



Alfen 2025 Q1 trading update

Webcast

13 May 2025



Disclaimer



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Alfen's revenue, adjusted EBITDA margin and free cash flow guidance is based on management estimates resulting from Alfen's pursuit of its strategy. Alfen can provide no assurances that the guidance will be realised and the actual results for 2025 could differ materially. The guidance has also been determined based on assumptions and estimates that Alfen considered reasonable at the date these were made. These estimates and assumptions are inherently uncertain and reflect management's views which are also based on its historic success of being assigned orders and projects, which may materially differ from the success rates for any future orders and projects. These estimates and assumptions may change as a result of uncertainties related to the economic, financial or competitive environment and as a result of future business decisions of Alfen or its clients, such as cancellations or delays, as well as the occurrence of certain other events.

A more comprehensive discussion of the risk factors affecting Alfen's business can be found in Alfen's annual report 2024 which can be found on Alfen's website, www.alfen.com.

The reported data in this webcast have not been audited.

- ① Q1 highlights
- ② Q1 business line view
- ③ Q1 financials
- ④ Outlook 2025



Alfen's highlights of Q1 2025

- > **Q1 2025 revenue was €103.8m**, compared to €116.8m in Q1 2024, mainly as a result of revenue decline in EV Charging (-26.9%) and Energy Storage Systems (-8.3%).
- > **Gross margin was €31.0m (29.8% of revenue)** compared to €37.4 (32.0% of revenue) in Q1 2024, driven largely by a reduction in the share of EV Charging in the revenue mix.
- > **Adjusted EBITDA is €5.5m (5.3% of revenue)** compared to €9.6m in Q1 2024 (8.2% of revenue).
- > **Cost control measures taken in H2 2024 reduced personnel and other operational costs by 18.2% compared to Q4 2024.**
- > **Energy transition delays continue to impact our business lines:** our Smart Grid Solutions private customers are being impacted by grid congestion and our grid operator customers face labour shortages and regulatory constraints, while the softening of European CO₂ targets for automotive OEMs is delaying the acceleration of EV adoption and, consequently, EV charging demand in our segments.
- > **Energy Storage Systems (ESS) performance is in line with 2025 revenue expectations and Alfen won its largest Energy Storage deal to date with Return Energy in April 2025, contributing to 2026 revenue:** the 100MW/200MWh system will be connected to the Dutch transmission grid (TenneT).
- > **Alfen expects revenue to be at the lower end of the current full-year revenue guidance range of €445m-505m** and is readjusting the range to €430m-480m. As a consequence, Alfen will take further cost measures and revises its adjusted EBITDA margin guidance from high single digits to a range of 5-8%.

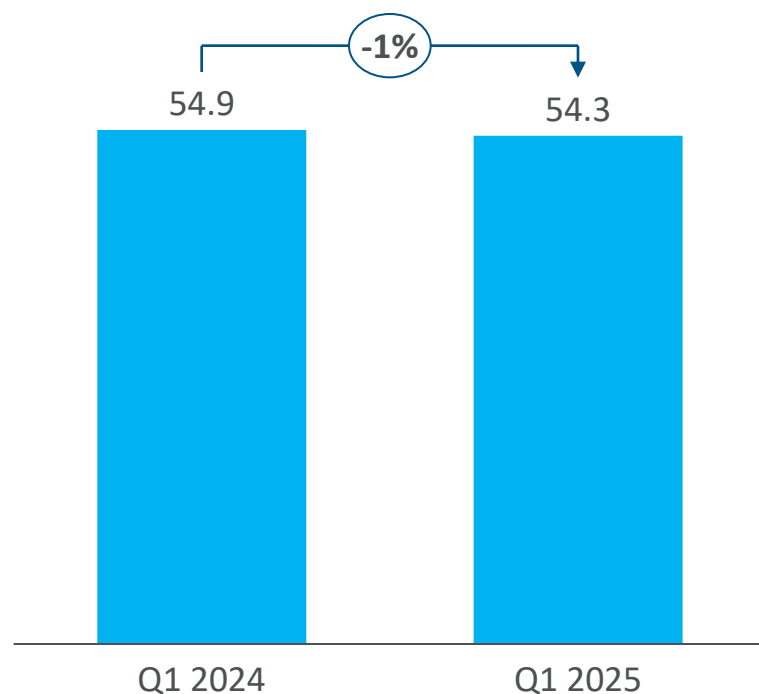
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Business line view | Smart grid solutions

