

A woman with dark curly hair, wearing a colorful striped scarf and a dark cardigan, is smiling and looking upwards. She is holding a black charging cable. In the background, the rear of a dark-colored electric car is visible, with its charging port open. The scene is set outdoors under a bright, cloudy sky with the sun low on the horizon, creating a warm, golden light.

Alfen

Annual Report

2025



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Report of the
Management Board



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2025 at a glance

Revenue and other income (EUR)

436 million

(vs 488 million in 2024)

Year-on-year revenue and other income growth

-11%

(vs -3.3% in 2024)

Adjusted EBITDA as % of revenues

5.8%

(vs 5.8% in 2024)

Launched our new V2G-ready Eve Single Plus and Eve Double Plus chargers

Welcomed our new CEO Michael Colijn and said farewell to our long-standing CEO Marco Roeleveld

Reduced scope 1 emissions by 23%



About Alfen

Company profile

Alfen operates at the heart of the energy transition, turning energy into progress. We envision a world where clean energy empowers people, societies and generations to come. We boost the energy transition by designing and building smart, reliable energy systems.

We are driven by what drives our customers and deliver energy solutions that are smart, reliable and built to last. We have a unique combination of activities as we design, engineer, develop, produce and service Smart Grid Solutions, Energy Storage Systems and Electric Vehicle (EV) charging equipment. We combine our activities in integrated solutions to address the electricity challenges of our customers. We build on our vast experience of 88 years in the energy industry.

We have a market-leading position in the Netherlands and work throughout Europe. We are headquartered in Almere, the Netherlands, where we operate production facilities.

Our business portfolio



Smart Grid Solutions

Since 1937

Solutions: Alfen offers an in-house-developed, produced, and assembled range of secondary substations for grid operators. Alfen supplies microgrids (including substations) and supplementary offerings to connect PV farms, EV fast-charging hubs and industrial companies to the grid.

What makes it smart? Alfen offers in-house developed and produced devices for automating grids and a proprietary back-end system for remote management and control of electricity grids.

Markets: Over 2025, our focus markets were the Netherlands, Belgium, Finland, and Sweden.



EV Charging

Since 2008

Solutions: Alfen offers an in-house-developed and produced range of smart and connected electric vehicle (EV) chargers for use at destinations such as home, retail, workplace, and public locations ranging from 3 to 22 kW. Alfen is a pure B2B player.

What makes it smart? Alfen has a proprietary online management platform for its charging infrastructure and offers standardised solutions for smart charging, load balancing, charging hubs, and Plug & Charge functionality.

Markets: During 2025 we had regional sales presence covering 9 European countries and products installed in 30+ countries.



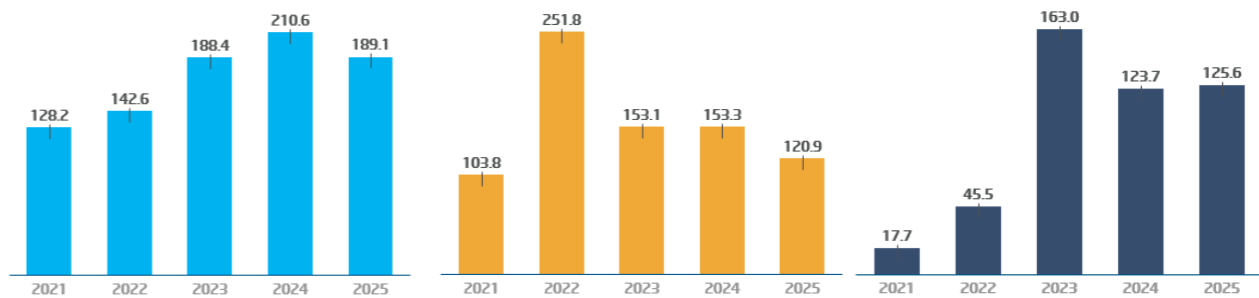
Energy Storage Systems

Since 2011

Solutions: We offer an in-house-developed and produced range of stationary and mobile battery energy storage solutions. Our systems are used for applications such as load balancing, peak shaving, grid frequency control, and energy trading.

What makes it smart? Our proprietary-developed embedded software and back-office enables remote monitoring and control and supports all major storage applications.

Markets: Over the last years, the Netherlands, Belgium, Finland and Sweden were our focus markets, with our products sold in 12 countries.



Integrated solutions

Besides offering smart products and services through three separate business units, our business units have upside potential in cross-selling across the lines and offering integrated solutions. This is increasingly needed to address the growing complexity of the energy challenges emerging from the energy transition.

Alfen By The Numbers



88 Years of experience in the electricity grid

~**1.000** colleagues supporting Alfen from **40+** nationalities



7 Years on Euronext stock exchange



60 years of substation experience

~**55.000+** transformer substations delivered



17 years of EV charging experience

~**935.000+** EV charge points delivered



14+ years of Battery Energy Storage experience

2000+ MWh of power capacity commissioned or in execution



A smiling male worker in a blue shirt and safety glasses is working on a green machine in a factory. He is wearing a blue t-shirt, dark blue pants, and black gloves. He has safety glasses on his head and is looking towards the camera. The background shows a large industrial facility with high ceilings, metal beams, and various pieces of equipment. The text "Report of the Management Board" is overlaid in large white letters.

Report of the Management Board



Report of the Management Board

Positive outlook due to renewed energy transition momentum

The energy transition in Europe rebuilt momentum in 2025 after a weaker 2024. EV registrations grew strongly by 29.7% (ACEA, 2026), driven by an increasing number of affordable EV models, improved charging infrastructure and favourable incentives. By Q3 2025, it was expected that the installed capacity in MWh of battery storage systems in Europe will grow by 68% in 2025 compared to 2024 (BNEF, 2025), benefiting from increased electricity price volatility as well as continued BESS system price declines.

At the same time, grid congestion is tempering the pace at which the energy transition can unfold. In the Netherlands, 14,000 parties are waiting for a new or upgraded grid connection. This queue hampers the demand for substations in the private sector, but it does emphasise the urgency at which the grid requires reinforcement and drives an increasing demand from grid operators for transformer substations. However, as observed this year, grid operators are held back in their ramp-up by labour shortages and lengthy permitting procedures.

For Alfen, this year was focussed on improving organisational efficiencies after our right-sizing effort in the end of 2024, as well as on cost control - reducing our costs significantly.

Alfen benefitted from and responded to the changing momentum. In Energy Storage Systems (ESS), we see positive market momentum with a year-on-year growth in order backlog. In EV Charging, Alfen faced increasing competition, launched pricing campaigns and released new V2G-ready EV charging solutions. In Smart Grid Solutions, volumes with the grid operators declined due to permitting delays and labour shortages.

Market fundamentals replacing regulation & policies

The strong market growth rates mentioned above show the energy transition continues to gain momentum. This indicates the energy transition is maturing and becoming less dependent on regulatory incentives. The timing of this pivotal point is favourable as climate change regulation is under an increasing amount of pressure. The COP29 is perceived as a disappointing conference and the Emission Gap Report indicates the global ambition from the Paris Agreement to not exceed 1.5°C global average temperature increase is out of reach with

current policies. Furthermore, the targets in the European Industrial Action Plan for the automotive sector were lowered from a 100% reduction of tailpipe emissions to 90%, while the remaining 10% emissions should be compensated through the usage of European-made low-carbon steel or e-fuels and biofuels.

Despite these developments, the European Commission is holding on to the ambition of an electrified low-carbon future and meets increasing pressure on policies with limited compromises. For example, the European binding emission reduction target remained 90% emission reduction by 2040, with the only compromise being allowing for 5% emission reduction through carbon credits.

In addition, the European Union has announced the EU Grid Package, a regulation package crucial to speed up the energy transition and meet the emission reduction targets. Part of this package is a set of measures to speed up the permitting process for energy-related projects. This will increase demand for BESS solutions across Europe. For the Netherlands specifically, this enables a potential speed up of grid enhancements, as permitting delays are a key delaying factor. Furthermore, the Commission announced multiple measures to further incentivise EV sales, such as a bonus for OEMs to commercialise small EVs and a requirement for EU member states to ensure that corporations are registering minimum levels of zero- and low-emission vehicles from 2030.

On a national level, regulatory developments were mixed, yet continue to stimulate electrification and EV adoption. Germany has announced the Masterplan Charging Infrastructure 2030, aiming to simplify the roll-out of charging points in multi-family buildings and to simplify the Building Electromobility Infrastructure Act (GEIG). In France, new EV subsidies were announced in September for the purchase of European EVs and EV leasing schemes were implemented for low-income households. In the Netherlands, EV incentives were reduced in 2025, as EV-related tax exemptions were lowered as well as the purchase subsidy for private individuals was discontinued.

Mixed results across business units

In 2025, our Energy Storage Solutions showed stable results compared to 2024, whereas EV Charging and Smart Grid Solutions show declines. In EV Charging, Alfen was faced with increased competition and in Smart Grid Solutions Alfen's revenues were impacted by lower demand by both our grid operator clients as well as our private domain clients.

Smart Grid Solutions

On the long term, the market for substations faces fundamental growth. Not only is this demonstrated by the fact that 14,000 parties in the Netherlands are currently waiting for a new or upgraded grid connection. This is also reflected in the preliminary investment plans for 2026-2028 as published by the Dutch grid operators.

However, in 2025 this growth in volumes has not materialised yet. Two of the three main Dutch grid operators reduced order volumes due to labour shortages and longer permitting timelines, and in the private domain, revenue declined due to grid congestion.

Alfen is pleased to see the resolution of grid congestion is being prioritized by the Dutch government, leading to measures being prepared on a European (such as the EU Grid Package) and national level, to reduce permitting timelines on a national and European level. Alfen's newly commissioned production site in 2024 positions the company to increase output promptly, as soon as the consequences of these measures and the grid operator's persistent attempts to expedite grid congestion resolution materialise.

Over 2025, SGS secured notable projects of which an increasing share was driven by the integration projects for BESS systems. For example, Alfen delivered and installed substations to integrate small scale BESS for Tuinbouw Cluster Bergschenhoek and Solyco tomatoes. Furthermore, Alfen provided the substations for a new sustainable and emission-free community heating project in Amsterdam which uses aquathermal energy from the canals. Lastly, Alfen will deliver the required substations for a new 22 MWp solar park developed by GreenChoice. The solar park will be connected to a windfarm at the recycling company Attero.

In total, Alfen produced 3,032 substations, of which 2,378 in the Netherlands and 654 in Finland. The full-

year revenue of SGS was €189.1 million which is a 10.2% decrease compared to 2024.

EV Charging

In 2025, the European BEV market showed a strong recovery, with registrations increasing by 29.7% compared with 2024. In the long run, Alfen expects the European EV charging equipment market continue to grow, driven by accelerated EV adoption with continuously declining total costs of EV ownership as well as the 2035 European commitment to zero-emission vehicles.

To mitigate the increasing competition, Alfen launched pricing campaigns and released new V2G-ready EV charging solutions: the Plus chargers. The launch of these new charging solutions were a succes: over 150 customers joined us at our launch event. Our long-term partners such as Eneco eMobility, Rexel, Bouygues Energies & Services, Cebeo, Technische Unie and Libra Energy demonstrated their trust in our new products by being amongst the first to order.

Other commercial successes during 2025 were, amongst others, the partnership with Norlys, Denmark's largest energy and telecom company. For Norlys, Alfen supplied multiple thousands of charge points destined for home use. Furthermore, together with Cebeo, Alfen secured projects to deploy 400 business chargers for Indigo's parking garages in Flanders and 120 public chargers in Blankenberge.

In total, Alfen produced 120,500 charge points in 2025, generating a revenue of €120.8 million which is a 21.2% decrease compared to 2024.

Energy Storage Systems

Developments for BESS were favourable during 2025: ESS prices continued to decline in 2025, falling by a global weighted average of 31% compared to 2024 (BNEF, 2025). This was driven by oversupply of batteries, shifts in raw material costs and technology improvements. While these dynamics weighed on revenues, they also strengthened the business case for storage for our customers, supporting long-term BESS adoption across Europe.

In 2025, Alfen secured several landmark projects. In April, the company signed its largest BESS contract to date with Return for a 100MW/200MWh Elements system connected to the transmission grid. We also welcomed a new client, S4 Energy. Together, we will

develop a 15MW/30MWh Elements system using our newly developed containerised solution. This will mark the first time we integrate fully into the German grid, allowing us to build upon and further expand our extensive grid expertise. Another project with NOP Agrowind encompasses the complete EPC scope for a 49MW/196 MWh battery energy storage system, including grid integration. The project leverages our own transformer substations, with Alfen also responsible for the civil works.

This year has also been successful for our mobile battery solution, the Mobile-X. Notable commercial successes include our partnerships with Greener and Voet Energy Solutions. For Greener, who owns Europe's largest temporary battery fleet, Alfen is manufacturing 56 Mobile-X units. For Voet Energy Solutions, Alfen will manufacture 30 Mobile-X batteries, which will be rented to amongst others several Dutch grid operators.

Over the year, ESS generated €125.6 million revenue, which is an increase of 1.6% compared to €123.7 million revenue in 2024.

Innovation

To stay ahead of the market, Alfen continued to innovate during 2025.

Within SGS, Alfen has further expanded its SF₆-free offering by certifying the Pacto, Diabolo and Altro stations for components that comply with the European regulation. SF₆, a potent greenhouse gas, has been prohibited in new medium-voltage equipment from January 2026. These certifications ensure that Alfen's portfolio is fully aligned with regulatory requirements and support our commitment to sustainability and innovation. Last year, Alfen enabled a modular design approach for our Pacto substations. This innovative approach has enabled us this year to make the substation designs more similar across three of our grid operator clients, which increases efficiencies in inventory management, R&D capacity, and procurement.

During the fourth quarter, Alfen launched two new charging solutions: the Eve Single Plus and the Eve Double Plus. Both models are V2G-ready and compatible with a wide range of vehicle brands and energy systems, unlocking smart charging capabilities and enabling ancillary services for charge point operators. For home and building owners, V2G functionality supports optimisation of self-

consumption of locally generated solar energy. The new chargers also feature reduced installation costs for charging plaza applications, OCPP 2.x compatibility for smart charging and interoperability, and secure ad-hoc payment options via dynamic QR codes. Additionally, Alfen prepared our products for European RED cybersecurity compliance, ensuring our systems meet the highest security standards. Furthermore, Alfen has been taking major steps with the development of the Eve Install app to streamline installation, particularly for complex multi-charger configurations, significantly reducing on-site time. The app will be launched in Q1 2026.

For Energy Storage Systems, Alfen introduced a new 20-foot containerised solution for its stationary storage system, the Battery Elements, designed to increase energy density and reduce land acquisition costs for customers. In addition, a new inverter design was launched, significantly reducing noise levels and making the system more suitable for urban and other noise-sensitive environments.

Sustainability

Alfen directly contributes to a sustainable economy and society. We operate at the heart of the energy transition by enabling the generation, distribution and consumption of emission-free electricity with our solutions.

