American Superconductor Corporation (NASDAQ:AMSC) Q1 2024 Earnings Conference Call August 7, 2024 10:00 AM ET

Company Participants

Nicol Golez - Director of Communications
Daniel McGahn - Chairman, President and CEO
John Kosiba - CFO, SVP and Treasurer

Conference Call Participants

Eric Stine - Craig Hallum
Colin Rusch - Oppenheimer
Justin Clare - ROTH Capital Partners

Operator

Good day, and welcome to the AMSC First Quarter Fiscal 2024 Financial Results. [Operator Instructions] Please note, this event is being recorded.

I would now like to turn the conference over to Nicol Golez, Director of Communications at AMSC. Please go ahead.

Nicol Golez

Thank you, Dave. Good morning, everyone, and welcome to American Superconductor Corporation's first quarter of fiscal year 2024 earnings conference call. I am Nicol Golez, Director of Communications. With us on today's call are Mr. Daniel McGahn, Chairman, President and Chief Executive Officer; and Mr. John Kosiba, Senior Vice President, Chief Financial Officer and Treasurer.

American Superconductor issued its earnings release for the first quarter of fiscal year 2024 yesterday after market closed. For those who have not seen the release, a copy is available in the Investors page of the company's website at www.amsc.com.

Before starting the call, I would like to remind you that various remarks management may make about American Superconductor's future expectations, including expectations regarding the company's second quarter of fiscal year 2024 financial performance, plans and prospects constitute forward-looking statements for purposes of the safe harbor provision under the Private Securities Litigation Reform Act of 1995.

Actual results may differ materially from those indicated by such forward-looking statements because of various important factors, including those in the Risk Factors section of American Superconductor's annual report on Form 10-K for the year ended March 31, 2024, which the company filed with the Securities and Exchange Commission on May 29, 2024, and the company's other reports filed with the SEC.

These forward-looking statements represent management's expectations only as of today and should not be relied upon as representing management's views as of any date after today. While the company anticipates that subsequent events and developments may cause the company's views to change, the company specifically disclaims any obligation to update these forward-looking statements.

Also, on today's call, management will refer to non-GAAP net income or non-GAAP financial measures. The company believes non-GAAP net income assist management and investors in comparing the company's performance across reporting periods on a consistent basis by excluding these noncash, nonrecurring or other charges that it does not believe are indicative of its core operating performance.

The reconciliation of GAAP net loss to non-GAAP net income can be found in the first quarter of fiscal year 2024 earnings press release that the company issued and furnished to the SEC last night on Form 8-K. American Superconductor's press releases and SEC filings can be accessed from the Investors page of its website at www.amsc.com.

With that, I will now turn the call over to Chairman, President and Chief Executive Officer, Mr. Daniel McGahn. Daniel?

Daniel McGahn

Thanks, Nicol, and good morning, everyone.

I'll begin today by providing an update on our grid and wind business units, followed by comments on our recent acquisition. John Kosiba will then provide a detailed review of our financial results for the first fiscal quarter, which ended June 30, 2024, provide guidance for the second fiscal quarter, which will end September 30, 2024, and comment on the acquisition. Following our comments, we'll open up the line to questions from our analysts. We're off to a very good start with our new fiscal year.

The business is thriving, and we delivered yet another remarkable quarter. Our team reported great results for the first quarter of fiscal 2024. Total revenue for the first quarter came in line with our guidance range and grew by more than 30% versus the year ago period.

Our first quarter revenue of $40 million was driven by strong new energy power system shipments. Our grid revenue for the first quarter of fiscal year 2024 accounted for 80% of AMSC's total revenue and grew over 25% versus the year ago period.

The remainder of the revenue came from our wind business, which grew over 75% from a year ago. This is the second quarter in a row that we've been at this $40 million revenue level. We exceeded our average gross margin levels for the quarter through a combination of strong projects and performance in each of our business segments. We ended the first quarter with more than $95 million in cash. We had very strong bookings in the first quarter with both new and existing customers for our products.

We announced a record $75 million order of ship protection systems from the Royal Canadian Navy while new Energy Power Systems came in at about $33 million. Our new Energy Power Systems orders represent strong contributions from utilities, industrials, renewables, semiconductors and mining.

We received our third follow-on order of over $12 million from our wind customer Inox Winds, also, we generated more than $125 million in new orders in the quarter. This is also a recent record. We ended the quarter with a 12-month backlog of $160 million and a total backlog of $250 million.