Revenues and other income

(€ million)



- **Q1 revenue was €54.3m for Smart Grid Solutions (SGS)**, a decline of 1.1% compared to €54.9m in Q1 2024
- **Grid operators drove 71% of first quarter revenue**, compared to 29% from private domain
- **The decline is caused by lower revenue from private clients and grid operators downscaling their order quantities for 2025**, as they face installation and regulatory capacity constraints, due to labour shortages and continued nitrogen-related permitting issues
- **Gross margin was 23.9%** compared to 27.8% in Q1 2024
- **Alfen produced approximately 935 substations**, 765 were produced in The Netherlands, 170 in Finland

SGS | Scaling grid reinforcement is a multifaceted effort for grid operators with many factors that need to be in place

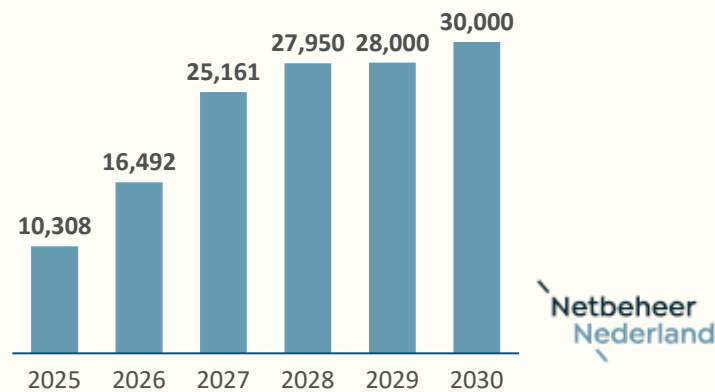
Long-term objective Dutch grid operators

“ We need
48 000
new substations to
reinforce the grid up to
2050

But short-term challenges hamper the installation-rate

Liander warns
Hundreds of construction projects for the grid are in danger due to nitrogen regulatory deadlock
RTL nieuws (21 april 2025)

Extra technical personnel needed
No of. FTE required



Netbeheer Nederland: Stand van de Uitvoering Q1 2025 (24 maart 2025)

Requirements to scale



Obtaining necessary permits, incl. nitrogen emission permits



Availability transmission grid capacity



Availability of land to place substation



Delivery of components by supply chain partners



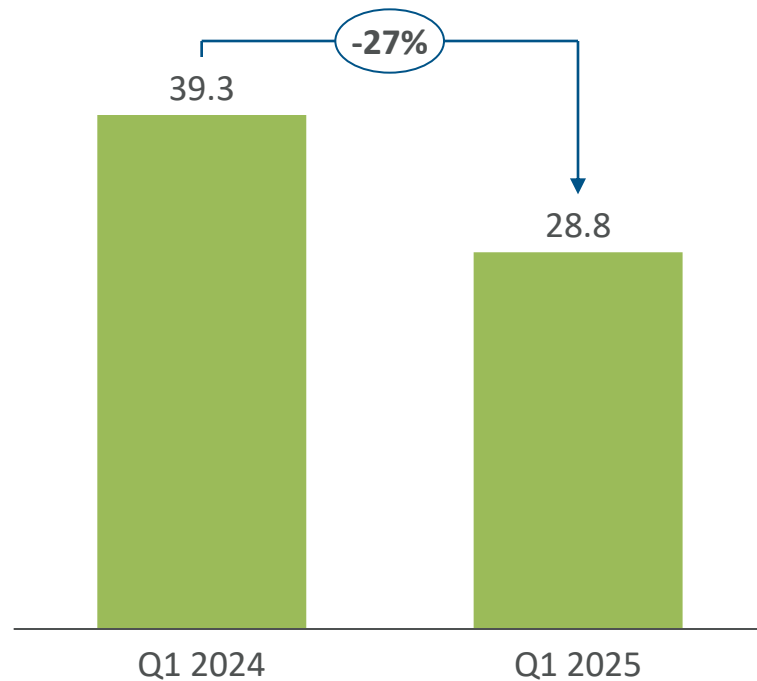
Installation capacity

Source: Netbeheer Nederland

Business Line View | EV charging equipment

Revenues and other income

(€ million)

