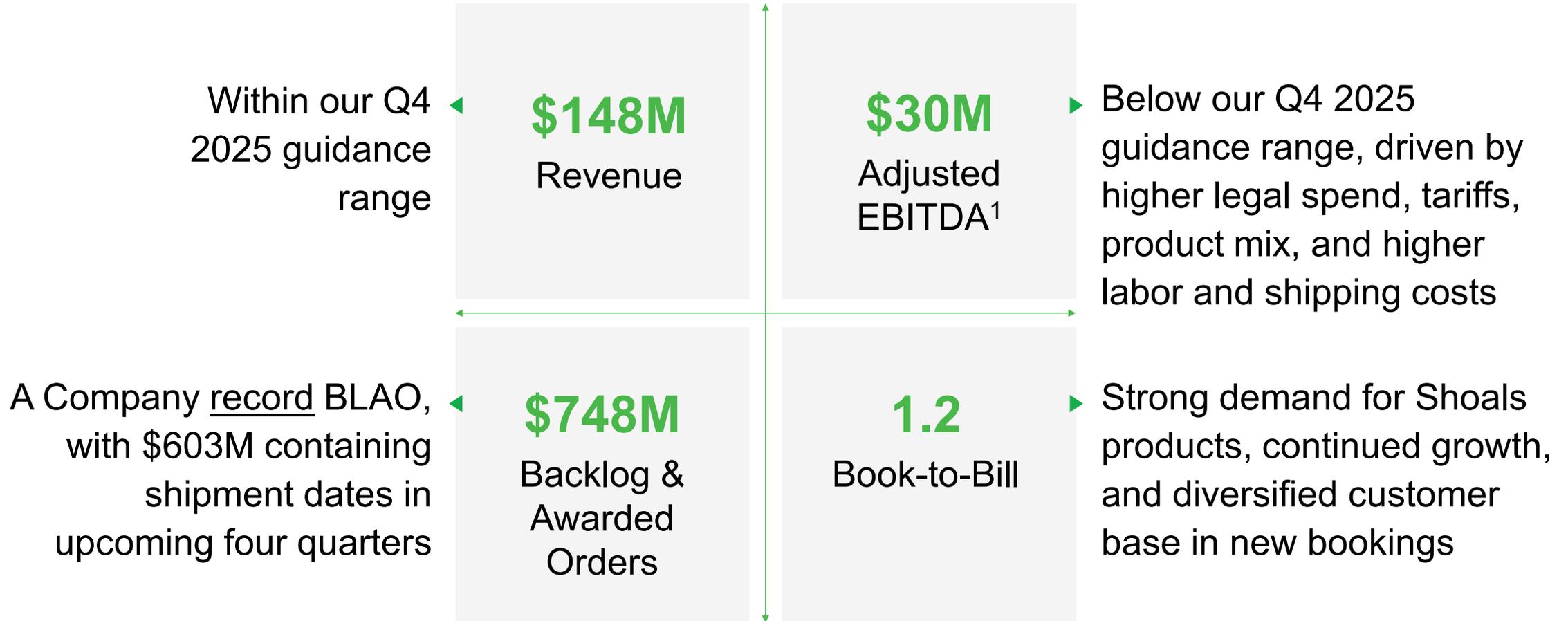
## Market and Industry Data

This presentation also contains information regarding the Company's market and industry that is derived from third-party research and publications. That information may rely upon a number of assumptions and limitations, and the Company has not independently verified its accuracy or completeness.

# Agenda

- 01 Fourth Quarter Highlights
- 02 Full Year Highlights
- 03 Business Unit Highlights
- 04 Current Events, Market Environment & Strategy
- 05 Q4 2025 Financial Overview
- 06 Q1 and Full Year 2026 Financial Outlook

# QUARTERLY HIGHLIGHTS



<sup>1</sup>See Appendix for reconciliation of Non-GAAP measures.