We entered the year at $140 million 12-month backlog. These results and achievements represent our ability to deliver business diversification, financial growth and expanded scale. We are very pleased with these results and encouraged by our orders momentum. Our business appears to be well positioned for the future.

Now I'll turn the call over to John Kosiba to review our financial results for the first quarter of fiscal 2024, provide guidance for the second quarter of fiscal 2024, which will end September 30, 2024, and comment on the addition of NWL to the AMSC family. John?

John Kosiba

Thanks, Daniel, and good morning, everyone.

AMSC generated revenues of $40.3 million for the first quarter of fiscal 2024 compared to $30.3 million in the year ago quarter. Our grid business unit accounted for 80% of total revenues, while our wind business unit accounted for 20%. The Grid business unit revenues increased by 26% in the first quarter versus the year ago quarter. This year-over-year change was led by revenue growth from our new energy power systems.

Wind business unit revenues increased by 76% in the first quarter versus the year ago quarter. This year-over-year change was driven by ECS shipments. Looking at the P&L in more detail. Gross margin for the first quarter of fiscal 2024 was 30%. This is up from 21% in the year ago quarter.

Gross margin for the quarter was favorably impacted by the increased revenues, the pricing increases across our product lines, a favorable product mix, including strong service and spare parts revenue as well as elevated levels of factory absorption across our product lines. We experienced this gross margin expansion due to the drivers I mentioned.

This was a perfect culmination of events that yielded these elevated gross margins in Q1. We believe that the actions taken over the last couple of years to expand our gross margins will continue to have a positive impact on our business.

Moving on to operating expenses. R&D and SG&A expenses for the first quarter of fiscal 2024 were $11.2 million compared to $9.7 million in the year ago quarter. Approximately 11% of R&D and SG&A expenses in the first quarter of fiscal 2024 were noncash.

Our net loss in the first quarter of fiscal 2024 was $2.5 million or $0.07 per share. I'd like to mention that included in our net loss for the quarter was a $3.9 million contingent consideration revaluation expense related to the NEPSI acquisition, which is a noncash item. If we exclude the contingent consideration, AMSC would have generated $1.4 million of net income in the first quarter.

This compares to a net loss of $5.4 million or $0.19 per share in the year ago quarter. Our non-GAAP net income for the first quarter of fiscal 2024 was $3 million or $0.09 per share compared with a non-GAAP net loss of $2.1 million or $0.08 per share in the year ago quarter. Please see our press release issued last night for a reconciliation of GAAP to non-GAAP results. We ended the first quarter of fiscal 2024 with $95.5 million in cash, cash equivalents and restricted cash. This compares with $92.3 million on March 31, 2024.

We generated $3.1 million of operating cash flow in the first quarter of fiscal 2024. Now turning on to our financial guidance for the second quarter of fiscal 2024. We expect that our revenues will be in the range of $38 million to $42 million. Our net loss on that revenue is expected not to exceed $1.7 million or $0.05 per share. Please note that our net loss guidance assumes no changes in contingent consideration.

We expect our non-GAAP net income to be at least breakeven before any impact of the acquisition. The company expects operating cash flow in the second quarter of fiscal 2024 to range from breakeven to positive $2 million. The company's guidance does not include the impact of the recently announced acquisition of NWL.

Additionally, this guidance does not contemplate an approximately $8 million milestone payment that is expected to be paid from our allied Navy in late September or early October. That payment could have a significant favorable impact on our operating cash flow if it is received within the quarter.

Now I'd like to take a moment to provide a financial summary of the NWL acquisition. On August 1, 2024, AMSC acquired NWL, a private New Jersey-based company that sells polysupplies and transformers to industrial and military customers. The total consideration paid for the acquisition was approximately $61.4 million.

The consideration was comprised of $30 million in cash, $25 million paid to closing and an additional $5 million to be paid after considering various adjustments set on in the stock purchase agreement. The remaining $31.4 million was paid by issuing 1.3 million restricted shares of AMSC common stock to the sellers at closing.

The share price used to calculate the shares paid to the sellers was $24.16 which was the closing price of our stock on the day prior to closing. Summarizing NWL income statement, NWL has averaged $55 million in revenue over the last three years. They've experienced significant growth in their most recent year with calendar 2023 revenues of $72.3 million. Gross margins for calendar 2023 were 24% and operating expenses in calendar 2023 were approximately $12 million. The operating margin in calendar 2023 was approximately 11%.