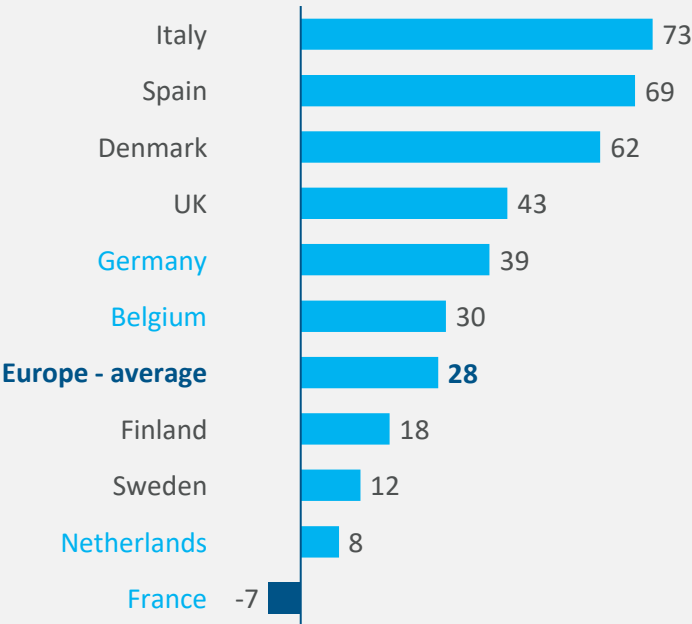


- **Q1 revenue was €28.8m**, a 26.9% decline compared to €39.3m in Q1 2024
- This revenue decline was mainly caused by increasing competition in home segment as well as a temporary dip in charge point deliveries in the public segment
- **68.4% of revenue was generated outside the Netherlands.** Most EV charge points were sold in the Netherlands, followed by Belgium and Germany
- **28,360 charge points were produced**, a decline of 35.3% compared to Q1 2024 with approximately 43,800 charge points
- **Gross margin was 39.0% in Q1 2025**, compared to 41.8% in Q1 2024

EVC | EV growth of 2025 remains uncertain but long-term outlook reconfirmed by important EU 2035 zero emission car target

BEV registrations show strong growth in 2025 Q1

In [%] y-o-y compared 2024 Q1



Blue: Alfen EV charging focus countries

EU Strategic review outcomes:



One-time flexibility measure allowing car OEMs to meet 2025-2027 CO₂ targets over 3-year average rather than annually



European commission sticks to 2035 zero emission target



European commission announced legislative proposal to accelerate the electrification of corporate fleets



Alfen's view:

The allowed flexibility for car OEMs will have a delaying impact on short-term EV adoption throughout Europe of which most of the impact will be felt in 2025.

Reconfirming the 2035 target is vital for our positive long-term outlook. Further, it provides predictability on the direction of EV sales to our industry and its investors

New proposals to speed up the corporate electric vehicle adoption will play into the hand of Alfen's EV charger offering, well-positioned in the business and home corporate segment

Source: ACEA BEV registrations (March 2025)

EVC | Alfen to strengthen market position with the new V2G-ready Double Plus & Single Plus charger to be launched in Q4



Eve Single Plus



Eve Double Plus

Key features:

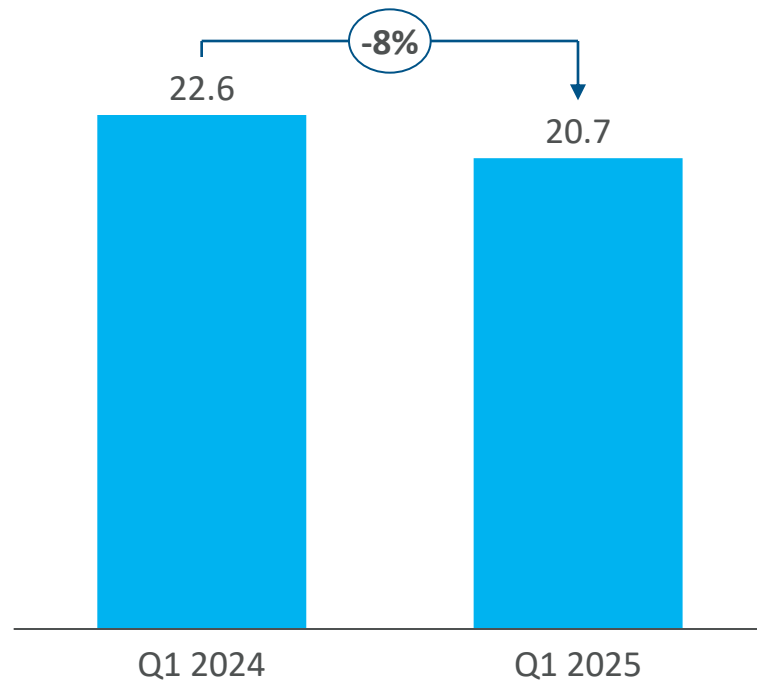
- **V2G hardware ready and compatible with broad range of vehicle brands and energy systems.** V2G unlocks smart charging and ancillary service propositions for charge point operators, as well as enabling optimisation of self-consumption of locally generated solar energy for home- and building- owners
- **Reduced installation costs** for application in charging plazas
- OCPP2.x compatible, enabling smart charging as well as interoperability of charge point management systems
- **Secure ad-hoc payment options** using dynamic QR codes

Commercial launch Q4 2025

Business Line View | Energy storage systems

Revenues and other income

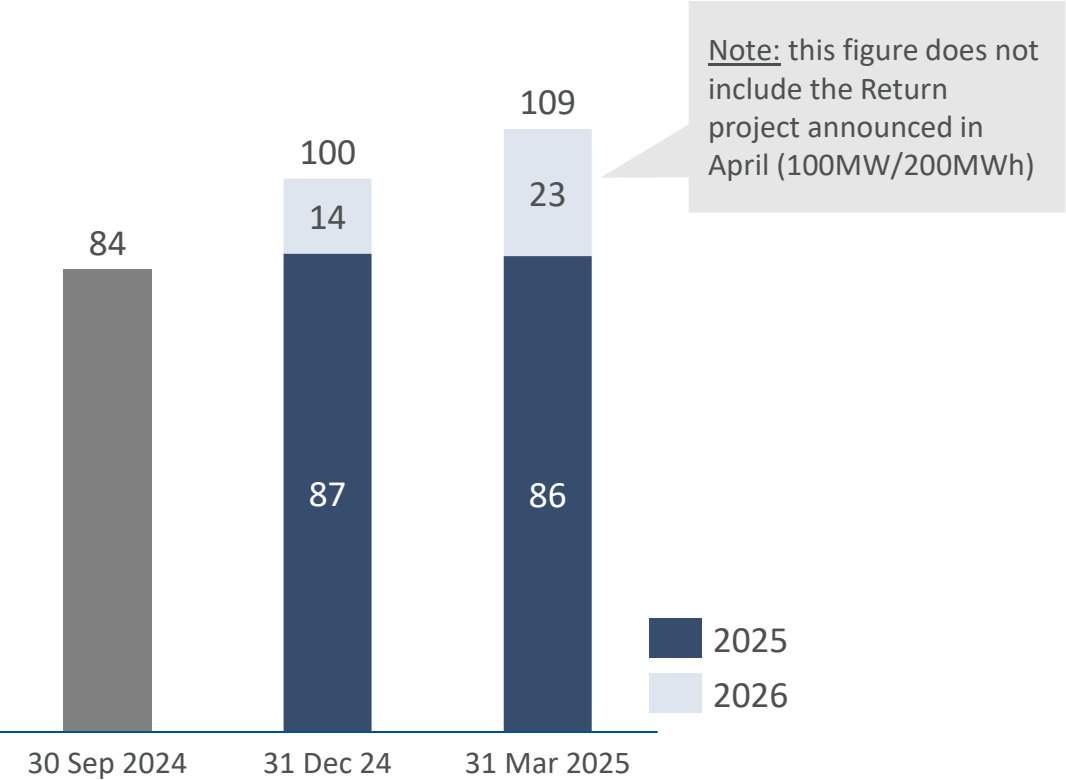
(€ million)



- **Q1 revenue was €20.7m**, an 8.3% decline compared to €22.6m in Q1 2024
- **The anticipated decline is explained by the 40% price decline for battery systems** during 2024, which is now impacting revenue
- **Gross margins were 32.5% in Q1 2025**, compared to 25.3% in Q1 2024 caused by one-off effects