# FULL YEAR HIGHLIGHTS

- ✓ Topline revenue growth of ~19%
- ✓ U.S. Utility Scale Solar business growth of ~11%
- ✓ Reignited innovation engine, introducing multiple new products
- ✓ International revenue grew from <\$1M in 2024 to \$13M in 2025
- ✓ CC&I exceeding expectations & OEM growing at 47% yoy
- ✓ Entered a new market with our BESS offering, with BESS BLAO now at \$67M
- ✓ Began the move into consolidated, state of the art manufacturing facility



# BUSINESS UNIT HIGHLIGHTS

## U.S. Utility Scale Solar

- ✓ Another strong period of growth within our core Utility Scale Solar market
- ✓ Quote volume in the quarter exceeded \$700M of unique projects



## International

- ✓ Increased quote activity and customer engagement
- ✓ Products introduced in 2024 are generating interest
- ✓ Our reputation for quality is winning projects
- ✓ Approximately \$13M of revenue in 2025



## CC&I

- ✓ CC&I is performing well
- ✓ Engaged with large, well respected electrical distributors
- ✓ Provides path to creating lasting relationships and growth with new customers



## OEM

- ✓ OEM is tracking ahead of expectations
- ✓ Our partner continues to see strong demand for their panels
- ✓ 2026 expected to be another year of attractive growth



## BESS

- ✓ BLAO of \$67M
- ✓ Established partnership with ON.energy
- ✓ Investing in large scale BESS production capabilities
- ✓ We expect new production line to be operational in the coming weeks



# CURRENT EVENTS, MARKET ENVIRONMENT & STRATEGY



- A **return to growth** for Shoals in 2025
- Markets have been **resilient**
- Our competitive position **continues to improve**
- Entered **new markets** with **new products**
- Meaningful **progress** on our legal actions
- Began moving into our new consolidated, **state of the art manufacturing facility**
- We **remain focused** on executing our strategy

## Fourth Quarter Financial Snapshot

\$ Thousands (except for EPS)	Q4 2025	Q4 2024	\$ Change YoY	% Change YoY
<b>Revenue</b>	\$ 148,325	\$ 106,987	\$ 41,338	38.6%
Cost of Goods Sold	101,411	66,803	34,608	51.8%
<b>Gross Profit</b>	<b>46,914</b>	<b>40,184</b>	<b>6,730</b>	<b>16.7%</b>
Gross Profit %	31.6%	37.6%	(5.9)%	(15.8)%
Wire Insulation Shrinkback Expense	—	—	—	—%
<b>Adjusted Gross Profit</b>	<b>\$ 46,914</b>	<b>\$ 40,184</b>	<b>\$ 6,730</b>	<b>16.7%</b>
Adjusted Gross Profit %	31.6%	37.6%	(5.9)%	(15.8)%
<b>Adjusted EBITDA</b>	<b>\$ 30,280</b>	<b>\$ 26,409</b>	<b>\$ 3,871</b>	<b>14.7%</b>
Adj EBITDA %	20.4%	24.7%	(4.3)%	(17.3)%
<b>Adjusted Net Income</b>	<b>\$ 17,509</b>	<b>\$ 14,095</b>	<b>\$ 3,414</b>	<b>24.2%</b>
Adj. Net Income %	11.8%	13.2%	(1.4)%	(10.4)%
<b>Adjusted Diluted EPS</b>	<b>\$ 0.10</b>	<b>\$ 0.08</b>	<b>\$ 0.02</b>	<b>22.1%</b>

<sup>1</sup>See Appendix for reconciliation of Non-GAAP measures.