In 2024, we voluntarily published our sustainability disclosures using the first edition of the European Sustainability Reporting Standards (ESRS). While the Corporate Sustainability Reporting Directive (CSRD) had not yet been transposed into Dutch law, we decided to proceed with a voluntary report as this allowed us to build internal processes, collect relevant data, and gain experience with double-materiality assessments.

Since our first report, the regulatory landscape has shifted significantly due to two so-called “Omnibus” reform packages at EU level. The first Omnibus - adopted as a “stop-the-clock” measure in early 2025 - postponed certain reporting deadlines under CSRD and delayed the start date for some companies. The second Omnibus, adopted by the European Parliament in November 2025, raises the thresholds for which companies fall within CSRD scope, reduces reporting burden, and prompts a revision of the ESRS to simplify and streamline disclosure requirements. Among the planned simplifications are fewer mandatory data points, a stronger emphasis on

quantitative over narrative disclosures, elimination of sector-specific standards, and a more proportionate application of the double materiality assessment.

Against this backdrop, we have decided to issue a new sustainability report this year, following the July 2025 draft ESRS guidelines proposed by the European Financial Reporting Advisory Group (EFRAG). We strongly support a harmonised and detailed disclosure standard, which enables comparability and transparency across companies.

We recommend our readers to review the Sustainability Statement where we share details on our material sustainability topics.

Welcoming new leadership

In 2025, Alfen's welcomed new leadership as the Executive Committee and the Supervisory Board underwent changes. In January, Onno Krap, who started as CFO ad interim in May 2024, became permanent CFO and part of the statutory board. In March, Alfen said farewell to Michelle Lesh, who drove Alfen's commercial success during four years of accelerated growth across Europe. We thank Michelle for her valuable contributions and wish her well in her future endeavours.

Later in the year, Marco Roeleveld, Alfen's long-standing CEO and driving force behind the company's fast growth and listing on the Amsterdam Stock Exchange in 2018, announced his early retirement due to a medical condition. We are deeply grateful for Marco's leadership and dedication over many years. In October, Michael Colijn joined Alfen as CEO, bringing extensive experience in the energy and technology sector, including his tenure as CEO of Heliox, a market leader in smart energy management and fast-charging solutions.

Going forward, the statutory board will consist of two directors: Michael Colijn (CEO) and Onno Krap (CFO).

Within the Supervisory Board, Alfen has nominated a new chairman of the board, Maarten Roef, subject to approval at the Annual General Meeting in April 2026. Upon his appointment, Roef will succeed Henk ten Hove, current Chairman of the Supervisory Board, who will step down at the end of his second term. Roef brings extensive leadership experience in the energy transition and a strong background in technology and innovation. Most recently, he served as CEO and president of Wavin and currently holds a non-executive directorship at Broadview.

Strategy

Looking ahead to 2026 and 2027, Alfen's focus is on transforming the company to get closer to the customer, achieve product excellence and further digitalise our offering. For every business unit, Alfen has defined a strategy that will guide commercial activity, European expansion and digital solution and product development. Smart Grid Solutions will focus on the 5 strongest growth segments and European expansion in the private market. EV Charging will simplify the portfolio while expanding to core markets Italy, Spain and Portugal. For Energy Storage Solutions, Alfen will continue to focus on utility-scale and mobile storage solutions while further expanding in the commercial and industrial (C&I) segment.

To accelerate strategic implementation, Alfen will align organisational capabilities with the strategic priorities: digital solutions, project management and service. Furthermore, Alfen will continue to build out local-for-local presence across Europe. To ensure strategic focus, Alfen will shift from a functional organisation to a business unit organisation. Whilst maintaining headcount, we anticipate a reduction in staff in some areas and an increase in growth-critical capabilities. Therefore, a restructuring provision will be taken in 2026 of approximately €4.5m. With this transformation and new strategic focus, Alfen is ready to play a critical role in the European energy transition and reignite topline growth.

Outlook

2026 will be a year of fundamental transformation, laying the foundation for success beyond 2026. For this year, Alfen expects revenue to be between €435m and €475m. Alfen will continue to focus on costs and expects adjusted EBITDA to be between 4% and 7% of revenue. Furthermore, Alfen continues to balance investments for growth with cost control and commits to CAPEX staying below 4% of revenue.

For 2027, Alfen is confident that this transformation accompanied by the growth strategies will reignite consistent profitable growth: year-on-year improvement of revenue and the adjusted EBITDA margin.

Alfen Management Board,

Michael Colijn (CEO)
Onno Krap (CFO)



2025 month-by-month

January

Alfen installs standardised transport distribution station for Enexis

In collaboration with Enexis, Alfen has installed a standardised transport distribution station as part of a large-scale Proof of Concept (PoC) in Nieuwe Pekela (NL). Alfen is not only the supplier of the stations but also the main contractor responsible for coordinating the entire process from groundwork to installation.

Thanks to an innovative method, which prioritises standardisation and modularity, construction time has been reduced from over a year to just four months. This allows Enexis to scale up from 10 to approximately 120 new stations per year. This project demonstrates how innovative collaboration and standardisation contribute to Enexis' goal to realise 800 new transport distribution stations over the next eight years.



January

Alfen hosts energy sector experts to explore ways to accelerate the energy transition

Alfen was proud to mark Dutch Power's 20th anniversary by hosting the organisation's first 2025 event. Dutch Power is a foundation of key industry leaders to foster collaboration and innovation in the energy sector. The event brought together members from across the energy sector to explore how the Netherlands can accelerate the transition to a sustainable energy future.

April

Alfen announces biggest battery project with Return Energy

Together with Return (formerly: SemperPower), Alfen will develop a 100MW/200MWh battery system, one of the largest battery energy systems of the Netherlands, which is connected to the transmission grid. The battery will help alleviate grid congestion and ensure a more predictable and reliable electricity supply for residents and businesses. The system is expected to be operational by the end of 2026.



July

Start construction FlevoBESS

Alfen announced the agreement with FlevoBESS to deliver a 31.6MW/126.4MWh large scale 4-hour system in January. In July, the construction of the system kicked off. The system is located in Dronten (Flevoland) and is a community-backed energy initiative. Once finalised, the system will support grid stability during peak load periods, enable better integration of renewable sources and offer long-duration flexibility for market operators.

October

Alfen welcomes new CEO Michael Colijn

The appointment of Michael Colijn (born in 1973) ensures a careful and timely succession following Marco Roeleveld's decision to retire early and step down from his position for health considerations.

Colijn brings a strong background in leadership within the energy and technology sectors. In his most recent position as CEO of Heliox, a market leader in smart energy management solutions and fast-charging systems for public transport, e-trucks and port equipment, Colijn successfully drove growth and innovation.



November

Launch event Eve Single Plus & Eve Double Plus

Together with over 160 customers from across Europe, Alfen launched its newest EV charging solutions: the Eve Single Plus and Eve Double Plus. The Plus chargers are ready to support Plug&Charge and Autocharge for a seamless user experience. Furthermore, they are equipped for interoperable bidirectional charging - also known as V2X (vehicle-to-everything) - based on the ISO15118-20 AMD1 standard, ensuring broad compatibility with different vehicle brands and energy systems as they evolve.





Financial performance

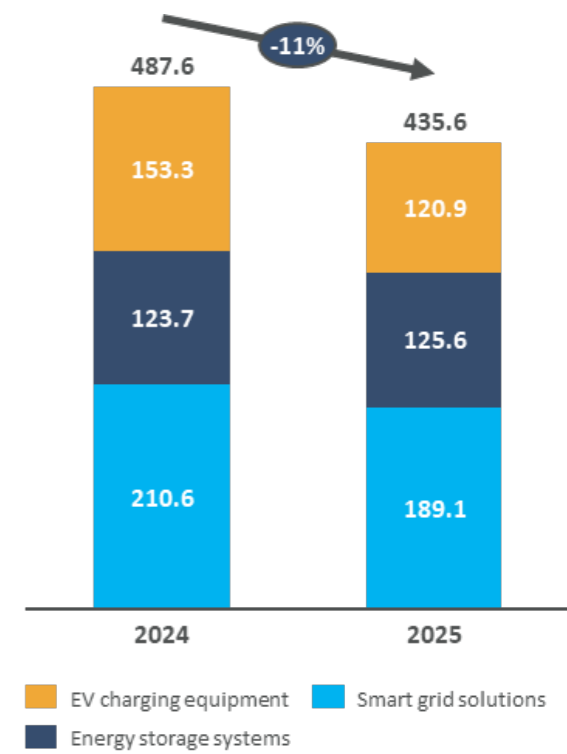


Alfen operates internationally at the heart of the energy transition as a specialist in energy solutions for the future. With over 88 years of history, Alfen has a unique combination of activities. We design, engineer, develop, produce and service Smart Grid Solutions, Energy Storage Systems and EV charging, combining the offerings into integrated solutions to address our customers' electricity challenges. With a strong interrelationship between Alfen's different business activities, management reviews the profitability of the Company on an aggregate level.

All financial segment information can be found in the consolidated financial statements.

Revenue and other income

Revenue and other income decreased by 10.7% from €487.6 million in 2024 to €435.6 million in 2025, which is in line with our updated revenue guidance of €430-480 million.



Revenue for Smart Grid Solutions decreased by 10.2% from €210.6 million in 2024 to €189.1 million in 2025. This decrease is primarily caused by our Dutch grid operator clients that are experiencing labour shortages and regulatory constraints, which have led them to scale down their order quantities. 70% of revenue was generated by high-volume transformer substation sales to grid operators, and 30% by project sales. Growth in the private segment was hampered by the grid congestion issues experienced by private customers. Alfen produced a total of 3,032 substations in 2025, which is a 11.4% decrease compared to 2024. 2,378 of these substations were produced in the Netherlands and 654 in Finland.

Revenue for EV charging decreased by 21.2% from €153.3 million in 2024 to €120.8 million in 2025. This lower revenue figure is attributable to increased competition in the EV charging home segment and a reduced installation rate in the public segment. Furthermore, the Belgian market faced headwinds due to the discontinuation of both the PHEV incentive and the charge point subsidy. Alfen generated 63% of its EV charging revenue from outside of the Netherlands. Most charge points were sold in the Netherlands, followed by Belgium and Germany. Alfen produced a total of 120,500 charge points in 2025, which is a decrease of 18.0% compared to 2024.

Energy Storage Systems contributed €125.6 million to the total revenue, 1.6% higher compared to €123.7 million in 2024. Although the 40% price decline for battery systems during 2024 impacted Alfen's revenue in 2025, it had a limited impact on our total revenue as a result of the higher sales volumes in terms of MWh delivered.

Gross margin, EBITDA and net profit (loss)

Gross margin increased from 23.7% in 2024 to 28.7% in 2025. This was mainly driven by significant one-off items in 2024, which are further specified below per business line. Adjusted gross margin stands at 28.1% compared to 28.6% in 2024.

Gross margin for Smart Grid Solutions increased from 15.5% in 2024 to 24.6% in 2025. In 2024, gross margin was severely impacted by the moisture provision that was recognised to cover the expected future outflow of the substation moisture issue. In 2025, the underlying assumptions were reviewed and updated with the most recent information. Based on this, the current best estimate of the expenditure required to cover the costs of repairs is expected to be lower than previously estimated. As a consequence, an amount of €4.1 million has been released in 2025 (for more details refer to Note 6 and 26).

Adjusted for this one-off effect, the gross margin for Smart Grid Solutions decreased from 22.8% in 2024 to 22.4% in 2025, which is in line with the gross margin guidance provided in the strategy update that was shared in February 2025. The decline in adjusted gross margin compared with 2024 was primarily due to the fact that a relatively higher share of revenue came from transformer substations delivered to grid operators as well as from transport distribution stations in 2025 compared with 2024. Both have a lower margin than products delivered to the private domain.

EV charging gross margin stands at 42.0% (2024: 31.5%), and was mainly impacted by the additional, albeit lower, provision for obsolete inventory of €1.8m in 2025 (for more details refer to Note 20). This is compared to the provision of €6.5m in 2024. The provision in 2025 is the result of lower than anticipated sales run rates in conjunction with additional clarity on Alternative Fuel Infrastructure Regulation (AFIR) timelines. In 2025, the European Commission published the timelines for AFIR, announcing this regulation will come into effect on 8 January 2026. As such, we expect a faster phase-out of certain components compared to last year, even though the components are currently still used in Alfen's products.

Adjusted for this one-off effect, the adjusted gross margin increased from 36.1% in 2024 to 43.4% in 2025, which is in line with the gross margin guidance

provided in the strategy update that was shared in February 2025. This margin increase compared to 2024 is mainly attributable to component cost-saving effects, while pricing and the product mix remained relatively stable.

Gross margin for Energy Storage Systems decreased from 27.6% in 2024 to 22.0% in 2025. In 2024, gross margin was impacted by a net realisable value impairment of 'old' batteries of €1.6 million. Adjusted for one-off effects, gross margin decreased from 29.1% in 2024 to 22.0% in 2025, which is in line with the gross margin guidance provided in the strategy update that was shared in February 2025. The lower gross adjusted margin in 2025 was partly due to the relatively high adjusted gross margin in 2024 resulting from revenue recognition driven by the timing of project delivery, and partly due to the increasing size of our projects in 2025.

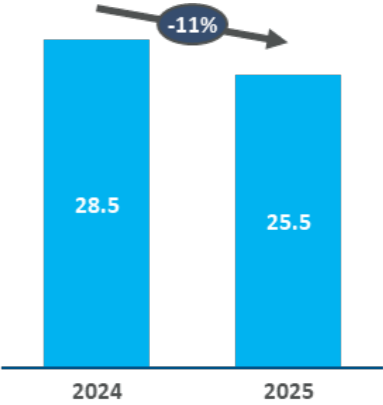
Personnel costs decreased by 15.2% to €73.8 million compared with €87.1 million in 2024, as a result of the organisational right-sizing program that was initiated at the end of 2024. Our number of FTEs decreased from from 1,053 FTEs at 31 December 2024 to 923 FTEs at 31 December 2025.

Other operating costs decreased by 21.1% to €25.7 million compared with €32.5 million in 2024, driven by our cost saving initiatives.

Consequently, EBITDA increased from a €4.2 million loss in 2024 to a €24.8 million profit in 2025.

EBITDA adjustments in 2025 amounted to €0.6 million (versus €32.7 million in 2024). Adjusted EBITDA amounted to €25.5 million, a decrease of 11% versus €28.5 million in 2024.