ESS | Backlog for 2025 covers 2025 revenue expectations

Energy storage backlog as of 31 March 2025
In € millions



Remarks

- I Deals closed in H1 2025, can still contribute to 2025 revenue
- II Backlog 2025 covers this year’s revenue outlook (€105-118m)

ESS | Alfen won largest energy storage deal (100MW/200MWh) to date with Return in April 2025



- The 100MW/200MWh system will be the second largest energy storage project in the Netherlands, and is the largest project for Alfen to date
- Alfen's system will provide essential reserve capacity and is directly linked to TenneT's transmission grid, alleviating grid congestion and ensuring a more predictable and reliable electricity supply
- The battery system is expected to be operational by the end of 2026, contributing mostly to Alfen's 2026 revenues
- This is the third major battery energy storage system installation in the four-year partnership between Return and Alfen

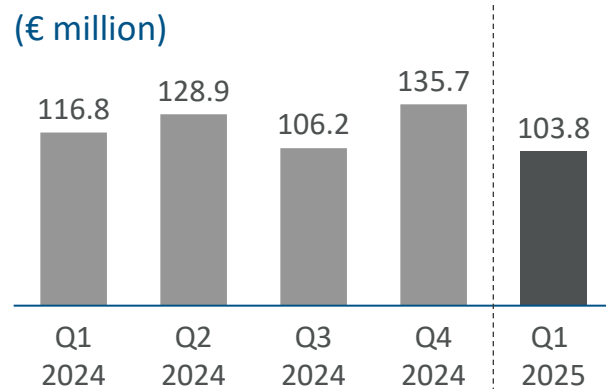
TenneT's recent announcement to free up 9 GW capacity on the transmission grid outside of peak demand with time bound contracts creates opportunities for more transmission-grid battery storage projects in the future

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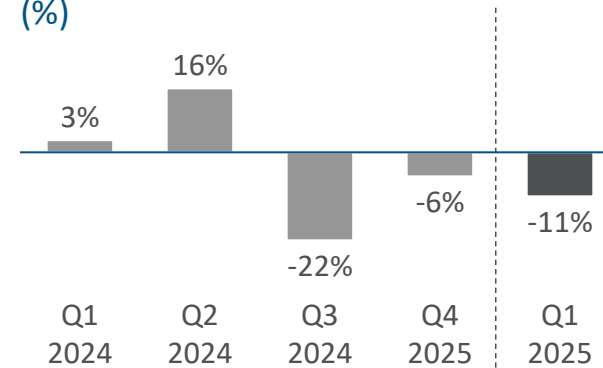


Group financials

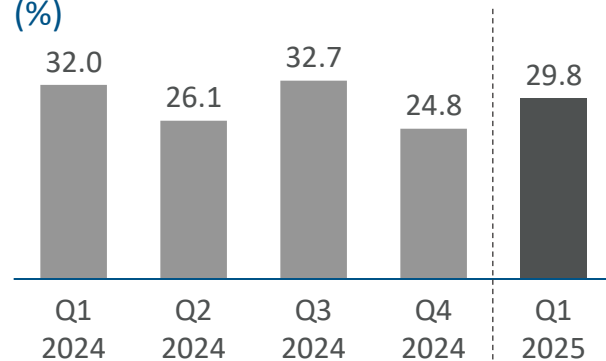
Revenues (€ million)



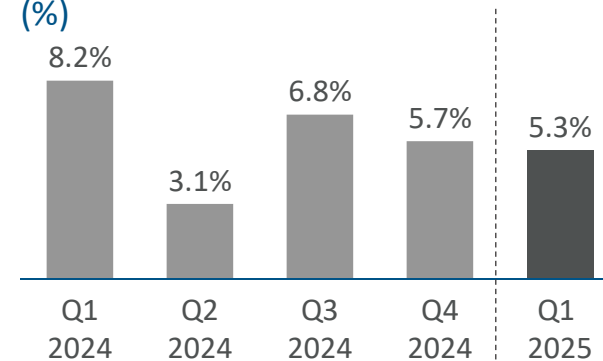
Y-o-y revenue growth (%)



Adjusted gross margin (%)



Adjusted EBITDA (%)