Now moving on to the balance sheet. We acquired the company on a debt-free basis. The acquired balance sheet at closing had approximately $41.2 million in current assets, $28.4 million in fixed assets and $1.9 million in intangible assets. The fixed assets included two buildings in New Jersey valued at approximately $23 million, which are owned outright. We acquired approximately 12.1 million in short-term liabilities and a $6.5 million deferred tax liability in long-term liabilities.

Given the fact that AMSC has substantial loss carryforwards to apply against future profit, we expect that much of that deferred tax liability will not be realized and will be taken as a tax income benefit in the quarters ahead. One other point to mention, we acquired a 12-month backlog of approximately $44 million and a total backlog of approximately $51 million.

More than half of that total backlog is expected to ship before December 31, 2024. As you can see, we acquired a company that we believe has a solid history of financial performance, a strong balance sheet and a backlog that demonstrates the current health of their business. As a result, we are expecting this acquisition to have an immediate positive impact on our financial performance.

Looking ahead, we are working through final purchase accounting reconciliations. Due to purchase and accounting activities that need to be finalized in Q2 of fiscal 2024, we are unable to provide any specific guidance regarding the financial impact the acquisition may have on our fiscal 2024 financial results.

With that said, our expectation is that NWL will contribute meaningfully to our consolidated revenue for Q2 fiscal 2024 and will add to our operating cash flow. One last note, we filed an 8-K last night with the SEC, which includes pro forma financial information that shows the favorable impact the acquisition would have had on our prior year and June quarter if the acquisition had occurred as of April 1, 2023 and April 1, 2024. Please see the 8-K for more information.

With that, I'll turn the call back over to Danny.

Daniel McGahn

Thanks, John.

We began fiscal year 2024 with strong orders momentum, solid financial results and what we believe to be a powerful addition to our business. A couple of days ago, we announced the acquisition of NWL. Prior to becoming part of the AMSC family, NWL was a privately held company in New Jersey. It has been owned and operated by the same family for two generations for over 50 years.

NWL provides power supplies for motor drives for a variety of energy applications as well as for critical military systems. The acquisition of NWL directly aligns with our strategic priorities to accelerate profitable growth, broaden our product offering and expand our market reach and market share. NWL has a history of profitable revenue with a three year average of approximately $55 million per year.

The acquisition of NWL is expected to complement and extend our product offerings in the industrial and military sectors. As we expand our military business, we believe NWL has the potential of multiplying our military footprint within the Department of Defense, especially the U.S. Navy.

We see the possibility that with NWL we may expedite our Navy expansion from our ship protection systems to ship power systems. Today, we install ship protection systems that help Navy ships stay hidden from our enemy threats. Together with Ship Power Systems, we can help power ship functions. We see NWL as part of the next step from protecting the fleet to powering the fleet.

With NWL we're buying a business that we like, that's run by people we like and run in a fashion that we like. It's also a company that we know. NWL was a strategic supplier to NEPSI. AMSC looked to also qualify them as a supplier. They are known to solve hard problems for their customers and have an exceptional offering that's typically deployed in hardened industrial and military environments.

We have a lot of respect for NWL and what has been built. Strategically, we made this acquisition with the expectation that it will improve the long-term quality of our revenues and earnings, with further diversification by region, customer and product.

And most importantly, we believe that the acquisition will accelerate our ability to achieve our goal to reach sustainable profitability. In addition to the expected improvement in the quality of our revenues and earnings, we believe that the acquisition of NWL can further expand our industrial market penetration. NWL will provide immediate access to customers we do not have access to today.

Their customer expansion in the industrial side, largely resides in the factory, where the customers we serve today are at the substation level. We believe that our strong balance sheet and the addition of NWL positions us for continued growth. This move underscores how we continue to focus on building a more predictable and diversified business.

To conclude, we believe the business really is in the best position it's ever been in and continues to improve. We generated non-GAAP net income and positive operating cash flow consistently over the past four quarters, and we're guiding for a possible fifth quarter.

Last quarter, we mentioned the possibility of doubling revenue from our fiscal 2021 levels. Let me remind you those levels were in the $25 million a quarter range. Our notion of getting to $50 million a quarter is now certainly possible. At this $50 million quarterly level, we have the potential to generate net income. The addition of NWL coupled with our strong financial performance, changes the scale of our business and should place us in a strong position for continued diversified growth.

We have several tailwinds generated by U.S. policies and momentum in our wind and ship businesses that hopefully will continue to drive our company's growth. During our first quarter, we announced our first allied Navy contract with the Royal Canadian Navy for our Ship Protection Systems or SPS.