Adjusted EBITDA (in EUR million)



The summary below reconciles the adjustments in gross margin, personnel expenses and other operating costs, EBITDA and net profit:

	2025	2024	2025	2024
	(in EUR millions)		(as % of Revenue)	
Gross margin	124.9	115.4	28.7 %	23.7 %
Provision for moisture	(4.1)	15.4		
Obsolete inventory EV charging components	1.8	6.5		
Net realisable value impairment 'old' Batteries	—	1.6		
Inventory write-down due to revised strategic focus	—	0.5		
Adjusted Gross margin	122.5	139.4	28.1 %	28.6 %
Personnel expenses	(73.8)	(87.1)	16.9 %	17.9 %
Restructuring	1.0	5.0		
Moisture external quality control costs	0.1	0.9		
Adjusted Personnel expenses	(72.8)	(81.2)	16.7 %	16.7 %
Other Operating costs	(25.7)	(32.5)	5.9 %	6.7 %
One-off transformation costs	1.2	—		
Strategy validation and Right-sizing program	—	2.5		
Share-based payments	0.8	0.5		
Adjusted Other Operating costs	(23.7)	(29.6)	5.4 %	6.1 %
Impairment loss on trade receivables and contract assets	(0.6)	—		
EBITDA	24.8	(4.2)	5.7 %	(0.9)%
Aggregated one-off costs and specials	0.6	32.7		
Adjusted EBITDA	25.5	28.5	5.8 %	5.8 %
Net profit / (loss)	(0.2)	(27.0)	— %	(5.5)%
Impairment of capitalised development costs	—	7.4		
Impairment of right-of-use assets	3.7	0.5		
Aggregated one-off costs and specials within EBITDA	0.6	32.7		
Tax effect one-off costs and specials items	(0.9)	(10.4)		
Adjusted Net profit / (loss)	3.2	3.2	0.7 %	0.7 %

Depreciation and amortisation charges decreased from €26.3 million in 2024 to €22.2 million in 2025, as in 2024 an impairment loss on capitalised development cost of €7.4 million was recognised as a result of our revised strategic focus. This compared to an impairment loss on land and buildings within our Right-of-use assets of €3.7 million in 2025 (for more details refer to Note 16).

Finance income and costs decreased from €5.0 million in financial year 2024 to €2.6 million in financial year 2025, mainly driven by a positive cash balance in 2025 with less interest costs payable to the bank as a result.

The effective tax rate increased from 24.0% in 2024 to 280.0% in 2025 as the impact of non-taxable expenses and the effect of tax rates in foreign countries are relatively high in relation to the loss realised in 2025.

Net loss in 2024 of €27.0 million decreased to a loss of €0.2 million in 2025. Adjusted for one-off costs and special items after tax, net profit amounts to €3.2 million (versus net profit of €3.2 million in 2024).

Finance and investments

Net debt position at 31 December 2025 amounted to €20.7 million, compared to €32.7 million at 31 December 2024 mainly due to optimised working capital which resulted into a positive cash flow and a positive cash balance at year-end 2025.

Working capital decreased to €77.0 million versus €92.0 million at 31 December 2024. This decrease has several levers as shown below:

(in EUR millions)	31 December 2025	31 December 2024	Working Capital Movements
Inventories	81.7	101.5	(19.8)
Trade and other receivables	96.0	128.9	(32.9)
- of which: Amounts due from customers for contract work - mainly ESS	21.0	22.4	(1.4)
Current tax receivables	0.8	4.0	(3.2)
Trade and other payables	(101.4)	(142.3)	40.9
- of which: Amounts due to customers for contract work - mainly ESS	(47.2)	(46.7)	(0.5)
Current tax liabilities	(0.1)	(0.1)	—
Net working capital	77.0	92.0	(15.0)

As shown above and below, we were again able to bring down our overall stock levels including strategic stock down payments (presented under Trade and other receivables):

(in EUR millions)	31 December 2025	31 December 2024	Movements
Inventory - On hand	81.7	101.5	(19.8)
Inventory - Down payments	13.5	12.4	1.1
Total Inventory, including down payments	95.2	113.9	(18.7)

The solvency ratio (equity divided by total assets) is 48.9% at 31 December 2025 compared to 42.0% at 31 December 2024.

In 2025, Alfen reached an agreement with its bank to extend its existing financing agreement by one year, until October 2027. The revolving credit facility was reduced from €100 million to €50 million, in line with the amounts drawn in practice. The details of the financing agreement are disclosed in Note 25 of the financial statements. The covenant that is included in the financing arrangement was met at 31 December 2025.

Capital expenditure amounts to €14.0 million (or 3.2% of revenues) compared to €24.6 million (or 5.0% of revenues) in 2024.

CapEx in 2025 includes investments in the Alfen Academy and our R&D test centre, moulds for our Smart Grid Solutions business line and sprinklers for our production location at Damsluisweg 70.

Alfen capitalised €10.4 million (versus €10.8 million in 2024) of development costs, demonstrating the Company's continued efforts to invest in innovations for the future.

2025 Sustainability Highlights

Top 9th percentile Alfen's score in Electrical Equipment industry globally with Sustainalytics as of November 2025

MORNINGSTAR SUSTAINALYTICS

Environment

-23%
In absolute Scope 1 emissions vs 2024

-88%
In absolute Scope 2 emissions vs 2024

-7%
In Scope 3 emissions vs 2024 per million € value added

Social

+20
Students gained their diplomas through the Alfen Academy

93%
Of employees participated in the performance cycle as defined by ESRS

Governance

0
Violations or irregularities reported on policies regarding the Code of Conduct, Whistleblower, anti-corruption, or bribery

Our approach to sustainability

Sustainability is at core of Alfen's business

Alfen directly contributes to a sustainable economy and society. Alfen operates at the heart of the energy transition by enabling the generation, distribution and consumption of emission-free electricity with its solutions. Aside from the positive impact of Alfen's business activities, Alfen also sees running the business in a sustainable manner as a moral duty.

Alfen recognises that a business model that enables the decarbonisation of others can still have negative impacts on the environment, which derives from Alfen's own operations and its value chain to deliver these decarbonisation products. Alfen will take an active role across its value chain to work with its suppliers to lower these impacts where feasible.

Updated CSRD reporting framework

In 2024, Alfen voluntarily published its sustainability disclosures using the first edition of the European Sustainability Reporting Standards (ESRS). While the Corporate Sustainability Reporting Directive (CSRD) had not yet been transposed into Dutch law, Alfen decided to proceed with a voluntary report as this allowed it to build internal processes, collect relevant data, and gain experience with double-materiality assessments.

Since the first report, the regulatory landscape has shifted significantly due to two so-called "Omnibus" reform packages at EU level. The first Omnibus — adopted as a "stop-the-clock" measure in early 2025 — postponed certain reporting deadlines under CSRD and delayed the start date for some companies. The

second Omnibus, adopted by the European Parliament in November 2025, raises the thresholds for which companies fall within CSRD scope, reduces reporting burden, and prompts a revision of the ESRS to simplify and streamline disclosure requirements. Among the planned simplifications are fewer mandatory data points, a stronger emphasis on quantitative over narrative disclosures, elimination of sector-specific standards, and a more proportionate application of the double materiality assessment.

Against this backdrop, Alfen has decided to issue a new sustainability report this year, following the July 2025 draft ESRS guidelines proposed by the European Financial Reporting Advisory Group (EFRAG). The contents of the Sustainability Statement were not audited by a third party. Alfen strongly supports a harmonised and detailed disclosure standard, which enables comparability and transparency across companies.

Once the final legislation, thresholds and revised ESRS are definitively adopted, Alfen will reassess what reporting approach is most appropriate, balancing regulatory obligations, stakeholder expectations, and its ongoing commitment to sustainability.

This statement has four disclosure sections: general, environmental, social and governance.

Key partnerships and ESG ratings

Alfen has various partnerships to underpin its commitment towards a sustainable future. The following key partnerships are in place:

- Science Based Targets initiative (SBTi)
- UN Global Compact

Furthermore, next to the CSRD disclosures, Alfen discloses the progress and status of its sustainability efforts with the following organisations:

- Carbon Disclosure Project (CDP)
- EcoVadis
- UN Global Compact
- Sustainalytics
- ISS

Sustainability statement

General information

Basis for preparation

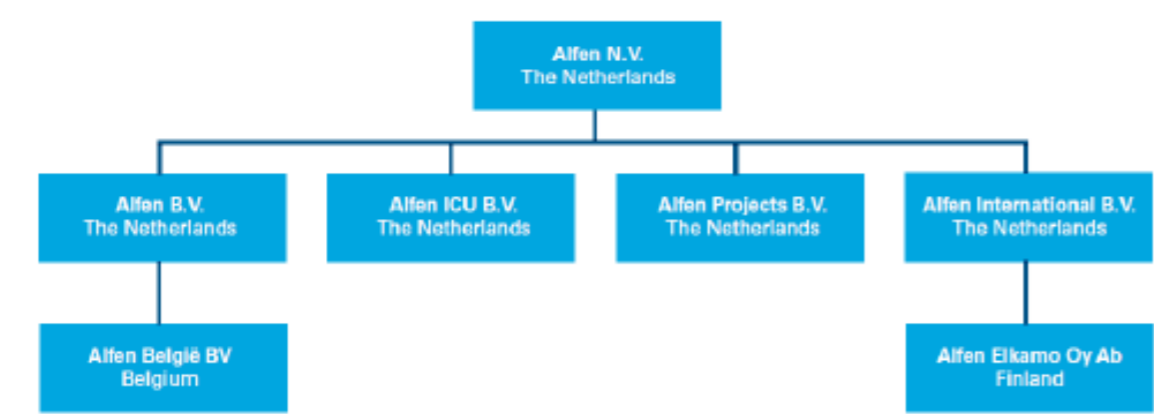
Level of reporting

The Sustainability Statement of Alfen N.V. is prepared on a consolidated basis and incorporates information for the reporting period equal to the financial statements, from 1 January 2025 to 31 December 2025. This statement covers Alfen's entire operations, as well as the upstream and downstream value chain. Alfen has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

All Alfen subsidiaries are consolidated for sustainability reporting. Administrations of all entities except Alfen Elkamo Oy Ab are driven by its headquarters. Alfen uses the same measurements for all entities throughout the statements.

Material impacts, risks and opportunities (IROs) have been assessed through a double materiality assessment, serving as a cornerstone for the ESRS disclosures. This assessment determines the scope of disclosure.

Material subsidiaries of Alfen



In 2025, Alfen reviewed its existing materiality assessment, and updated this in alignment with the July 2025 draft guidelines from the ESRS. A description of the process and its outcome are included in the impact, risk and opportunity section of this statement. The EU Taxonomy is included as a separate identifiable section at the end of this Sustainability Statement. The contents of the Sustainability Statement were not audited by a third party, as the submission of this statement is voluntary and CSRD is not yet transposed into Dutch law.

Judgement, uncertainties, exemptions and value chain estimations

In applying reporting requirements, Alfen needs to make judgements and estimates that may be critical for the data reported. Therefore, metrics used can be based on certain estimates, averages or assumptions that management believes to be reasonable under the circumstances. The underlying data either comes directly from its suppliers, its own readings or is sourced from external data vendors. The latter, being secondary data such as industry/sector averages, are used if no relevant information is available within its value chain. This statement includes prospective information such as ambitions, objectives, targets and expectations. Inherent to this information is the fact that the actual results may differ in the future and that information is therefore uncertain. A description of used definitions can be found alongside each metric in the respective environmental, social and governance sections.

In particular, Alfen sees the largest uncertainties in reporting scope 3 emissions related to Alfen's up- and downstream value chain partners. At this stage, Alfen often needs to rely on industry/sector averages for emission calculations when suppliers cannot yet deliver primary data. Alfen expects that the accuracy of scope 3 emissions will improve over time as calculations become more granular with more detailed modelling and supplier-specific data. In addition, a key assumption made regards the rate at which electricity grids decarbonise over time, which influences the emissions intensity of the efficiency losses during the use of its sold products. As all of Alfen's products are currently sold in countries where governments are either legally bound to net zero in 2050 or have set net zero 2050 as a stated goal for their electricity grid, Alfen has assumed a linear reduction in electricity grid intensity between 2025 and 2050. To ensure accuracy as much as possible, Alfen's restated 2021 and 2024 scope 3 emissions have included historical electricity emissions intensity for the years leading up to 2025, and have then used the same projections for 2026 onwards.

The data used to compile Alfen's sustainability metrics is subject to continuous improvement, given that sustainability-related regulation will also result in more standardised data being available in the future. Alfen aims to be transparent in its disclosures and any changes in underlying data or assumptions in order to explain movements. This results in the appropriate context to readers of the statement.

Applied time horizons

Alfen has assessed material impacts, risk and opportunities over short-, medium-, and long-term. Since the nature of sustainability matters generally materialise over time these topics often require forward-looking statements. In this statement, Alfen refer to the following time horizons:

- Short term = less than 1 year
- Medium term = between 1 and 5 years
- Long term = more than 5 years

Alfen provides an additional specification for the long term horizon when impacts or actions are expected in a period longer than 5 years to provide relevant context. Deviations from the stated time horizons are clearly indicated.

Incorporation by reference

Where information has been published in other parts of the annual report, Alfen has made use of the “incorporation by reference” concept to prevent duplications. Specifically, Alfen has chosen to incorporate the corporate governance disclosures of ESRS 2 relating to role and responsibilities (other than on sustainability) and composition in the corporate governance section of this report. These can be found in paragraphs Members of the Management Board and Members of the Supervisory Board. Additionally, a description of risk management and control process as well as the incorporation of sustainability risks in this process can be found in the Risk management section, paragraph Risk assessment process, including fraud and sustainability risks. In these cases, Alfen believes that the information is best read in conjunction with other information in these sections.

Reporting adjustments related to prior periods

Following a comprehensive review of Alfen's historical emissions related data, Alfen has restated emission figures for all years across scopes 1, 2, and 3. As a result of this review, the emissions baseline for each of its respective scopes has deviated by more than 5% compared to the current baselines. In accordance with SBTi methodology, Alfen has therefore restated its emissions baseline, and used the SBTi target setting approach to determine its revised targets.

For scopes 1 and 2, the restatements cover the years 2019 through to 2024, while for scope 3, the restatement covers the years of 2021 and 2024, as these are the only two prior years over which Alfen has published full scope 3 information.

For scopes 1 and 2, restatements have been related primarily to updating emission factors and methodologies. For scope 3, the restatement has primarily been related to a change of scope. Alfen has excluded the subset of transformers from its scope 3 emissions which are provided by its customers and remain legally in their ownership at all times, and are therefore not part of its value chain. Alfen has verified this approach with SBTi to ensure this is consistent with standards set in the GHG Protocol.

Where metrics have been reported previously or where historic data was available, comparative information has been presented.

Use of phase-in provisions

For some of the newly introduced metrics, Alfen has made use of the transitional provisions in accordance with Appendix C ESRS 1. As Alfen's reporting is currently voluntary, Alfen has extended the use of some of these transitional provisions this year. For phase-in provisions last year that pertained only to Alfen Elkamo Oy Ab, Alfen has now included metrics as prescribed under the July 2025 ESRS draft guidelines.

Use of phase-in for all entities:

- Anticipated financial effects of Alfen's impact, risks, and opportunities on its financial position (ESRS 2 SBM-3 paragraph 23)
- Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (ESRS E1-11)

Business model and strategy

Alfen's business model and value chain

Alfen operates at the heart of the energy transition with its 3 business lines: Smart Grid Solutions, EV Charging, and Energy Storage Systems. Revenue from all its business activities can be

allocated to ESRS sector: C27 - Manufacturing of electrical equipment. During 2025 there were no significant changes in its product portfolio or services.