**\$148.3M**

**Q4 Revenue**

**31.6%**

**Q4 Adjusted  
Gross Profit %<sup>1</sup>**

**\$46.9M**

**Q4 Adjusted  
Gross Profit<sup>1</sup>**

**\$30.3M**

**Q4 Adjusted EBITDA<sup>1</sup>,  
20.4% Adjusted  
EBITDA Margin<sup>1</sup>**

**\$17.5M**

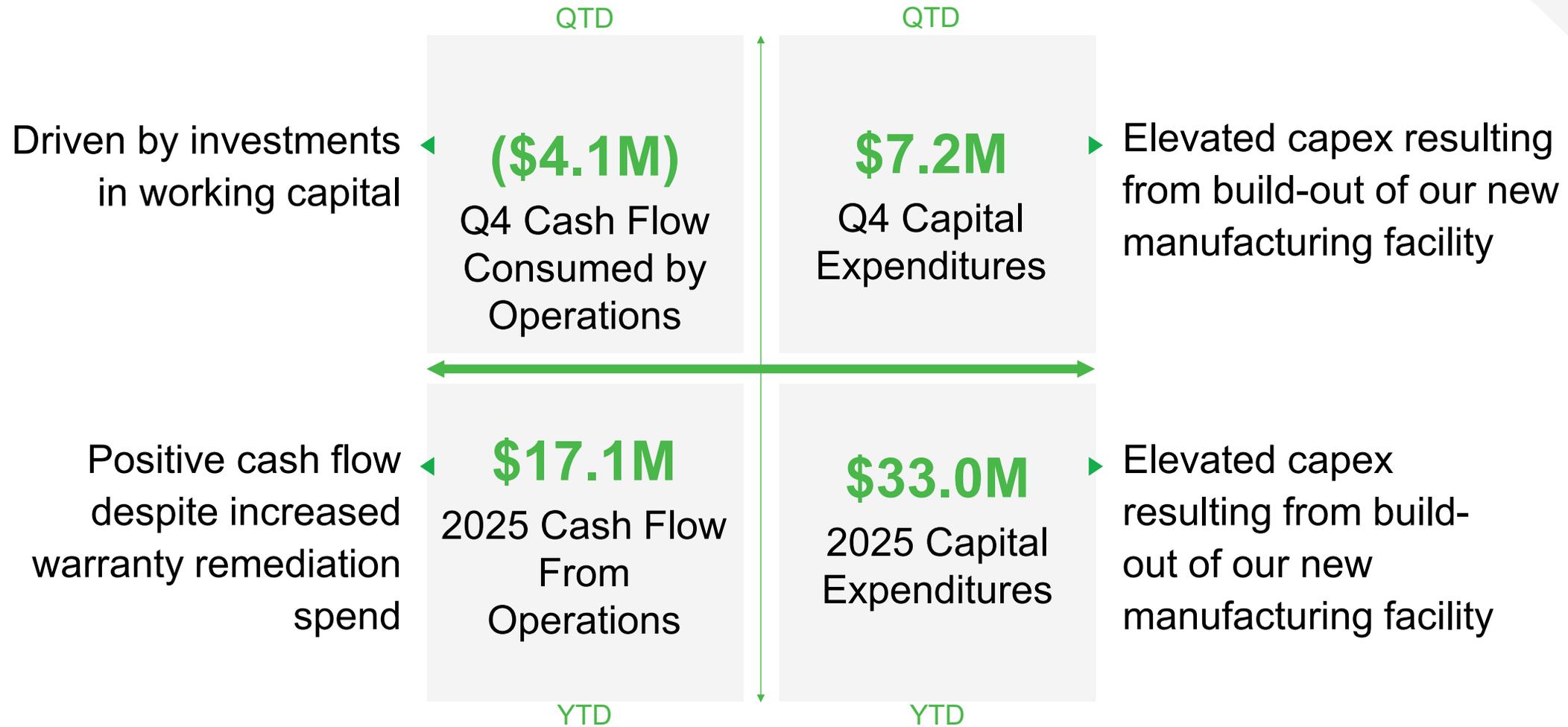
**Q4 Adjusted  
Net Income<sup>1</sup>**