Through this multiyear contract, we expect to deliver our proprietary SPS hardware, provide engineering services, integration and commissioning of the system into multiple Canadian surface combat. We are diligently working with Irving Shipbuilding, a Canadian shipbuilder that has constructed over 80% of Canada's fleet at sea today to deliver our first SPS system by 2026.

We are grateful to be contracted to provide world-class mine protection to the Canadian Surface Combatant platform and its sailors. In addition, we have a total of five SPS contracts for the U.S. Navy San Antonio Class LPD and are working on our proprietary Mine Countermeasure or MCM system. We are designed into multiple ship platforms, LPD for the U.S. Navy and CSC for the Royal Canadian Navy, and we hope to add our U.S.

Navy ship platform with the addition of the MCM product when it goes into production. We see expanding opportunities, especially in the military business. NWL's military progress, coupled with AMSC present an exciting opportunity to expedite AMSC's Navy expansion from ship protection systems to ship power systems. The two companies together are expected to provide a powerful combination. We are keenly focused on our ability to achieve our goal of sustainable profitability.

We are very close. If you listened to John Kosiba's comments carefully, you may understand that we may already be there. If NWL can continue to contribute in a similar manner as they have most recently demonstrated then the sustainable part of the goal may be achievable. This is truly an exciting time here at AMSC and time will tell.

Our future-facing technologies help harmonize the world's desire for decarbonization and clean energy with the need for more reliable, effective and efficient power delivery. I look forward to reporting to you again following the completion of our second fiscal quarter of 2024.

Dave, we'll now take questions from our analysts.

Question-and-Answer Session

Operator

[Operator Instructions] Our first question comes from Eric Stine with Craig Hallum. Please go ahead.

Eric Stine

Hi Daniel. Hi John.

Daniel McGahn

Hi Eric. Good to hear your voice.

Eric Stine

Hi, good morning. So on NWL, I can appreciate that you got to work through some things here near term in terms of specifics for the outlook. But I'm curious, are you able to just go through some of the trends that are specifically impacting their business? And is there any reason why there would be a change to the momentum in that business, which is clearly above what you provided in the release of that three year average.

Daniel McGahn

Yes. I think we wanted to have the three year average to get people to understand kind of the size of the business, how we think of it as we looked at valuing it, trying to understand what we see are the positive parts of the business. But I think you're asking kind of rightfully so. The most recent performance from NWL is much stronger than that $55 million average shows. Their business has been growing and the margins have been improving.

They're basically delivering gross margins and operating margins in the range that we've talked about for the entire business. So it really fits in strategically with what we're doing and the financials fitted perfectly with everything we've been talking about.

Eric Stine

Got it. And then maybe for my follow-up, just on Inox. I know you got the 3-megawatt order. Can you just remind us what the cadence of recognizing that will be? And is it safe to assume that once through that, you would expect more orders potentially sizable given the size of Inox's backlog?

Daniel McGahn

Yes, their backlog today stands at north of 2.7 gigawatts in total, which is, if you remember, even on past calls, that's more than double where it had been at. Their business is really starting to be positioned to take off specifically with the order that we have, as we said in the announcement, we expect that those products to be shipped this fiscal year.

So I think that adds to the derisking of the projections that we've talked about for the longer term for the business this year. So we think Inox is in a great position. We think that position is improving.

And we think that they're out selling a great product, which is this new 3-megawatt wind turbine that they have that comes from us from a technology, from a control system standpoint. So when I look at this, Eric, when I look at all the things we're hitting on between new energy orders, Inox orders, this huge, huge order from the Navy, we really feel that we're in a very different position than we were even a couple of quarters ago.

And then add in what we're doing with NWL which I think it sounds like you get pretty well. This is a different company again than it was a year ago. And I know we've been saying that each year, but we feel like we're really moving the needle with where this business is going ahead.

Eric Stine

Got it. Thanks.

Operator

The next question comes from Colin Rusch with Oppenheimer. Please go ahead.

Colin Rusch

Thanks so much, guys. Dan, as you look at NWL and look at the customer list that they've got and the synergy that you guys might have, can you talk a little bit about how much synergy there is there for you guys and we might start to see some of the impact there? And then if you could speak to the same around some of the supply chain and cost savings that you might see?