Alfen is headquartered in Almere, the Netherlands, where it resides in eight buildings with associated production facilities that are either owned or leased. Alfen has additional offices with production locations in Belgium and Finland and physical sales offices in Germany, Sweden and France. As of December 31st 2025, Alfen had a headcount of 950 employees across Europe, with presence in 9 countries: Belgium, Finland, France, Germany, Italy, the Netherlands, Spain, Sweden, and the United Kingdom, and serves the rest of Europe through its partners and resellers.

For a detailed breakdown on revenue per sector and geographical area, please refer to statistics in the financial summary. Across all of Alfen's business lines there are no products that have been banned in certain countries. Given the nature of Alfen's products, sales to all its markets and customer groups help enable decarbonisation.

Smart Grid Solutions: Alfen develops, produces and assembles a range of transformer substations for two segments: 1) distribution grid operators and 2) private companies, and Alfen does so with a range of suppliers of concrete housing, transformers and medium voltage switchgear, among others.

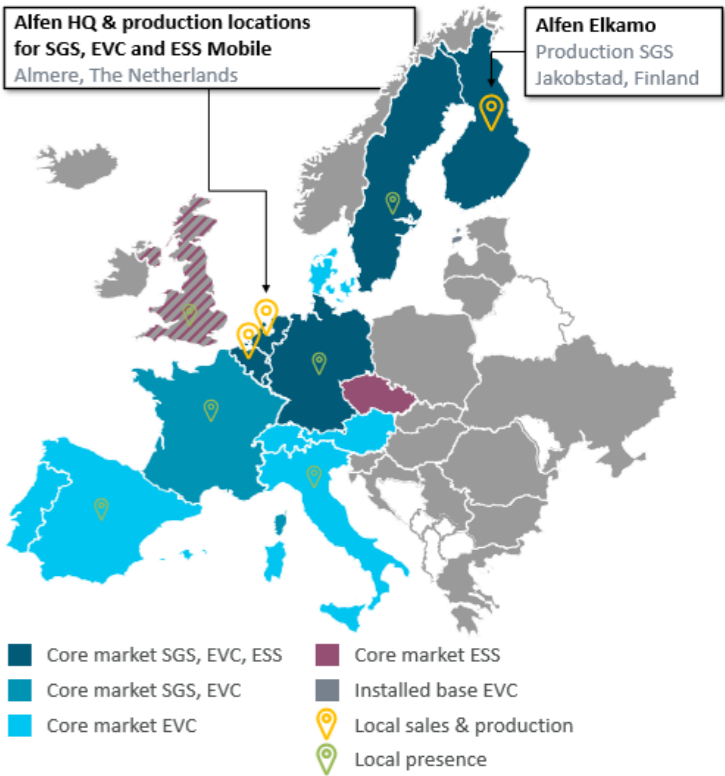
For both segments the majority of sales occur in its core focus countries for 2025, which were the Netherlands, Belgium, Finland and Sweden.

The grid operator segment can be characterised as concentrated, given the top 3 grid operators in the Netherlands hold 95% market share in the distribution grid. Alfen's solutions support strengthening the distribution grid to cope with the energy transition.

Additionally, Alfen supplies microgrids, including substations and supplementary offerings to connect the private networks with so-called "sub-segments", being (1) renewables (PV, wind farms), (2) EV fast charging or logistic hubs, (3) horticulture, and (4) industrial companies. The former two have a mix of concentrated end-customers, while the latter two are more fragmented, being one-offs with an occasional expansion.

Alfen's substations are a critical building block in the electrification of our society by facilitating a robust electricity grid. Moreover, Alfen enables the supply of renewable energy, thereby facilitating the decarbonisation of power supply.

EV Charging: Alfen develops and produces a range of smart and connected chargers for electric vehicles (EV) for use at destinations such as homes, retail, workplaces and public locations across Europe. Additionally, Alfen offers remote service & maintenance both remote and on-site through our



field service partner network. Alfen works with a wide variety of suppliers that deliver electrical components such as printed circuit boards and kWh meters.

The customer landscape can be characterised as fragmented. Alfen is a pure B2B player, and so does not directly deliver to end-users. Alfen's main customers are utilities, charge point operators, system integrators, retailers, and wholesalers.

VALUE CHAIN STEP	UPSTREAM (SCOPE 3)		OWN OPERATIONS (SCOPE 1 & 2)				DOWNSTREAM (SCOPE 3)		
	Raw material extraction & component suppliers	Inbound logistics	Research & development	Production & assembly	Services & maintenance	Sales & marketing	Outbound logistics	Use-phase	Scrap & recycle
BUSINESS LINE	Main components are made of steel, copper, and concrete. Alfen does not source raw materials directly	Logistic partners are used to deliver components to Almere	Alfen develops a variety of low- and medium voltage transformer substations	In-house assembly located in the Netherlands and Finland	Alfen delivers services to its customers	Alfen has its sales forces in the Netherlands, Belgium, Finland and Sweden	Alfen arranges transport to project location or depot	Alfen does not operate substations	Alfen currently has no active role in decommissioning and recycling
	Alfen sources electrical components from a wide variety of suppliers	Logistic partners are used to deliver components to Almere	Alfen develops and designs hardware and software	In-house production and assembly located in the Netherlands	Alfen delivers services to its customers and through field service partners	Alfen has sales presence in 10 countries in Europe and covers rest of Europe from HQ	Alfen arranges transport to warehouse B2B customers depending on delivery terms	Alfen does not operate EV charging equipment	Alfen currently has no active role in decommissioning and recycling
	Alfen sources batteries at Tier 1 suppliers and uses LFP chemistry. Alfen also sources inverters	Logistic partners are used to deliver components to Almere or directly to the project site	Alfen develops hardware and software, additionally delivers EPC work on project site	In-house assembly for the battery mobile, and assembly on project location for battery elements	Alfen delivers services and maintenance via long-term contracts on projects	Alfen has sales presence in Netherlands, Belgium and Sweden and covers rest of Europe from HQ	Alfen arranges transport of components to project site	Alfen does not operate battery systems	Alfen currently has no active role in decommissioning and recycling
ACTORS	Tier 1 & 2 Business relations	Logistic partners	Own workforce, partnerships with agencies for flexible work				Logistic partners	B2B customer End users	End-customer
GEOGRAPHIES	Global		Netherlands Finland		Europe		Europe		

Alfen's installed charge points power electric vehicles, decarbonising transportation and thereby avoiding harmful emissions.

Energy Storage Systems: Alfen develops, manufactures, assembles, and installs a range of stationary utility scale and mobile battery energy storage solutions. Alfen's systems are used for applications such as load balancing, peak shaving, grid frequency control and energy trading. Additionally, Alfen provides long-term service and maintenance on installed systems. Alfen works with suppliers of batteries, transformer, control cabinets and inverters, among others.

For utility scale systems, Alfen's main customers are independent power producers, flexibility service providers, developers, as well as commercial and industrial companies.

For Alfen's mobile systems, Alfen sells either to power rentals who use its systems in their proposition towards a variety of end-segments, or directly to end-segments such as construction companies, energy companies, events, EV fast charging or transportation hubs, industry and commercial companies, renewables, and marine applications.

Alfen's Energy Storage Systems enable the integration of renewables into the grid by preventing intermittency of these renewables becoming an issue. Most of Alfen's sales occur in the Netherlands, Belgium, Sweden and Finland.

Interaction business model and sustainability

Sustainability is inextricably linked to Alfen’s operations as all business lines contribute to society's electrification by replacing alternatives that have a negative impact on the environment.

In 2024, Alfen initiated the Alfen Sustainability Program, as explained in Alfen's approach to sustainability of the management report. This program is currently focused on decarbonisation targets that have are aligned with the Paris Agreement and validated by SBTi. Alfen has this year started to roll out the initiatives that will contribute to its overall sustainability and wider business strategy.

Alfen will work to align the material topics related to its own operations and its business strategy. To intertwine sustainability even deeper with its business strategy, Alfen has set clear annual targets related to sustainability objectives, and ensures that these efforts are incorporated into its broader Annual Business Review. In addition, Alfen has integrated sustainability into the variable remuneration of its Management Board members, by setting both annual targets (in the Short Term Incentive Plan), and three year targets (in the Long Term Incentive Plan).

Alfen's approach to sustainability increasingly shapes its interactions with suppliers as well as customers, as it believe challenges to decarbonise its value chain can be best solved together. Furthermore, continued R&D investments demonstrate its commitment to driving technology forward to remain a leader in the energy transition.

Alfen's engagement with stakeholders

In 2023, Alfen adopted its stakeholder (dialogue) policy and has since started reporting on stakeholder engagements in its annual report. Alfen values the mutually beneficial interaction with each of its stakeholders.

As part of the stakeholder policy, Alfen has mapped employees, customers, investors, suppliers, local communities and society as key stakeholders. These selections are based on who has the greatest influence on Alfen's activities and who is most affected.

Alfen's employees are an important stakeholder because their commitment, efforts, collective knowledge, performance and development are the basis for its business and how it creates value for its customers and thereby for its investors and society. Alfen's employees are integral to achieving its sustainability goals.

Alfen's customers are an important stakeholder because satisfied customers are the foundation for long-term sustainable growth and profitability. There is recognition that within Alfen's sectors there is increasing attention for sustainability.

Alfen's investors are an important stakeholder because together they are the owners of the company. Alfen knows sustainability efforts are increasingly seen as a subject that influences investment decisions.

Key stakeholders	Purpose	What matters to them?	How Alfen engages?	Highlights in 2025
Employees	Alfen acknowledges that satisfied and engaged employees are key for successful growth as well as key-contributor for reaching sustainability goals. On the other side, they will be affected by actions from the organisation.	(1) Engaging workplace (2) Personal and professional development (3) Safe and healthy working conditions	(1) Works Council Meetings (2) Employee survey (3) Open dialogue between manager and employee (4) Townhall meetings (5) Intranet & monitors throughout buildings	(1) Multiple work council meetings to discuss employee policies and restructuring (2) Feedback of employee survey cascaded throughout the organisations (3) Set-up cadence of monthly townhalls
Customers	Alfen aims to create strong and long-lasting relationships with customers to strengthen its brand, drive business growth and build sustainable supply chain together.	(1) Engineering, manufacturing, integrating and connecting high quality energy solutions that are innovative, reliable and smart (2) Product Compliance of the deliverables and Certified production (3) Communication and cooperation based on mutual trust and clarity (4) Knowledgeable advice based on the customer situation (5) Deliver (timely) what has been promised (6) Provide quick and knowledgeable customer support	(1) Sales process interactions (2) Regular meetings (3) After sales support (4) (Social) media (5) Customer communications and events	(1) Extended the customer satisfaction surveys to EU scope and all business lines (2) Hosted 200 customers and partners on the homegrown customer launch event for the new EVE Plus range chargers in Almere (3) Launched a new full integrated brand campaign for EVC: Built to move what matters, and a new brand look & feel for Alfen (4) Hosted largest number of factory tours and visits in Almere (5) Engaged with thousands of customers, prospects and partners on Tradeshows, channel events and local customer events at Alfen, e.g., Solar Solutions, Smarter, Drive to Zero, Vakbeurs energie etc. (6) Reached an audience of over 40,000 followers on LinkedIn
Investors	Shareholders and investors expect Alfen to protect their investment with increasing interest for its ESG performance	(1) Transparent financial and non-financial reporting (2) Compliance with laws and regulations (3) A management board with strong oversight that runs the company as efficiently as possible (4) Return on investment	(1) Quarterly earnings (2) Half year results and annual report (3) Annual General meeting (3) Analyst and investor calls (4) Conferences and road shows	(1) Organised 2 roadshows and attended 9 conferences (2) Nominated for best ASCx company in 2025 in Dutch IR awards (3) Organised large number of site visits in Almere for investors
Suppliers	Alfen believes in maintaining a responsible supply chain which can only be realized with the support of its partners. Alfen aims for long-term relationships and ensures that its partners match its environmental and ethical standards	(1) Ethical business conduct, (2) Long-lasting partnerships based on trust and mutual feedback (3) Clear communication and cooperation (4) Share our vision	(1) Business Review Meetings (2) Supplier Audits (3) Regular meetings and purchase process interactions (4) After purchase support	(1) Increased use of EVs by downstream transport suppliers (2) Continued contracting according to Alfen's format, including Supplier Code of Conduct (3) Continued discussions with key suppliers to reduce footprint (4) Tuned future capacity requirements with our key suppliers
Local communities and society	Alfen relies on the health, wellbeing and stability of local communities and broader society. In return Alfen delivers its part in a cleaner and more reliable energy systems for future generations	(1) Respect national and international laws and regulations, (2) Provide employment and education opportunities (3) Minimise environmental impact	(1) Various sector associations (e.g. Elaad, Energy Storage NL) (2) Events (3) Sponsorship and contributions (4) Alfen Academy (5) Press	(1) 20 BBL students received their diploma from the Alfen Academy

Furthermore, Alfen has scanned ESG rating agencies for (1) Alfen’s current performance on sustainability disclosures, and (2) as a proxy for most important parameters of the sustainability disclosures from an investor’s perspective.

Alfen's suppliers are an important stakeholder because they provide high-quality raw materials and components that need to be delivered timely to create the solutions for its customers. From a sustainability perspective, improvements are driven by the entire value chain, which is why Alfen is dependent on its suppliers. In turn, its suppliers are dependent on signals from customers and end-users downstream.

Local communities and broader society are an important stakeholder because many of Alfen's employees come from the local community and surroundings, and community involvement helps Alfen to maintain a good connection with innovation partners, schools, and results in employee satisfaction.

An overview of the purpose, expectations, methods, and highlights of Alfen's interactions over the past year with key stakeholders can be found in the previous table. These stakeholder views shape Alfen's strategic decision-making process.

Alfen has experienced differences in maturity levels among stakeholders on CSRD regulations and material sustainability matters. Some interactions around sustainability are therefore part of a broader engagement (e.g., customers express their needs of which some have a sustainability angle).

With investors and employees, Alfen has had direct engagements on sustainability. For future stakeholder engagement Alfen aim's to increase the sustainability-specific involvement of customers, suppliers and local communities and broader society in its materiality assessment, data maturity, and sustainable development of new products and services.

Alfen has processes in place to inform its Management Board and Supervisory Board with the views and interests of its affected stakeholders as many interactions take place in the wider organisation. In 2025, information was shared during monthly updates between the Management Board and the Sustainability department. The Supervisory Board was also informed on sustainability matters on a bi-annual basis. This ensures that Alfen's management takes the outcome of its engagement

efforts into account when making decisions on its business model and strategy.

During 2025, no material changes were made to its business strategy.

Material sustainability matters

Alfen performed a double materiality assessment (“DMA”) in line with the principles and requirements of the ESRS to identify and assess its material impacts, risks and opportunities (“IROs”) across environmental, social and governance matters. Alfen's DMA considers both impact materiality—how its activities affect people and the environment—and financial materiality—how sustainability matters may affect Alfen’s financial performance, position and future prospects. The assessment covers its operations as well as its upstream and downstream value chain.