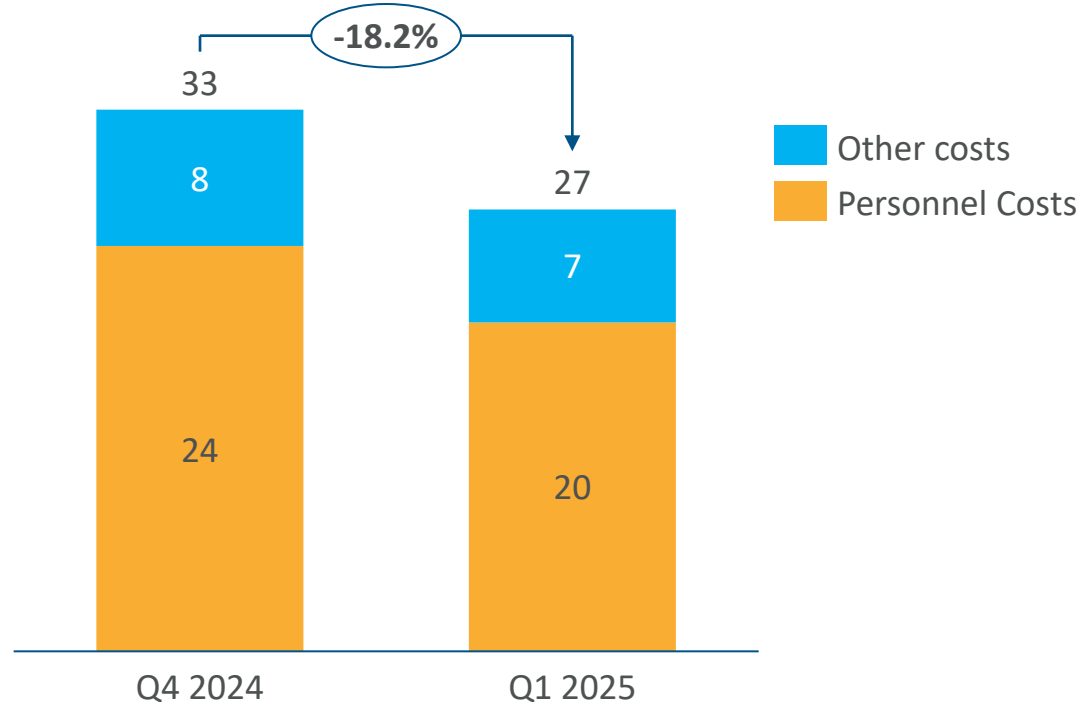


- **Revenue amounted to €103.8m**, an 11% decline compared to €116.8m in Q1 2024. Mainly driven by lower revenue in EV Charging and Energy Storage Systems
- **Gross margin is 29.8% (€31.0m)**, compared to 32.0% (€37.4m) in Q1 2024, driven by a lower share of EV charging in the revenue mix
- **Adjusted EBITDA is 5.3% (€5.5m) of revenue**, compared to 8.2% (€9.6m) in Q1 2024. The decline is caused by the deleverage effect due to lower revenue as well as a revenue shift from EV Charging to Smart Grid Solutions
- **Cashflow was €0.2m positive**

Cost savings have been successful: –18.2% cost reduction in personnel and other costs between Q4 24 and Q1 25

Personnel & Other Costs

(€ million)



- As a result of the reorganisation, personnel costs have declined by 18.7% between Q4 2024 and Q1 2025
- Other operating costs have declined by 16.6% between Q4 2024 and Q1 2025
- As a consequence of current revenue developments, Alfen will take additional cost reduction measures

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2025 Outlook: adjustment of revenue bandwidth and adjusted EBITDA

> Alfen readjusts revenue range to €430m-€480m for 2025 from €445-€505m

> **Smart Grid Solutions revenue growth range adjusted** due to installation & regulatory constraints faced by grid operators

Old range

5 – 10% growth

New range

0% – 5% decline

> **EV Charging revenue decline range adjusted** due to softened car OEM CO₂ targets & increased competition in home segment

5-10% decline

10% – 15% decline

> **Energy Storage Systems revenue decline range adjusted** due to favourable 2025 backlog developments

5-15% decline

0-10% decline

> Alfen changes adjusted EBITDA margin guidance to 5-8% and will take further cost measures

> CAPEX guidance remains at below 4% of revenue



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P O W E R T O A D A P T