**\$0.10**

**Q4 Adjusted  
Diluted EPS<sup>1</sup>**



# CASH FLOW

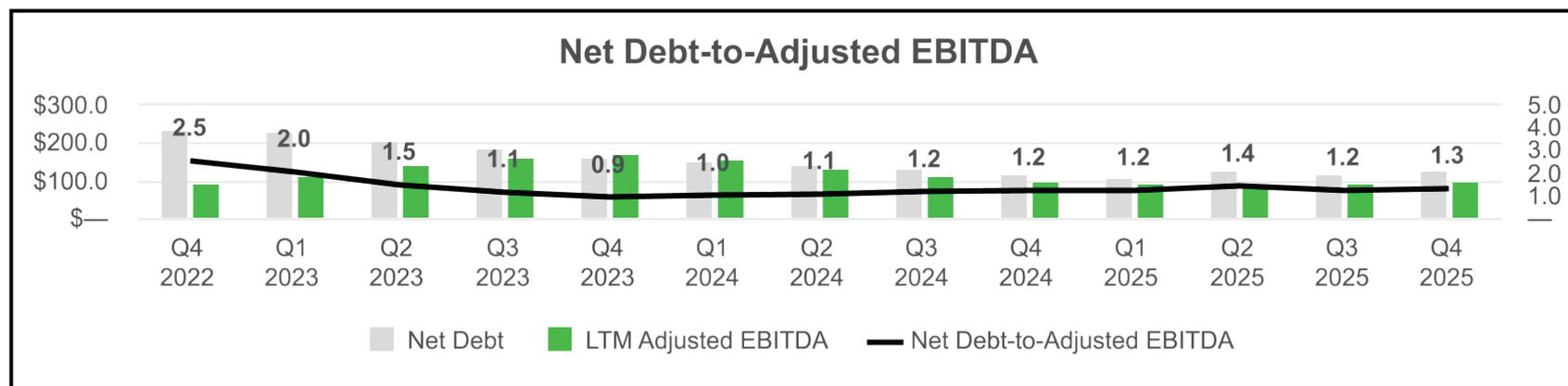


	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Cash & Cash Equivalents	\$35.6	\$4.7	\$8.6	\$7.3
Total Long-term Debt	\$141.8	\$131.8	\$126.8	\$136.8
Less: Cash & Cash Equivalents	\$35.6	\$4.7	\$8.6	\$7.3
Net Debt	\$106.1	\$127.1	\$118.2	\$129.4
Adjusted EBITDA	\$12.8	\$24.5	\$32.0	\$30.3
LTM Adjusted EBITDA	\$91.4	\$88.2	\$95.6	\$99.5
<b>Total Long-term Debt-to-Adjusted EBITDA</b>	<b>1.6</b>	<b>1.5</b>	<b>1.3</b>	<b>1.4</b>
<b>Net Debt-to-Adjusted EBITDA</b>	<b>1.2</b>	<b>1.4</b>	<b>1.2</b>	<b>1.3</b>
<b>Total Liquidity</b>	<b>\$93.9</b>	<b>\$72.9</b>	<b>\$81.8</b>	<b>\$70.6</b>

“Our balance sheet remains **high quality**.”