The following section provides a summarised overview of the baseline DMA conducted in 2024, to explain how the initial assessment was performed and to provide context for the update applied in 2025. Further detail on the 2024 methodology, scoring and stakeholder engagement is included in its 2024 Annual Report.

Baseline DMA - summary of 2024 process

In 2024, Alfen performed a comprehensive DMA reviewing all ESRS sustainability matters at sub-sub-topic level. The mandatory ESRS topics were deemed sufficient to capture its sustainability-related IROs, and no additional entity-specific topics were identified. No sector-specific ESRS standards applied to its sector under the regulatory framework in force at that time.

The assessment combined desk research—drawing on previous Alfen materiality assessments, ESG guidance and peer benchmarking—with cross-functional internal input to assess relevance across its value chain and document rationale for inclusion or exclusion of topics.

Actual and potential impacts, risks and opportunities were identified through workshops and interviews with internal subject matter experts. Impacts were prioritised based on severity and likelihood, while sustainability risks and opportunities were assessed based on their expected financial magnitude,

likelihood and time horizon, in alignment with Alfen's broader risk management approach.

Stakeholder perspectives were incorporated through engagement with both internal and external stakeholders, including employee representatives, investors, customers, suppliers and local community representatives. The resulting list of material sustainability matters was reviewed by senior management, endorsed by the Management Board, and discussed with the Supervisory Board, with validation by the Audit Committee.

Update of the DMA for 2025

For the 2025 reporting cycle, Alfen used the 2024 DMA as a baseline and conducted a focused review to reflect updated regulatory guidance and strengthen the robustness of its assessment. In line with the July 2025 ESRS draft guidance, Alfen reviewed sustainability matters at sub-topic level. The underlying methodology and scoring mechanisms applied in 2024 were retained, ensuring consistency and comparability over time.

To enhance the quality of the assessment, Alfen engaged an external organisation specialised in ESRS-aligned double materiality assessments. This organisation performed an independent review of Alfen's DMA and provided additional input from a broader societal and sustainability perspective.

As a result, the incorporation of external stakeholder viewpoints and validation of impacts, risks and opportunities was strengthened compared to previous years.

Based on this review, Alfen identified and documented proposed changes to the prioritisation and rationale of certain IROs. These proposals were first discussed and agreed within the Sustainability department, subsequently aligned with the Management Board, and thereafter shared with the Supervisory Board, which was informed of the proposed update to Alfen's DMA for 2025.

Alfen reviews its DMA annually to ensure it remains aligned with ESRS requirements and responsive to developments in its business, value chain and external environment. The updated DMA forms the basis for Alfen's sustainability disclosures and the integration of material sustainability matters into its strategy and risk management processes.

Metrics of materiality assessment

This year's materiality assessment has first used Alfen's previous scoring as a baseline. That assessment was first reviewed in conjunction with a third party to a) validate whether scoring from the prior year had been consistent, and b) whether any changes in the economic, political or regulatory environment necessitated a change in Alfen's assessment. In the figures below Alfen's scoring mechanisms, categories used, and thresholds are shown in detail.

SCORING MECHANISM				
Assesment	Scoring formula			
Positive impact	Scale	+	Scope	× Likelihood
Negative impact	Scale	+	Scope	+ Irremediability × Likelihood
Risk assesment	Size	×	Likelihood	
Opportunity assesment	Size	×	Likelihood	

Impact materiality

Alfen assessed the severity of identified matters by scoring the elements of scale, scope, and irremediability. Irremediability is only deemed relevant for negative impact. These elements are scored from 0 to 4. Subsequently an assessment is made on the likelihood of the impact to occur, ranging from unlikely (<10%) to actual (100%). The impact score is calculated by summing together scope, scale, irremediability, and then multiplying that score with the likelihood.

Alfen applied a threshold of 7 out of a maximum score of 12 for negative impacts and a threshold of 5 out of 8 for a positive impact, and hence correct for the absence of irremediability with positive impacts.

Financial materiality

Alfen assessed the size of the potential financial effects associated with a potential opportunity or risk on a 5-point scale. This scale is based on a percentage of revenue gain or loss, which would consequently also affect EBITDA. Subsequently, an assessment is made on the likelihood of the impact to occur ranging from unlikely (<10%) to actual (100%). The opportunity or risk score is then calculated by multiplying the score of size by the likelihood.

Alfen applied a threshold of 3 out of a maximum score of 5 for financial materiality. Alfen deemed a matter material when either the opportunity or risk score is on or above the threshold.

Impact materiality

SEVERITY		
Scale <i>How serious or beneficial the impact might be</i>	Scope <i>How widespread the impact might be</i>	Irremediable character (only for negative) <i>How difficult it is to restore (potential) negative imposts back to their original state</i>
Critical	Global	Non-remediable
High	Regional	Very Difficult to remediate
Moderate	National	Difficult to remediate
Low	Local	Relatively easy to remediate
None	None	Very easy to remediate

Financial materiality

SIZE OF THE POTENTIAL FINANCIAL EFFECTS	
Scale	Interpretation
Critical	Critical (40% or more) loss/gain of financial performance
High	High (20-40%) loss/gain of financial performance
Medium	Moderate (10-20%) loss/gain of financial performance
Low	Limited (5-10%) loss/gain of financial performance
Very low	Almost no (0%-5%) loss/gain of financial performance

Relevant for both impact and financial

LIKELIHOOD		
Score	Interpretation	
Actual	100% chance of occurrence	
Very likely	85% chance of occurrence	
Likely	55% chance of occurrence	
Reasonably likely	30% chance of occurrence	
Unlikely	<10% chance of occurrence	
TIME HORIZON		
Period	Time	
Short-term	1 year	
Medium-term	1 to 5 years	
Long-term	More than 5 years	
MATERIALITY THRESHOLD		
Materiality	Threshold	Maximum score
Negative impact	7 or higher	12
Positive impact	5 or higher	8
Financial	3 or higher	5








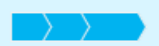










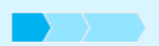

















Overview of material topics

While aiming to include topics where its impact is material, Alfen also recognises that too many topics would result in a loss of focus, potentially affecting the strategy execution.

A dialogue with senior leadership and topic experts helped develop a view of the material matters. As all material topics are applicable in the short term, there is no distinction between current and anticipated effects of Alfen's material topics' impacts, risks and opportunities on its business model, value chain, strategy, and decision-making.

Given Alfen's business model operates on the basis of the energy transition, Alfen has a built in resilience in its business model and strategy with regards to its capacity to address its material impacts, risks, and opportunities.

Alfen currently estimates that there is no significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements due to the current financial effects of its material topics' risks and opportunities.

Material sub-topics	Value chain	Rationale of impact	Rationale: Risk (R) or Opportunity (O)	Impact or financial materiality	Timeframe
E1 Climate change: Climate change mitigation		Upstream and own operations – We are a capital goods company, and use a variety of energy intensive materials and components in our solutions and sources these globally Downstream – Additional emissions result from electrical efficiency losses during the lifetime use of our products	Upstream – (R) Suppliers unable to reduce GHG emissions which influences our overall emissions. Downstream – (R) Governments limit action in decarbonising electricity grids, keeping emissions from efficiency losses higher Own operations – (O) Decarbonisation is a key revenue driver of all our business lines; a greater harmonised push for decarbonisation by governments would increase demand for our products	 	
E1 Climate change: Energy		Own operations – We consume a significant amount of energy in our production processes and our buildings, some of which is not yet electrified and therefore not covered by our renewable electricity certificates	Own operations – (R) New regulation which either restricts or raises the cost of using non-renewable energy and is implemented before our full transition to renewables would (temporarily) raise business costs	 	
E5 Resource use and circular economy: Resource use		Upstream – Our demand for purchased materials contributes to upstream greenhouse gas emissions, resource depletion, and other environmental effects across our supply chain	Upstream – (R) Rising prices or shortages of steel, copper, lithium, and other critical components could delay production or increase costs for our products, while regulatory pressure—including the CS3D due diligence requirements—adds compliance challenges Upstream – (O) Alfen can strengthen its market position as a sustainable leader by increasing the use of recycled or lower-impact materials, improving material efficiency, sourcing responsibly, and collaborating with suppliers on circularity and decarbonisation	 	
S1 Own workforce: Labour relations ¹		Own operations – Supporting labour relations (e.g., through the existence of our Collective Labour Agreement (CLA) can positively contribute to employee welfare. Own operations – Effective social dialogue improves employee morale, satisfaction, and positive work culture, enhancing overall employee well-being	Own operations – (O) Constructive collective bargaining can enhance employee satisfaction and engagement, potentially reducing turnover and absenteeism, improving productivity, and contributing to a positive company culture, which can positively impact the company's financial performance over the long term Own operations – (R) Lack of open communication through social dialogue can lead to employee dissatisfaction and disengagement. Leading to problems in collaboration, which could result in bad decision making, lower productivity, as well as higher turnover rates	 	
S1 Own workforce: Health and safety		Own operations – Given the nature of our products and services, our employees work with electrical components that can contain voltages within our production environment, during grid integration or in work on project sites. Health and safety measures are critical to minimise workplace accidents, injuries, and occupational illnesses	Own operations – (R) Health and safety incidents could lead to financial consequences, such as costs associated with workplace accidents, worker compensation claims, legal liabilities, increased insurance premiums, and damage to the company's reputation Own operations – (O) A robust safety record is an opportunity to differentiate in the manufacturing and electrical installation industry, making us the preferred partner for clients and contracts	 	
S1 Own workforce: Training and skills development		Own operations – Our focus on training and development means employees receive the education and resources to improve their knowledge, abilities, and job performance	Own operations – (O) Training and development enables our R&D department, to be better adapted to the rapidly evolving regulations and technologies of the energy transition	 	
S1 Own workforce: Diversity and equal treatment		Own operations – A diverse and inclusive work environment brings multiple perspectives which enhance creativity and innovation, and creates a workplace where all employees feel valued, respected, and supported Own operations – Rewarding employees equally for the same work, regardless of gender or background, creates a more just workplace. Doing so positively impacts individuals by increasing their job satisfaction, earning potential, and employability, and reducing safety hazard risk Own operations – Violence and harassment can lead to a negative work environment, employee stress, decreased productivity, and potential harm to physical / mental health	Own operations – (O) We see diversity as an opportunity to attract and retain the best and brightest talent as it broadens our pool of potential candidates, letting us be the employer of choice in a tight labour market Own operations – (R) As we already have a very diverse workforce (51 nationalities), not addressing diversity properly can make employees feel excluded, increasing the risk of disengagement in the organization Own operations – (O) Operating with an environment of equal pay strengthens our organisational culture of trust, transparency and fairness Own operations – (R) Violence and harassment not only have a detrimental impact on workplace atmosphere and productivity, but can also result in costs such as legal liabilities, as well as potential damage to our reputation	 	
S2 Workers in the value chain: Working conditions – Health & Safety		Upstream – We need to ensure that health and safety standards are high and upheld in our upstream value chain, in particularly for our electrical components, as well as the procurement of raw minerals, as processes related to their production have a greater risk to physical health Downstream – We need to ensure that our own product specification is held to a high standard to ensure our own products are built safely so both that technical engineers who operate and/or fix our products are safe.	Upstream and downstream – (R) Health and safety incidents pose a risk to Alfen regardless of their origin in the value chain. Poor health and safety practices can result in financial risks, including costs associated with workplace accidents, workers' compensation claims, legal liabilities, increased insurance premiums, and potential damage to our reputation.		
S2 Workers in the value chain: Other work-related rights – Forced labour		Upstream – We recognise that not all regions in our global supply chain adhere to human rights and labour standards to the same degree. This is mostly relevant for our non-European suppliers, including tier 2 suppliers involved in the production of raw materials. The negative impact of forced labour on value chain workers is self-evident given the fundamental violation of their human rights	Upstream – (R) Engaging with suppliers who may use forced labour runs clear risks; companies engaging in or tolerating forced labour in their own workforce face financial risks, including legal penalties, reputational damage, and potential disruptions in operations due to protests, strikes, or regulatory interventions.		
G1 Business conduct – Corporate culture			Own operations – (R) A strong corporate culture the protection of whistleblowers, and the prevention and detection of corruption and bribery are all essential prerequisites for a sound corporate governance. Alfen has zero tolerance for incidents regarding corruption and bribery. Without all of this, we lose our 'license to operate'. Also reflected by other standard setters, such as Commission Corporate Governance. Furthermore, such instances could lead to significant reputational damage.		

Value chain Upstream  Own operations  Downstream 

Materiality  Impact  Financial  Time horizon  Short-term  Medium-term  Long-term

¹Includes: social dialogue, freedom of association, works councils, participation rights of workers and collective bargaining

Sustainability Governance

Supervisory and Management Boards' roles and responsibilities with regard to sustainability

Alfen's Supervisory Board provides oversight on sustainability performance and strategy, including the consideration of sustainability related impact, risks, and opportunities and risk management. Alfen has set up specific committees which involve a subset of the Supervisory Board, of which two involve responsibilities related to sustainability. The Audit Committee meets on a more regular basis, and is updated on progress with regards to sustainability, while the HR Committee determines the sustainability-related short- and long-term incentives for the Management Board. In December 2025 the Supervisory Board reviewed and endorsed the selection of material topics for this year's DMA. In addition, it also reviewed performance on targets related to the 2025 Short Term Incentive Plan (STI-P), and the 2023-2025 Long Term Incentive Plan (LTI-P).

Alfen's Management Board is responsible for shaping its sustainability strategy, intertwining it with Alfen’s company strategy, as well as monitoring and reviewing its progress. This includes considering impacts, risks, and opportunities of sustainability matters as well as risk management. Such risk management is also extended to addressing issues related to anti-bribery, corruption, and conflicts of interest, and compliance. Given the importance of sustainability and its company-wide character, Alfen's CEO is the lead responsible. Additionally, responsibility for the Alfen Sustainability Program and its Sustainability Initiatives is shared among Management Board members and linked to their specific responsibilities. Furthermore, as outlined in the material sustainability matters section, the Management Board reviews the outcome of the DMA and the associated impacts, risks, opportunities of its material topics and will continue to do so on an annual basis.

The Management Board is supported by the Sustainability department, who further develop and execute the strategy and plans. The Sustainability department reports to the CEO and leads its Sustainability Program. While led by the Sustainability department, the efforts to execute its sustainability initiatives are undertaken by a multi-disciplinary group composed of leaders and subject matter

experts from across the company, including departments such as Strategy, R&D, Procurement, Operations, Marketing, HR and Finance. Key decisions to progress sustainability initiatives are made with the Management Board at minimum on a quarterly basis.

Responsibilities of the Sustainability department include:

- Running annual DMA process and include perspective of external stakeholders
- Implementing the Sustainability Program and its initiatives across the organisation
- Identifying and monitoring impacts, risks and opportunities of sustainability matters
- Monitoring progress on action plans, targets, and KPIs of material sustainability matters
- Implementing due diligence on sustainability matters
- Identifying sustainability reporting requirements and subsequent preparation of reporting

With this governance structure in place, the Management Board can leverage internal sustainability expertise which can be complemented by external expertise if necessary. Each member is responsible for their personal development by attending relevant meetings and training courses. Alfen believes this set-up ensures the appropriate skills and expertise are available to oversee impacts, risks, and opportunities regarding sustainability matters. Alfen's management believes they are able to fulfil their roles and responsibilities as described above.