Daniel McGahn

Yes. I think when you look at the customer base, particularly on the industrial side, the start, where they sell their power supplies and controls they go into the factory. So in an industrial study, it opens up a whole list of additional customers that we simply just don't serve today because what we're focused on is for a very large-scale transformative projects so they are going to change plant equipment and capacity and capability for our customers. And they need a substation level power control equipment. In the case of NWL they're in the components that go in the factory that run every day.

So I think that's going to open up a whole new sales channel for us to think about how we can sell to those types of industrial customers. But you can hear in my voice and my tenure, what I'm really excited about is the military. It really transforms our reach into the Department of events, specifically with the Navy, allows us to think about not just protecting ships but powering ships. But I think also should help expedite our ability to get our protection systems on the more ship platforms within the U.S. Navy.

So we think the customer part really pulls. I think on the supply chain as you're asking, yes, I think there's work to be done there, and we can improve the supply chain across the board. I think scale in this business matters and I think scale will help us in the longer term to continue to improve financial performance as well.

Colin Rusch

Thanks so much. So I appreciate the color on the time that you need to work through some of the financial considerations. I haven't gone through this a few times now with the platform, how long do you think it will take to fully integrate the operations so that you can have clean fully realized synergies here. This looks like a little bit cleaner story than some of the other acquisitions that you've made in the past.

Daniel McGahn

Yes. The difference here, I think, is the scale. So you have a real operating business generating real operating margin that's been able to do that consistently. They have a culture. They have a system, they have a management team.

This is different than the last two acquisitions in that. We're adding a piece that's very well built, very well established on a very nice growth trajectory. So I think the work in many ways is going to be more straightforward, simpler, easier, less risky, more valuable to us than what we can do together, combined. Our team is super excited about NWL. I feel from the team at NWL.

They're super excited about us helping them to go to the next step and the next level, the next chapter in their business. So I think it really is another transformative event for the company. I think to think about from a financial standpoint, it's going to take a few months a quarter here to kind of understand all the accounting, how all that's going to work.

It's going to take us probably that a little bit more to really get the difference between a private company and forecasting in a public company, it's frankly different. Our ability to look at risk and assess risk is more home because we're used to talking to you all and trying to set expectations that we can meet and exceed.

I frankly don't know from their standpoint how well they're able to do that. Time is going to show as we see the months go by a quarter or two goes by. But from an integration standpoint, it's not a heavy lift to make this into an operation that's going to really help us in performance. It's going to help us with suppliers, going to help us with customers, help us with more market reach. We really love this acquisition on so many dimensions.

It fits so well. It feels so much like us already and a part of a business that we think is necessary needs for us to move things forward with many of the customers that we have today. So we're super jazzed and we don't see it as a high-risk acquisition.

That being said, the devil is always in the detail. We try to understand how to work through that. We've seen the experience that we've had with Nexan and [indiscernible], all very positive. It took us a couple of quarters to kind of get the beat with them and understand how orders are going to come in, how systems are going to work and all of those things.

So I'm hoping as we get to Christmas time at the end of the fiscal year, we're not talking about NWL anymore, we're talking only about AMSC. We're talking about growth trajectory. We're talking about the great markets and the great customers we're serving with wonderful technology.

Colin Rusch

Thanks so much.

Operator

The next question comes from Justin Clare with ROTH Capital Partners.

Justin Clare

Hi, good morning. Thanks. So I just wanted to start here also on NWL. Do you -- could you potentially share the mix of their military revenues versus their industrial revenues? Or just give us a sense for the relative size of each of those businesses? And then is it possible to share the gross margin profile for each of those businesses? Is it meaningfully different between them? Or are they pretty similar? And then also curious on NWL, just how many ship platforms they might be supplying into at this point in time.

Daniel McGahn

Yes. So let me make sure, Justin, I hit all those because you asked a lot of good questions that I think are important for everybody to understand. So when you look at the percentage of military versus industrial, it kind of depends on period, if you're looking at backlog versus revenue that's delivered. But in general, I'd say between 20% and 30% of the business was driven by military, we are indicating that we think that's a major growth engine that can happen for us. I won't say in the next couple of quarters, but certainly in the next couple of years or so.

We think that's really a valuable piece of what we're doing. Secondly, from a margin standpoint, when you look at what we put out there, it fits right in the margin that we're doing this quarter. I mean, it just adds on to the great business that we've already built, more of that, which we think is more valuable, not only to us but to our customers as well. And then there is a third piece of the question, Justin, that let me make sure I hit.