**1.3X**  
Net Debt-to-Adjusted EBITDA

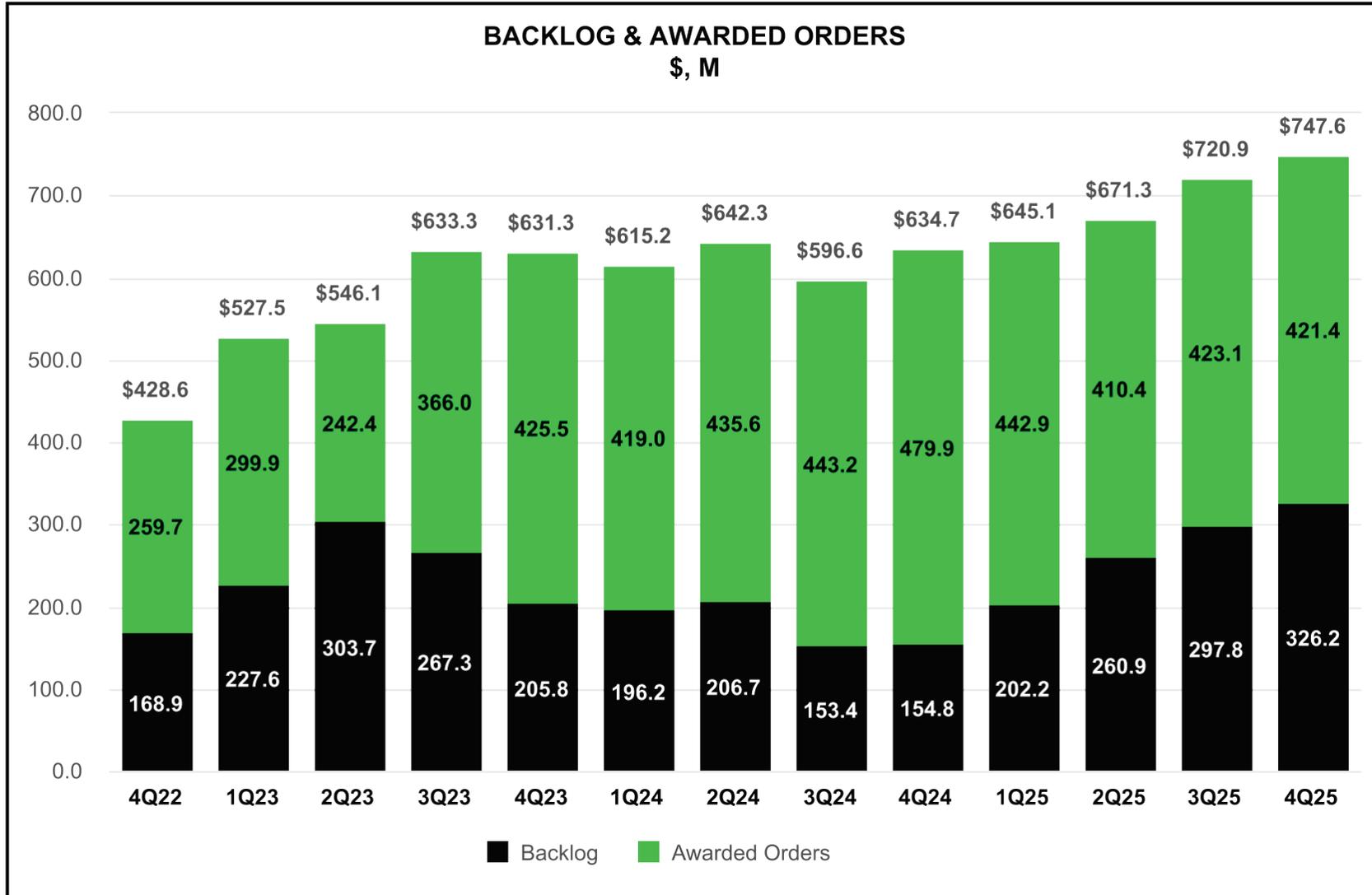
Compared to  
**2.5X**  
in Q4 2022



<sup>1</sup> Net Debt equals Total Long-Term Debt minus Cash and Cash Equivalents

<sup>2</sup> Total Liquidity equals Cash and Cash Equivalents plus available borrowing capacity on Revolving Credit Facility minus Letters of Credit





**\$747.6M**

As of December 31, 2025  
in **record backlog & awarded orders**

An increase of  
**18% YoY**

**\$326.2M**

As of December 31, 2025  
in backlog

**\$603.4M**

to deliver in Future Four  
Quarters

**\$144.2M**

Beyond Q4 2026





Full year **2026** expectations:

**\$560-600M**  
 2026 Full Yr Revenue  
 (22% YoY Growth at Midpoint)

**\$110-130M**  
 2026 Adj. EBITDA<sup>1</sup>  
 (21% YoY Growth at Midpoint)

**\$65-85M**  
 2026 Full Yr  
 Operating Cash Flow  
 (≈340% YoY Growth at Midpoint)

**\$20-30M**  
 2026 Capital  
 Expenditures  
 (24% YoY Decline at Midpoint)

**\$8-12M**  
 2026 Interest Expense  
 (Flat YoY at Midpoint)

<sup>1</sup>A reconciliation of Adjusted EBITDA guidance which is a forward-looking measure that is non-GAAP, to the most closely comparable GAAP measure is not provided because we are unable to provide such reconciliation without unreasonable effort. The inability to provide a quantitative reconciliation is due to the uncertainty and inherent difficulty in predicting the occurrence, the financial impact and the periods in which the components of the applicable GAAP measures and non-GAAP adjustments may be recognized. The GAAP measures may include the impact of such items as non-cash share-based compensation, amortization of intangible assets and the tax effect of such items, in addition to other items we have historically excluded from Adjusted EBITDA. We expect to continue to exclude these items in future disclosures of these non-GAAP measures and may also exclude other similar items that may arise in the future.