Currently Alfen does not have direct representation for employees and other workers in its management and supervisory bodies.

Sustainability-related performance in incentive schemes

Alfen has short- and long-term sustainability-related performance incentives for its Management Board members, as it believe this is core to its business. Based off proposals provided by the Sustainability department, the HR Committee of the Supervisory Board determines the incentives for the Management Board. For 2025, the short-term incentives that are sustainability matter related were based on:

1. Absolute reduction in Q4 2025 Scope 1 tCO₂eq emissions vs the previous year from a) Alfen leased vans based in the Netherlands, and b) natural gas consumption for its Dutch and Belgian offices . Initiatives in place to address these emissions included using HVO100 as a replacement to diesel, and installing heat pumps to reduce the need for natural gas use.

2. Absolute reduction in 2025 Scope 2 tCO₂eq emissions vs 2024, assuming no structural change in the feedstock used for district heating in Finland (and over which Alfen has no influence or control). The initiative brought in place was procuring Guarantee of Origin credits for all offsite EV energy consumption, to ensure that all energy consumed by leased EVs can be considered as renewable energy under GHG Protocol and SBTi methodologies.

The short-term incentives are equal for all Management Board members and together make up 11.67% of the total short-term incentives per individual. Sustainability-related considerations are currently not factored into the remuneration of Supervisory Board members.

For the year under review the long-term non-financial incentives that are sustainability matter related are based on:

1. Reduction in Scope 1 + 2 + 3 (Business travel only) emissions per FTE, comparing performance in 2025 vs 2019 baseline due to the impact of COVID-19 on 2020-2021.

The long-term incentives are equal for all Management Board members and together make up 11.67% of the total long-term incentives.

Statement of due diligence

Alfen’s sustainability due diligence process is an ongoing process to identify, prevent, mitigate and account for how Alfen addresses the actual and potential positive and/or negative impact on the environment and/or people connected with its business as well as any actual or potential risks and opportunities that arise from sustainability matters, noting that these efforts encompass its entire value chain. This process informs Alfen's assessment of its material impacts, risk and opportunities of sustainability matters and may trigger changes in its business model and strategy. For the latter Alfen prioritises based on severity, scope and likelihood of the impact.

For more information on the due diligence processes that was carried out in relation to sustainability topics in 2025, see the sections on stakeholder engagement, materiality assessment process, overview of material topics, stakeholder dialogue and workers in the value chain. For information on actions identified and/or taken to address negative impacts, see the strategy, governance and action plan paragraphs of each material topic.

Risk management and internal controls over sustainability reporting

The Management Board is informed on sustainability matters at least on a quarterly basis, while the Supervisory Board is informed at least on an annual basis, particularly for the setting / review of ESG targets for the performance incentives for the Management Board. Alfen's sustainability reporting is exposed to risk of material misstatement due to human error, incomplete data, or fraud. In response to these risks Alfen has implemented several internal processes to ensure that all relevant information is captured and accurately represented in its sustainability statements.

Internal control processes: Sustainability information is collected from various departments in the organisation, mainly by Finance, Sustainability, and HR. Internal control processes are in place and executed by Alfen's Finance and Sustainability departments.

Risk identification and assessment: In 2025, Alfen performed its second DMA process, in accordance with the updated draft ESRS guidelines published in July 2025. Alfen again chose to integrate the identified risks within its general risk management process described in the risk management section of this annual report. Alfen's DMA was reviewed externally by a third party, the Impact Institute, to ensure a holistic stakeholder perspective was taken into account when reviewing its DMA, and reduce the risk of internal bias impacting the selection.

Alignment with financial reporting: To ensure consistency and coherence, Alfen's sustainability data is aligned with its financial reporting, where appropriate. Alfen's environmental data is based on products delivered and monetary amounts that are derived from the same source as its financial reporting.

The majority of the social data is based on the payroll systems which are identical to the ones used in the financial statements.

Systems: Currently, Alfen's data collection processes are a mix of data management platforms (e.g., Alfen data management system) and manual processes (e.g. meter readings). Alfen is continuously examining how it can make these processes more efficient, which could include using platforms to further automate its data collection, especially to cope with increasing primary data from its suppliers and logistics providers.

As this is Alfen's second year reporting according to the ESRS, Alfen has set-up a multidisciplinary team to ensure compliance. The team, led by Alfen's Sustainability department, works with the support of subject matter experts throughout the organisation, particularly in Finance and HR.



Environmental information

Introduction

Environmental sustainability covers a wide range of topics reflecting how economic activities interact with natural systems, including climate change, energy use, resource consumption, biodiversity, water, pollution, and waste.

While all of these areas are important, Alfen has identified climate change, energy use, and resource inflows as the environmental topics most material to its activities and impacts, and therefore as the focus of its environmental strategy and reporting.

These topics are closely interconnected, and Alfen thus views addressing climate change not as a standalone objective, but as a key pathway to advancing broader environmental sustainability. Effective climate action requires both a reduction in energy use and a more responsible approach to resource inflows across its value chain, helping to reduce emissions, resource depletion, and other upstream environmental impacts.

Climate change remains one of the most pressing global challenges. Its impacts are already being felt with increasing frequency and severity. In 2025, global temperatures reached their third-highest level on record, following 2023 and 2024—the first year in which annual global temperatures exceeded the +1.5°C pre-industrial threshold referenced in the 2015 Paris Agreement. Reinforcing efforts to limit global warming is therefore more critical than ever.

As a company at the forefront of sustainable energy solutions, Alfen is committed to contributing to the transition to a low-carbon economy while addressing its broader environmental footprint. Alfen recognises the critical role of the electricity grid in enabling this transition, including the integration of renewable energy sources, the electrification of transport and industry, and the deployment of energy storage technologies. At the same time, Alfen acknowledges that the environmental benefits of these solutions depend on how they are designed, procured, produced, delivered, operated, and managed at end-of-life. By addressing climate change, energy use, and resource inflows in an integrated manner, Alfen aims to support a more resource-efficient and resilient energy system.

Material environmental topics and related IROs

Based on Alfen's DMA, three environment-related sustainability topics have been identified; two within within ESRS E1 Climate Change: climate change mitigation as well as energy consumption & mix, and one within ESRS E5 Resource use and circular economy: resource inflows.

Climate change mitigation

Alfen’s impact on climate change can best be measured through the scale of its Greenhouse gas (GHG) emissions. Alfen measures its GHG footprint in accordance with the Greenhouse Gas Protocol standard. In sum, this GHG footprint measures the total GHG emissions caused directly and indirectly by Alfen, using the metric of tonnes of carbon dioxide equivalent (in tCO₂eq). The Greenhouse Gas Protocol categorises GHG emissions into three “scopes”.

Material topics	Value chain	Impact materiality		Financial materiality	
Climate Change		Positive	Negative	Opportunity	Risk
Climate change mitigation GHG emissions	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Energy Energy consumption and mix	<div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Resource use		Positive	Negative	Opportunity	Risk
Resource use Purchased materials	<div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
<div><div>Legend:</div><div>Value chain<div><div></div>Upstream<div></div>Own operations<div></div>Downstream</div></div><div>Materiality level<div><div></div>Low below 60%<div><div></div><div></div>Medium 60 to 79%<div><div></div><div></div><div></div>High 80% and above</div></div></div></div></div>					
<div>Note: Alfen has a materiality threshold of ~60% of the total score, for all categories. Refer to section - metrics of the materiality assessment in the General information for more detail.</div>					

Scope 1: Total direct emissions (in tCO₂eq) from owned/controlled operations, including warehouses, production facilities and offices, e.g. the direct consumption of fossil fuels, biogenic-based fuels, and refrigerants (considered as fugitive emissions).

Scope 2: Total indirect emissions (in tCO₂eq) from owned/controlled operations associated with the purchase of electricity, steam, heat, or cooling. Scope 2 is reported both on the basis of location-based (using emission factors that reflect the emissions intensity of the national electricity market), and market-based (using the emissions factors of Alfen's electricity contracts and certificates).

Scope 3: Total indirect emissions (in tCO₂eq) from Alfen's upstream and downstream value chain. These emissions arise as a result of Alfen’s activities but are from sources that are neither owned nor controlled by the company. Examples are emissions from manufacturers of purchased products and emissions from waste processors.

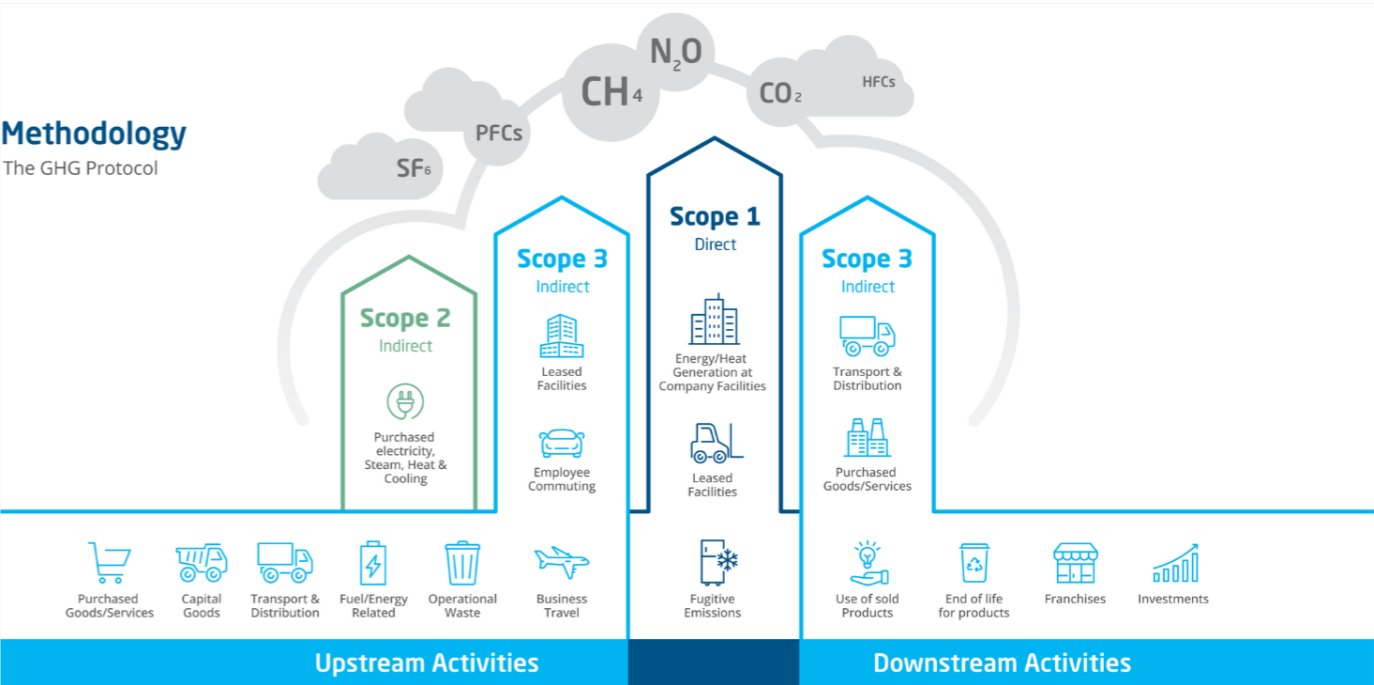
Alfen’s operations have a negative environmental impact through scope 1, 2 and 3 GHG emissions associated with its business activities. As a producer of capital goods, Alfen uses a variety of energy intensive materials and components in its solutions and sources these globally. Further emissions result from electrical efficiency losses when these solutions are operational in the field.

In a scenario where the world achieves net zero by 2050, Alfen must also be on this reduction path. Consequently, Alfen has already worked hard to mitigate its negative impact, realising an absolute emission reduction of -37% in Scope 1 and -91% in Scope 2 (market based) emissions relative to its 2019 baseline (see metrics, targets and performance for more details on Alfen's SBTi targets). Given this strong progress, Alfen is now ahead of its 2030 Scope 1 and 2 targets, and additional decarbonisation efforts will now focus on its Scope 3 emissions.

Simultaneously, a scenario in which the world moves along this reduction path presents an opportunity for Alfen, as the need to decarbonise is a key growth driver in all markets that Alfen serves.

Given the nature of Alfen's products, further environmental regulation is unlikely to pose a material risk to Alfen. However, should new environmental regulations arise which either raise prices or reduce the ability to use high emissions intensity materials (such as cement) that are part of Alfen's products, reassessments of what materials Alfen's products use may be necessary.

As Alfen has not deemed climate change adaptation a material topic for Alfen, Alfen has incorporated its disclosure requirements on business resilience within its broader strategy, governance and actions plans on climate change.



Energy consumption and mix

Alfen consumes a significant amount of energy in its production processes and buildings, and not all of this energy consumption is renewable. Consequently, this non-renewable energy consumption has a direct negative environmental impact.

Reducing this consumption is therefore a key decarbonisation lever to limit Alfen's negative environmental impact (see metrics, targets and performance for key actions taken in 2025).

The main risk Alfen faces is that new regulation is implemented that either restricts or raises the cost of using non-renewable energy. However, given Alfen's aim to increase its renewable energy consumption share, this risk is deemed as relatively negligible.

Resource inflows

This year Alfen also identified resource inflows (ESRS E5-1) as a material topic due to its significant reliance on purchased materials across its operations and value chain. By volume, the materials Alfen procures most are steel, copper, aluminium and cement, whose extraction and processing are resource- and energy-intensive and contribute to greenhouse gas emissions, water use and other environmental impacts. In addition, Alfen's different product lines also incorporate components such as PCBAs (assembled printed circuit boards) and lithium batteries, which require components and critical minerals that have a high emissions intensity and are associated with heightened environmental and supply-chain risks.

Purchased inputs also account for 37% of Alfen's Scope 3 greenhouse gas emissions (see the Performance section for a full breakdown of Scope 3 emissions), highlighting the close link between resource inflows and its climate-related impacts. From an impact perspective, Alfen's demand for these materials contributes to upstream emissions and resource depletion. From a risk perspective, increasing resource scarcity, price volatility, geopolitical dependencies and evolving regulatory and stakeholder expectations regarding responsible sourcing, decarbonisation and circularity may affect Alfen's cost base, security of supply and compliance obligations. At the same time, resource inflows represent a key opportunity to reduce both Alfen's environmental impacts and emissions, by improving material efficiency, increasing the use of recycled or lower-impact materials, supporting responsible

sourcing practices, and working with suppliers to drive emissions reductions and circular solutions across the value chain.