Justin Clare

Yes. Just curious on how many ship platforms NWL is supplying right now? And then just adding on to that, curious on the relative growth that you've seen between the military and the industrial businesses of NWL. Has one been growing meaningfully faster than the other recently? Just curious on the trends there.

Daniel McGahn

Yes. The answer specifically platforms. I don't want to go to a specific number, but it's multiple. They are on platforms that we want to get to, we're on platforms that they want to get to. So all additive, right? All kind of helps overall. I see personally, I'll just give you my opinion. I see that the military backlog is strong, growing puts the business in a nice position that that's going to become a critical part of the business overall. It's probably as far as I want to go and giving you color on that.

Justin Clare

Okay. And then just one more. I want to make sure I heard you correctly. Did you say that the 12-month backlog for NWL was $44 million, and then there's a total backlog of $150 million. So I wanted to check in on that. And then I just want to ask also about the ability to maybe deliver above the $44 million in the next 12 months based on the timeline of book-to-bill. So maybe, yes, if you could address that. Thank you.

Daniel McGahn

Yes, let me talk about book-to-bill timetable and John can go through and explain the numbers more specifically. But they're typically getting orders that they're going to deliver three, four months out for some projects, it might be five, six.

So this is a quicker turn business than the other parts of our business, which we love, right? It gives us the ability to generate orders today and deliver more revenue in December quarter, more revenue in the March quarter and certainly more revenue for next year. And they have a nice history of being able to bring that order book in at a nice beat, and they've been able to have a growth trajectory overall with their order book, and therefore, it translates into their revenue.

So they're in a really, really good position. And we had heard what we think is really a great backlog that helps bolster where we're going to be in the next few quarters here.

John Kosiba

Yes. On the backlog, just to make sure you heard me correctly, it was $44 million in 12-month backlog, $51 million in total backlog. And I also mentioned that more than half of that $51 million will -- is expected to ship before December 31, 2024. So that will -- by definition, that 12-month backlog is the second half of that period will have book and burn in since a big chunk of the 12-month backlog is being indicated that is expected to shift by 12/31.

Daniel McGahn

So out of that 51%, half of it in the next five months, right?

John Kosiba

And you subtract that from the 44% that would tell you that there's a substantial amount of book and burn that's expected.

Daniel McGahn

But eventually, that's what they do. If you look at the results as they did for the first half, you can see the level that they've been at, and we believe that, that's the level the business can be at and hopefully grow beyond.

Justin Clare

Okay. Got it. Appreciate the clarification, and thanks for the time.

Operator

This concludes our question-and-answer session. I would like to turn the call back over to Mr. Dan for any closing remarks.

Daniel McGahn

Well, I hope you guys see how excited I am. This is probably the most excited I've been on any of these calls. And usually, you guys always tell me, boy, that was more exciting than the last one. So hopefully, we keep building the excitement here. We delivered a remarkable beginning of fiscal year 2024 with really outstanding financial performance.

We're on a whole new level of performance when you look at revenue gross margin. Great orders quarter, right? So a record $75 million ship protection system order transformative for the business, not only today, but for the future for multiple years. And this inserts our system into one of our Allied Navy's most significant chip platforms. We have this strong acquisition, which you can hear we're super excited about, and we believe allows us to reach our goal of sustainable profitability.

The business delivered outstanding financial performance with over $3 million of operating cash flow, right? This is something we've done a lot recently, and now the business is at this level. We've expanded gross margins to 30%. You guys have been asking John and I about well, where can we go? How can we get to, right?

And this is a level of gross margins that's higher than what we've talked about at this revenue level for sure. And we grew revenue by over 30% when we look at the quarter versus a year ago. $127 million in new orders mentioned what we did with Canada, but $33 million in new energy power systems orders, so at and above what the trailing average has been. So we continue to build that business. And it's our third 3-megawatt ECS order from Inox Wind, which that business is going to continue.

We added NWL which really changes the scale of our business and should place us in a strong position to continue our path to diversifying our growth, particularly in the industrial and military sectors. And I think in the base business, we ended the quarter with $160 million in 12-month backlog and $250 million in total backlog. That's without adding NWL. And we'll -- give us the time you're going to see next call, how do we perform? How is NWL doing?

How does it add? We're super excited about where the business has been in the past few quarters. And now where the business is going to head in the next few quarters with the addition of a strong order book that we have and the addition of the great business of NWL. So I'm very excited to be able to talk to you guys in about a quarter's time about this great business that we've built and the results that we continue to deliver. Thanks, everybody.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.