“We are in an exceptional position, from both a commercial and operational perspective.”

**Strategic plan and process improvements are yielding tangible results:**

- + We have protected and grown our core markets
- + We have reignited the innovation engine
- + We are building new businesses in new markets that expand our total addressable market
- + We are aggressively diversifying our market and customer exposure
- + We have invested in the right physical assets, including automation and technology, that will drive productivity for years to come
- + We have assembled an experienced team of business leaders that will enable us to continue the transformation of Shoals



“We want to thank our shareholders and customers for their continued trust, and our employees for their hard work and dedication.”



# Q & A



# Appendix



## Non-GAAP Reconciliations, Adjusted Gross Profit

Adjusted Gross Profit	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Revenue	\$ 148,325	\$ 106,987	\$ 475,331	\$ 399,208
Cost of revenue	101,411	66,803	308,823	257,191
Gross profit	\$ 46,914	\$ 40,184	\$ 166,508	\$ 142,017
Gross profit percentage	31.6%	37.6%	35.0%	35.6%
Wire insulation shrinkback expenses (a)	\$ —	\$ —	\$ —	\$ 13,764
Adjusted gross profit	\$ 46,914	\$ 40,184	\$ 166,508	\$ 155,781
Adjusted gross profit percentage	31.6%	37.6%	35.0%	39.0%

(a) For the year ended December 31, 2025 represents no wire insulation shrinkback warranty expenses related to the identification, repair and replacement of a subset of wire harnesses presenting unacceptable levels of wire insulation shrinkback, nor any inventory write-downs of wire in connection with wire insulation shrinkback. For the year ended December 31, 2024 represents (i) \$13.3 million of wire insulation shrinkback warranty expenses related to the identification, repair and replacement of a subset of wire harnesses presenting unacceptable levels of wire insulation shrinkback, and (ii) \$0.5 million of inventory write-downs of wire in connection with wire insulation shrinkback. We consider expenses incurred in connection with the identification, repair and replacement of the impacted wire harnesses as well as the write-down of related inventory distinct from normal, ongoing service identification, repair and replacement expenses that would be reflected under ongoing warranty expenses within the operation of our business and normal write-downs of inventory, which we do not exclude from our non-GAAP measures. In the future, we also intend to exclude from our non-GAAP measures the benefit of liability releases, if any. We believe excluding expenses from these discrete liability events provides investors with a better view of the operating performance of our business and allows for comparability through periods. See Note 8 - Warranty Liability, in our consolidated financial statements included in this Annual Report on Form 10-K for more information.

## Non-GAAP Reconciliations, Adjusted EBITDA

Adjusted EBITDA	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Net income	\$ 8,122	\$ 7,818	\$ 33,574	\$ 24,127
Interest expense	2,511	3,314	9,994	13,827
Interest income	(73)	(518)	(305)	(518)
Income tax expense	5,539	5,869	14,944	13,736
Depreciation expense	1,937	1,364	6,233	5,007
Amortization of intangibles	1,901	1,931	7,611	7,619
Equity-based compensation	2,227	3,838	9,902	14,230
(Gain) loss on sale of assets	1,292	—	(1,835)	—
Wire insulation shrinkback expenses <sup>(a)</sup>	—	—	—	13,764
Wire insulation shrinkback litigation expenses <sup>(b)</sup>	6,436	2,793	18,342	7,292
Plant optimization expenses <sup>(c)</sup>	388	—	1,063	—
<b>Adjusted EBITDA</b>	<b>\$ 30,280</b>	<b>\$ 26,409</b>	<b>\$ 99,523</b>	<b>\$ 99,084</b>