Strategy, governance, and action plans

Alfen's strategy and business model are compatible with the transition to a sustainable economy and the limiting of global warming to 1.5 °C in line with the Paris Agreement and the objective of achieving net zero by 2050. Alfen has validated SBTi near- and long-term targets and participates with the UN Global Compact programme to demonstrate its commitment to all stakeholders. To ensure that the climate related policy objectives and targets Alfen has set will be met, Alfen has (1) developed a transition plan that sets out its actions related to climate change mitigation, energy use, and resource inflows, (2) conducted a business resilience analysis to further understand the impacts, risks and opportunities as identified in Alfen's DMA, and (3) put in a place an environmental management system to manage these impacts, risks, and opportunities related to these material topics. Alfen believes the urgency of climate change necessitates a combined strategy, and hence has developed a strategy, governance, and action plans that collectively address both material topics.

Beyond this transition plan, Alfen is also committed to reducing the impact of its energy consumption on the grid through the installation of on-site batteries.

Transition plan

Alfen's transition plan – updated this year and approved by the Management Board – explains how Alfen's decarbonisation levers will meet the near term 2030 SBTi targets that have been set. The transition plan is being implemented by the Sustainability department and a multi-disciplinary group depending on the specific lever. These levers form Alfen's climate change mitigation and resource inflow actions, and detail the key actions taken and planned to achieve climate-related policy objectives and targets.

Two such levers are 1) the decarbonisation of purchased components and goods, and 2) improving the recyclability of products to integrate circularity and eco-design principles. These levers in particular enable Alfen to systematically address both climate

change mitigation (by reducing emissions) and resource inflows (by reducing resource use).

The full set of levers take Alfen's whole value chain and all geographies into consideration. Alfen has considered a climate scenario compatible with limiting global warming to 1.5°C to conceive these levers.

Alfen's decarbonisation levers are split between scope 1, 2 and 3 emissions. Levers listed below are per scope ranked from highest to lowest impact and are detailed further in the transition plan. As Alfen's levers for scope 1 and 2 are most advanced in both planning and execution, going forwards Alfen will be pivoting its focus to reducing Scope 3 emissions.

Scope 1:

1. HVO100 use in diesel vans with suitable engines:

Alfen is investing in replacing its leased diesel engine vans with electric alternatives as leases expire. In the meantime, Alfen has developed and started implementing a policy this year whereby Alfen ensures all diesel vans with suitable engines use renewable hydrotreated vegetable oil (HVO100) fuel to reduce emissions intensity in the immediate term.

2. Replace gas boilers with heat pumps:

In 2025, Alfen created a long term roadmap of existing gas boilers across all its locations in the Netherlands, laying out on a year by year basis when individual gas boilers will be replaced with heat pumps. This roadmap considered both volumes of natural gas (and therefore potential emissions reduction impact), as well as when individual boilers would reach their economic end of life.

3. Replace fossil fuel powered lease cars with EVs

Alfen already has a policy in place of replacing all fossil fuel powered lease cars with electric alternatives once leases expire. Based on the current fleet, all lease cars should be electric by the end of 2029.

Scope 2:

1. Cover off-site EV charging with GoO certificates

In 2025, Alfen expanded the use of Guarantee of Origin (GoO) certificates to also cover off-site EV charging. A GoO certificate represents 1 MWh of renewable energy production, and when this is generated, a corresponding GoO is issued into a

central registry. Because Alfen cannot trace specific electrons on the grid, GoOs enable Alfen to verify that its electricity use is matched by renewable energy generation. Alfen already use these certificates for on-site electricity use in the Netherlands. Guarantee of Origin credits are recognised under the GHG Protocol and SBTi carbon accounting methodologies.

Scope 3:

1. Improve energy efficiency in products use phase:

Around 52% of Alfen's Scope 3 emissions arise from efficiency losses during the use of Alfen's products. Since these emissions are primarily derived from the electricity consumption from national grids, Alfen expects this figure to decline as more renewables are added to the mix.

Reducing emissions from efficiency losses further will for now prove challenging as EU regulations (through EU Directive Tier 2 Eco Design 2019/1783) set the efficiency standards of Alfen's transformers, which incur the majority of Alfen's efficiency losses. Only once EU regulators introduce a new Tier 3 (for which there is currently no timeline) does Alfen expect the efficiency of these transformers in the market to improve.

2. Decarbonise purchased components and goods:

Alfen will step-by-step reduce its environmental impact from its own purchases by adopting alternative materials with a smaller environmental footprint (e.g., lower carbon intensity). Examples of such materials include green concrete, green steel, or virgin-free rare earth batteries. To do so, Alfen is introducing material passports for its products, which give insight into emission “hot spots” and opportunities for reduction. Alfen is also developing Environmental Product Declarations (EPDs), which are also publicly available on its website.

To date, Alfen's achievements have come from both its suppliers and by improving its product design. For example, its supplier of metallic frames for the Energy Systems Storage solutions has already increased the use of recycled aluminium in their products to over 30%. Likewise, its supplier of cement has already substantially reduced the share of clinker in the mix relative to the market average. With regards to Alfen's product design choices, the removal of selected 'active' components this year (so-called due to their high emissions intensity) led to an 11% decline in the emissions associated with purchased components for Alfen's Eve Single Pro Line.

Alfen is also working to incorporate mandatory sustainability requirements into the system requirements of new products during the design phase, as well as include sustainability as a selection criterion during the procurement of goods and materials. The timeline for when these materials will be adopted is subject to customer demand, regulatory requirements, technical feasibility, and cost.

Alfen's products do not innately have 'locked-in' emissions, which are future emissions that a company is already committed to because of existing assets, technologies, or long-term contracts. These emissions occur over the remaining lifetime of those assets unless the company retires these assets early or fundamentally changes how they are operated. For example, a company operating gas-heated buildings has emissions locked in for the lifetime of those heating systems unless it retrofits them with low-carbon alternatives.

Given Alfen's products run on electricity, and so as electrical grids decarbonise over time, the emissions caused by efficiency losses in these products will also decline; in a country with a net zero grid Alfen's products would therefore also have zero scope 3 category 11 (use of sold products) emissions.

3. Improve recyclability of products: Improving the recyclability of Alfen's products enables Alfen to reduce the environmental impacts and greenhouse gas emissions associated with the end-of-life treatment of its products. While end-of-life emissions occur in Alfen's downstream value chain, Alfen considers product design choices to be an important lever through which it can influence material recovery rates and support a more circular use of resources. Given the technical complexity of Alfen's products, implementing recyclability-by-design principles will require phased implementation over time and integration into product development cycles.

Alfen will pursue this objective by increasing the use of materials with higher recyclability potential, designing and assembling products in ways that facilitate disassembly and material separation, and engaging with customers and other value chain partners to support appropriate collection and recycling at end of life. In addition, Alfen is developing an eco-design process that will enhance the sustainability and future recyclability of its products by systematically addressing hazardous substances during the design stage. The feasibility and timing of these measures are partly dependent on customer

requirements, product performance specifications and regulatory constraints.

4. Improve logistics and decarbonise transport: Alfen will work with its transport partners (both on land and sea) to adopt more sustainable and lower carbon footprint transport modes. Examples could include vehicle electrification, increased biofuel adoption, and alternative transport modes adoption (e.g., truck vs flight). In addition, improved planning and stock control will reduce ad-hoc orders requiring urgent delivery (typically more energy intense).

5. Reduce packaging and waste: Alfen is in ongoing conversations with its suppliers to assess where and when it can decrease packaging materials without compromising the quality of goods and components. In addition, Alfen has tightened the use of non- or difficult recyclable packaging materials as part of its environmental policy requirements.

Business Resilience Analysis

In 2023, Alfen conducted a business resilience analysis covering its entire business to assess climate-related impacts, risks and opportunities identified through its DMA. This assessment was based on a 1.5°C scenario aligned with the Paris Agreement. As there have been no material changes to its risks, business model or value chain affecting physical or transition risks, Alfen will continue to rely on this analysis. The resilience analysis will be repeated if future changes materially affect these risks.

Physical climate risk is defined as the potential for physical damage or disruption to business activities due to climate hazards. Alfen assessed the vulnerability of its six production locations in the Netherlands and Finland using four Representative Concentration Pathways (RCP 2.6 to RCP 8.5), reflecting uncertainty in climate trajectories. The assessment covered both chronic (e.g. temperature change, heat stress, sea-level rise, water stress) and acute (e.g. heatwaves, heavy precipitation, storms) hazards, with a spatial resolution of at least 0.7° × 0.7° and up to 100 m × 100 m where available, over a 30-year time horizon in line with the EU Taxonomy.

No ‘red flag’ physical risks were identified for Alfen's Finnish locations. Alfen's Dutch locations show elevated long-term coastal flooding risk under high-emissions scenarios; this risk is currently considered acceptable given the long time horizon and expected continued public investment in climate adaptation.

Type	Time horizon ¹	Risk and/or opportunity	Business impact	Value chain impact	Mitigation response
Transitional risk	Short, medium and long-term	Changes in policy related to energy transition	In the maturing energy transition markets such as EV charging equipment and energy storage, policy change can have a significant impact on market demand (positively and negatively)	Upstream and downstream	Maintain diversified product portfolio across multiple geographies to be more resilient
Physical risk	Long-term	Impact of acute and chronic climate hazards	Potentially significant impact on Alfen's production (locations) in Almere (the Netherlands) in high-emission scenario if no additional climate change adaptation measures are taken by the government	Direct impact on Alfen people and production process	Regularly assess Alfen's risk exposure to climate events (especially how this trends over time) and governmental actions taken to mitigate coastal flood risk. Relocate if necessary (possible over 30-year timeframe).

¹ Please see Applied Time Horizons in the General Statement for definitions

Transition risk is defined as the potential business impact arising from the transition to a low-carbon economy, driven by policy and legal, technological, market and reputational changes.

Alfen assumes a transition characterised by increasing renewable energy, energy efficiency and deployment of energy management technologies, without materially altering macroeconomic trends.

While policy developments such as EV subsidy changes may affect specific markets, Alfen does not identify material transition risks, as its product portfolio is fully aligned with the energy transition.

Alfen's transition plan mitigation actions do not materially affect this analysis, as they address value-chain emissions rather than broader policy or climate system changes. Alfen has not identified assets or activities that are incompatible with a climate-neutral economy.

Overall, Alfen does not expect material challenges to its strategy or business model from the climate transition, and Alfen expects transition risks to decline over time as the energy transition becomes increasingly economically driven.

Environmental Management Policy Statement

Alfen manages its material impacts, risks and opportunities related to climate change mitigation, energy use, and resource inflows through a continuous improvement approach to reducing energy consumption and greenhouse gas emissions.

This ambition is stated in Alfen's Environmental Management Policy Statement, which was updated this year and signed off by its Management Board.

The Sustainability department is responsible for implementing the Environmental Management Policy, which covers all of Alfen's value chain emissions. This statement is publicly available online to ensure all Alfen's stakeholders can access it.

The Environmental Management Policy Statement is part of the Alfen Integrated Management System (AIM) which includes processes that meet the requirements of the environmental management standards laid out in ISO 14001:2015. The standard is applicable for all Alfen entities except Alfen Elkamo, which has its own management system and certification. The embedded policies in AIM cover:

Climate change mitigation: Alfen adopted the ISO 14001:2015 Environmental Management standard to

enable the CO₂ reductions needed to achieve its SBTi approved targets. The Alfen Integrated Management (AIM) System that includes these ISO 14001 requirements provides a structured way to minimise and mitigate Alfen’s impact on climate change and the broader the environment, and is detailed further in the transition plan. Alfen also participates with UN Global Compact, and reports its progress to rating agencies like EcoVadis and Sustainalytics to demonstrate its commitment towards a sustainable future.

Renewable energy deployment: Alfen prides itself on using 100% renewable electricity contracts. In addition, Alfen is taking initiatives at its existing locations to replace gas heating with electric heating. Alfen's aim is to be fully self-sufficient in electricity through its own PV installation in combination with its energy storage system(s).

To date, measures to reduce its emissions include:

- Improving building energy efficiency
- Increasing the use of self-generated renewable energy (e.g. 6,000+ solar panel installation and 150+ BEV charge points on all sites)
- Electrifying its building climate systems
- Investing in a new and modern BREAAAM certified headquarters
- Electrifying its company fleet (and equipment)
- Adopting HVO100 as a renewable fuel source in its diesel powered vans until they are replaced with electric vehicles

In its 2026 budget, Alfen has planned approximately €0.3 million of CAPEX for this transition plan (€0.3 million in 2025). Key items are a battery energy storage system for its production site, and heater replacements. Alfen has also budgeted approximately €1.5 million of OPEX (excluding labour costs), which includes its company EVs (€1.5 million in 2025), and the premium for HVO100 vs regular diesel (<€10K in 2025). All its identified current and future financial resources allocated to this action plan are not contingent on any specific preconditions.

Climate change – Climate change adaptation: metrics, targets, and performance

Metrics and targets:

In line with a 1.5°C trajectory, Alfen set in 2024 the below emissions reduction targets to manage material climate-related impacts, risks and opportunities. These targets were based on the SBTi methodology, and have been validated by SBTi.

In establishing its emissions baseline, the selection of the base year is guided by the availability of historical data and the representativeness of activities.

For Scope 1 and 2, Alfen selected the year 2019 because this was the first year its Finnish entity Elkamo was included. Because of the impact of the COVID-19 pandemic, Alfen chose to set 2021 as its Scope 3 base year.

Near-term targets – by 2030 Alfen N.V. commits to:

- Reduce absolute scope 1 and 2 emissions in tCO₂eq by 46.2% from a 2019 base year
- Reduce scope 3 emissions by 51.6% in tCO₂eq per EUR value added from a 2021 base year
- Source all on-site electricity consumption from renewables through to 2030

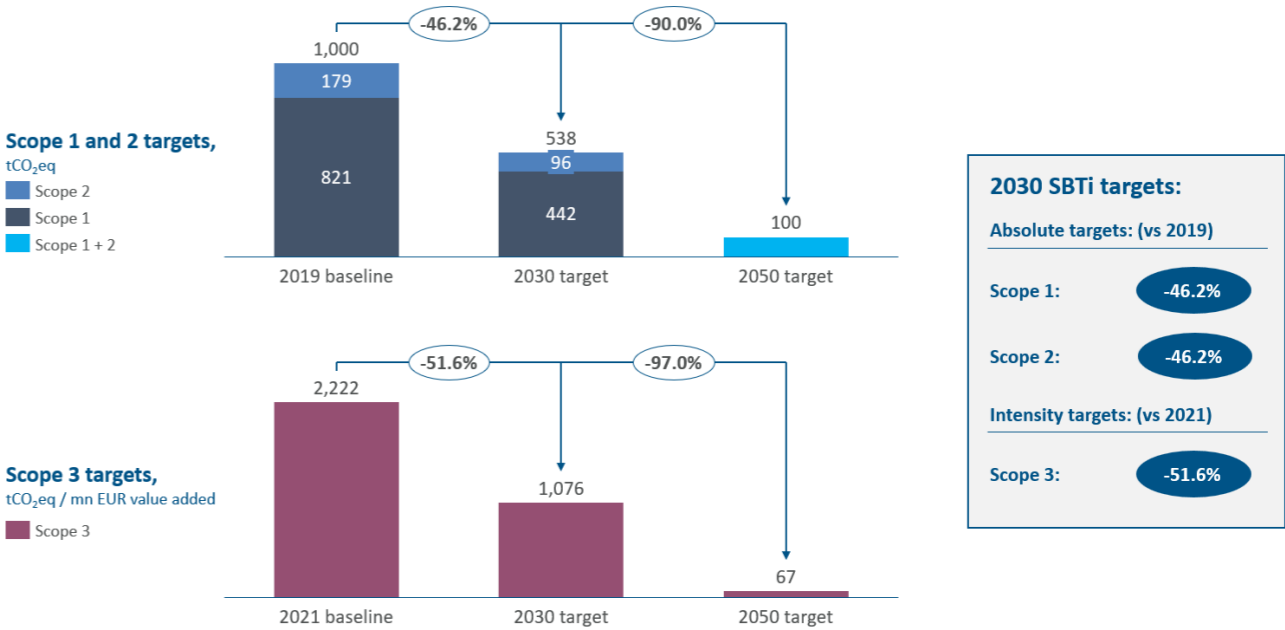
Long-term targets – by 2050 Alfen N.V. commits to:

- Reduce absolute scope 1 and 2 emissions in tCO₂eq by 90% from a 2019 base year
- Reduce scope 3 emissions by 97% in tCO₂eq per EUR value added from a 2021 base year

For 2026, Alfen has set the following targets to meet / accelerate the above goals:

- Achieve its near term 2030 absolute scope 1 emissions target (4 years early)
- ISO 14001 recertification

This year, Alfen performed a comprehensive review of its historical emissions related data, with both direct energy consumption and supply chain data in scope of this review. Alfen also reviewed its methodology across scopes 1, 2, and 3, and implemented improved approaches, particularly regarding emission factors.