(a) For the year ended December 31, 2025 represents no wire insulation shrinkback warranty expenses related to the identification, repair and replacement of a subset of wire harnesses presenting unacceptable levels of wire insulation shrinkback, nor any inventory write-downs of wire in connection with wire insulation shrinkback. For the year ended December 31, 2024 represents (i) \$13.3 million of wire insulation shrinkback warranty expenses related to the identification, repair and replacement of a subset of wire harnesses presenting unacceptable levels of wire insulation shrinkback, and (ii) \$0.5 million of inventory write-downs of wire in connection with wire insulation shrinkback. We consider expenses incurred in connection with the identification, repair and replacement of the impacted wire harnesses as well as the write-down of related inventory distinct from normal, ongoing service identification, repair and replacement expenses that would be reflected under ongoing warranty expenses within the operation of our business and normal write-downs of inventory, which we do not exclude from our non-GAAP measures. In the future, we also intend to exclude from our non-GAAP measures the benefit of liability releases, if any. We believe excluding expenses from these discrete liability events provides investors with a better view of the operating performance of our business and allows for comparability through periods. See Note 8 - Warranty Liability, in our consolidated financial statements included in this Annual Report on Form 10-K for more information.

(b) For the year ended December 31, 2025, represents \$18.3 million of expenses incurred in connection with the lawsuit initiated by the Company against the supplier of the defective wire. For the year ended December 31, 2024, represents \$7.3 million of expenses incurred in connection with the lawsuit initiated by the Company against the supplier of the defective wire. We consider this litigation distinct from ordinary course legal matters given the expected magnitude of the expenses, the nature of the allegations in the Company's complaint, the amount of damages sought, and the impact of the matter underlying the litigation on the Company's financial results. In the future, we also intend to exclude from our non-GAAP measures the benefit of recovery, if any. We believe excluding expenses from these discrete litigation events provides investors with a better view of the operating performance of our business and allows for comparability through periods. See Note 15 - Commitments and Contingencies, in our consolidated financial statements included in this Annual Report on Form 10-K for more information.

(c) For the year ended December 31, 2025, represents \$1.1 million of expenses incurred in connection with actions taken to consolidate our operations into a newly constructed facility, including items such as professional fees, relocation, facility set-up and other costs. We believe excluding expenses from these events provides investors with a better view of the operating performance of our business and allows for comparability through periods.



Adjusted Net Income	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Net income	\$ 8,122	\$ 7,818	33,574	24,127
Amortization of intangibles	1,901	1,931	7,611	7,619
Amortization / write-off of deferred financing costs	156	156	622	3,093
Equity-based compensation	2,227	3,838	9,902	14,230
(Gain) loss on sale of asset	1,292	—	(1,835)	—
Wire insulation shrinkback expenses <sup>(a)</sup>	—	—	—	13,764
Wire insulation shrinkback litigation expenses <sup>(b)</sup>	6,436	2,793	18,342	7,292
Plant optimization expenses <sup>(c)</sup>	388	—	1,063	—
Tax impact of adjustments <sup>(d)</sup>	(3,013)	(2,441)	(8,712)	(11,591)
Adjusted Net Income	\$ 17,509	\$ 14,095	60,567	58,534

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(d) Shoals Technologies Group, Inc. is subject to U.S. Federal income taxes, in addition to state and local taxes. Represents the estimated tax impact of all Adjusted Net Income add-backs, excluding those which represent permanent differences between book versus tax.





# Non-GAAP Reconciliations, Adjusted Diluted EPS

Adjusted Diluted EPS	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Adjusted diluted weighted average shares outstanding	169,664	166,830	168,378	168,725
Adjusted Net Income	17,509	14,095	60,567	58,534
Adjusted Diluted EPS	\$ 0.10	\$ 0.08	\$ 0.36	\$ 0.35



# THANK YOU!



Please reach out to [investors@shoals.com](mailto:investors@shoals.com) with any further questions.