For example, in scope 1 Alfen's fossil fuel emission factors now reflect annual changes in the average life cycle emissions. Likewise, Alfen's scope 3 purchased materials emissions related to its EV charging business line now uses much more detailed modelling based on EPDs developed this year for Alfen's Eve Single Pro-Line and Eve Double Pro-Line. As a result of this, the emissions baseline for each of Alfen's respective scopes has deviated by more than 5% compared to the current baselines. In accordance with SBTi methodology, Alfen has therefore restated its emissions baseline, and used the SBTi target setting approach to determine its revised targets. For consistency and transparency, Alfen has also updated emissions related data for interim years.

If in the future additional enhancements in data quality or methodological changes lead again to an emission deviation exceeding 5% compared to Alfen's new baseline emissions, Alfen will again restate its historical emissions. Alfen will monitor progress on emission reductions and adapt - if necessary - policies and actions accordingly.

The aforementioned targets take the following assumptions into account:

- Alfen's ongoing growth as a company that tailors products to the ongoing energy transition
- Introducing known but not yet (fully) implemented legislation (e.g. CS3D, EU battery regulation, etc.)

- Government commitments to decarbonise
- electricity grids in countries where Alfen does business
- Removals and/or carbon credits are not under consideration

Alfen's performance

In 2025, Alfen reduced its scope 1 emissions by 23% vs 2024, which was driven through its initiatives on HVO100 use, replacing gas boilers with heat pumps, and replacing fossil fuelled lease cars with electric alternatives. These initiatives will also be the key drivers of how Alfen continues reducing its scope 1 emissions over the coming years.

In 2025, Alfen installed 10 heat pumps across two of its sites in 2025. In particular, Alfen installed sufficient heat pumps at Vlotbrugweg 24 to fully wean the site off natural gas, and will monitor energy consumption at the site for the next two to three years before considering to fully disconnect.

In 2025, Alfen reduced its scope 2 emissions by 88% vs 2024, which was primarily driven by expanding the use of Guarantee of Origin (GoO) certificates to also cover off-site EV charging.

This year's reduction means Alfen has already achieved its 2030 near-term scope 2 emissions reduction target, five years earlier than the target date.

	Emissions footprint in tCO ₂ eq ^{1,2,3}	2019	2020	2021	2022	2023	2024	2025	Δ vs baseline ¹³
Scope 1 ^{4,7}	Gross emissions	821	676	672	595	591	678	521	(36)%
	Emissions from regulated ETS (%) ⁵	—		—		—	—	—	—
Scope 2 ^{4,7}	Gross market based emissions ⁶	179	45	53	80	119	137	16	(91)%
	Gross location based emissions	440	488	582	577	564	657	224	(49)%
Scope 3 ⁷	1A. Purchased goods, product related			44,117			72,178	77,409	75 %
	1B. Purchased goods, non-product related			3,119			6,165	4,640	49 %
	2. Capital goods			770			1,117	397	(48)%
	3. Fuel and energy related activities			190			225	184	(3)%
	4. Upstream transport			806			1,566	1,679	108 %
	5. Production waste			403			574	1,028	155 %
	6. Business travel			125			216	373	199 %
	7. Employee commuting			690			1,124	755	9 %
	8. Upstream leased assets			291			1,056	512	76 %
	9. Downstream transport			756			1,159	2,678	254 %
	10. Processing of sold products ⁸			—			—	—	— %
	11. Use of sold products			111,975			129,954	107,726	(4)%
	12. End-of-life treatment of sold products			7,631			10,378	9,570	25 %
	13. Downstream leased assets ⁹			—			—	—	— %
	14. Franchises ⁹			—			—	—	— %
	15. Investments ⁹			—			—	—	— %
	Total			170,872			225,710	206,951	21 %
Total emissions (1+2+3) ^{10,11}	Total emissions, market based			171,597			226,525	207,488	21 %
	Total emissions, location based			172,126			227,046	207,696	21 %
	SF6 emissions, in tCO ₂ eq ¹²			1,539			1,611	1,562	2 %

¹The inventory boundary for Alfen's emissions footprint is in line with Alfen's general disclosure and is calculated according to the Greenhouse Gas Protocol, the GHG Scope 2 guidance: 2015 and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard: 2011.

²As a guide, emission intensity factors for fuel consumption are sourced from emissiefactoren.nl, those for electricity are on a country by country basis and sourced from Ember, and those for materials are from Ecolnvent. Alternative sources may be used, either due to a lack of data from these sources, or due to access to better data (e.g., using supplier specific emissions factors). Because most of Alfen's emission factors are largely non-company specific, Alfen does not expect any events between the reporting dates and the release of this annual report to have an impact of its emission values.

³All of Alfen's reported figures include its Elkamo subsidiary

⁴Scope 1 and 2 cover all energy consumption sources reported in ESRS E1-5

⁵Alfen has no installations subject to the regulated Emission Trading Schemes (ETS)

⁶Covered by guarantees of origin or contractual agreements

⁷Biogenic emissions of CO₂ from the combustion or biodegradation of biomass that occur in Alfen's upstream value chain are not known; these are covered as part of average lifecycle emission figures

⁸Not in scope for Alfen as its products are sold in a final state, and spare parts can be re-incorporated into its products without the need for additional electricity use

⁹Not in scope for Alfen as it does not have any downstream leased assets, franchises, or investments

¹⁰The total measurement of gross Scope 1, 2, 3 and total emissions has not been validated by an external body

¹¹Total sum may not add up due to rounding

¹²SF6 emissions identified in category 11 of scope 3

¹³Comparative for scope 1 and 2 is 2019, for scope 3 this is 2021

Alfen's sole remaining scope 2 emissions are associated with district heating used by Alfen's Finnish entity Elkamo. As there is a sole supplier of district heating at the site, Alfen does not have control over the emissions intensity of this district heating, and is reliant on the supplier reducing emissions in line with Finland's own CO₂ reduction targets.

Alfen's accelerated performance in its scope 1 and 2 emissions reductions means that going forwards it will also report on these in relation to its 2050 targets.

In 2025, Alfen reduced its scope 3 emissions by 8% vs 2024. In terms of Alfen's target for scope 3, which is based on tCO₂eq / € net value added (where net value added is defined as adjusted EBITDA plus total labour costs), Alfen reduced emissions by 14% vs its 2021 baseline, and 7% vs 2024. The decline compared to 2024 is in line with the annual decline required to meet Alfen's 2030 Scope 3 SBTi target.

Nevertheless, the emissions intensity of several products also decreased this year. Alfen's latest EV chargers for example have updated PCBs which have a smaller amount of active components, a key driver of purchased material emissions. For Alfen's SGS product line, the use of SF6 gas is increasingly being phased out, which also reduces emissions. In Alfen's ESS line, the electricity its suppliers use to produce its batteries is increasingly renewable.

The preceding table summarises Alfen's overall emissions, aggregated into Scopes 1,2 and 3. For reporting consistency, Alfen also includes in the following table its baseline and the progress made since its baseline year. Alfen's figures include, but do not separately disclose biogenic CO₂ emissions. For information on its direct energy consumption, please see the section “Energy Consumption and Mix”.

Scope 1 and 2 methodology and definitions

Scope 1: Includes fuel consumption of leased cars (both diesel and petrol), natural gas, propane and biofuel consumption. Solar energy production from Alfen's own buildings is also included, but it has an emissions factor of zero. Consumption is derived from meter readings and invoices, while emission factors are provided directly by Alfen's energy suppliers, or from emissiefactoren.nl.

Scope 2: Includes electricity consumption (including on-site, public, and private charging from leased

cars), and district heating. Consumption is derived from meter readings and invoices, while emission factors are from Alfen's energy suppliers, Ember, or emissiefactoren.nl. Alfen extrapolated 2021 and 2023 emissions intensity for district heating based on available figures for 2019 and 2024.

Scope 3 methodology and definitions

Alfen's reporting boundary for Scope 3 emissions extends to the full value chain for all of Alfen entities and its subsidiaries (e.g., Alfen Elkamo). As businesses in the value chain are only starting to identify their own emissions intensity, almost all of Alfen's analysis to date involves secondary information; less than 1% of its total emissions in Scope 3 are derived fully from primary data obtained from suppliers or other value chain partners.

As part of Alfen's revised methodology, Alfen has excluded transformers from its scope 3 emissions which are provided by its grid operator customers and remain legally in their ownership at all times, and are therefore not part of its value chain, but that of its customer. Alfen has verified this approach with SBTi to ensure this is consistent with standards set in the GHG Protocol.

Category 1A: Purchased goods and services, product related

Includes the emissions of all materials procured for Alfen's products. To determine total weight, Alfen considers the following categories where applicable: (1) final products sold, (2) accessories, and (3) spare parts. Emissions are calculated on the total weights of different materials procured and their respective emission factors. Alfen has developed detailed carbon footprints for its Single Pro-Line, Double Pro-Line, and Twin 5, and has used these as proxies for its remaining product lines.

Category 1B: Purchased goods and services, non-product related

Includes the emissions from all other goods and services purchased which are not directly product related (e.g., insurance, telephony, audit, IT equipment), excluding capital equipment (e.g., machinery). Emissions are calculated on a spend-based method given their overall small emissions impact for Alfen.

Category 2: Capital goods

Includes the emissions from all capital equipment purchased which have been identified by product line on the capex section of the balance sheet. Emissions are calculated on a spend-based method given their overall small emissions impact for Alfen.

Category 3: Fuel and energy related activities

Includes the emissions from the extraction, production and transportation of fuels and energy purchased or acquired (known as “well to tank” emissions) that are not already accounted for in scope 1 and/or 2 (known as “tank to wheel” emissions). Emissions are calculated on the total volumes purchased of different fuels and their respective emission factors.

Category 4: Upstream transport and distribution

Includes the emissions from transporting materials from Alfen's tier 1 suppliers to Alfen's sites in the Netherlands and Finland. As Alfen's data quality is highest for its ESS business line, Alfen has extrapolated this emissions intensity on a per kilo material transported basis to its other business lines (except for the concrete housing of its SGS substations, for which Alfen has additional information and has been calculated separately). Emissions are calculated on total freight ton kilometres travelled per mode of transport and their respective emission factors.

Category 5: Production waste

Includes the emissions from the disposal and treatment of waste generated by Alfen in facilities which Alfen does not own or control. Emissions are based on total weights of individual waste streams and their respective emissions factors.

Category 6: Business travel

Includes the emissions from the transportation of employees for business-related activities in vehicles not owned or operated by Alfen (and excludes commuting travel). Emissions are based on total distance travelled by each mode and their respective emissions factors.

Category 7: Employee commuting

Includes the emissions from the transportation of employees commuting between their homes and their worksites in vehicles not owned or operated by Alfen. Emissions from BEV lease cars are covered in

scope 2, while emissions from fossil fuel powered vehicles owned/leased by Alfen are covered in scope 1. Emissions are based on total distance travelled by each mode and their respective emissions factors.

Category 8: Upstream leased assets

Includes the emissions from rental spaces where Alfen does not control the energy supplier contract (assets where Alfen does control this are part of scope 2). Emissions are calculated based on total floor space and industry average emissions intensity per square meter of floor space.

Category 9: Downstream transport and distribution

Includes the emissions from transporting products from Alfen's warehouses to Alfen's customer locations. Alfen's customer locations are defined as the point to which either Alfen or its transport partner delivers the product. Emissions are calculated on total freight ton kilometres travelled per mode of transport and their respective emission factors. If supplier provided emissions factors are available, these are used.

Category 11: Use of sold products

Includes the emissions associated with electrical efficiency losses when using products. For all three business lines, this consists of determining the “stand-by” losses (i.e., when the product is not in use, such as from a monitor), and “efficiency” losses (i.e., when the product is in use, such as resistance losses). Both these losses are calculated over the total expected lifetime of each product. Alfen's emissions calculation considers the current and expected emissions intensity of each country’s electricity grid for which a product has been sold, and therefore uses a location-based emissions approach. As all Alfen's products are currently sold in countries where governments are either legally bound to net zero in 2050 or have set net zero 2050 as a stated goal for their electricity grid, Alfen has assumed a linear reduction in electricity grid intensity between 2024 and 2050. For products already sold since the baseline year of 2021, Alfen has used actual emissions intensity figures for all available years. Alfen's calculations for category 11 also include estimated leakages of SF6 over the lifetime of its substations from medium voltage switch equipment. For Alfen's Smart Grid Solutions business line, the lifetime utilisation considers three business cases: residential use (using average Danish household energy use as a proxy), industrial use (using high voltage utilisation as

a proxy), and solar parks (using the north western Europe norm of utilisation equivalent to 900 hours per year). The lifetime assumption (40 years) is based on an average of market estimates for the technical longevity of transformers (20 to 60 years). For Alfen's EV charging business line, efficiency loss estimates are based on R&D product tests. The lifetime assumption (10 years) is in line with French government standard assumptions used in developing Product Passports. The lifetime assumption of Alfen's Energy Storage Systems business line (20 years) is a based on the Reference Service Life (RSL) provided by its supplier of lithium iron phosphate cells.

Category 12: End of life treatment of sold products

Includes the emissions from waste disposal and treatment of products at the end of Alfen's products’ lifetimes. Emissions are based on total weights of individual waste streams, the expected end of life treatment method, and their respective emissions factors.

Climate change – Energy consumption and mix: metrics, targets, and performance

Alfen's direct energy consumption comes from the combustion of fossil fuels in its lease cars and owned vehicles, electricity consumption from its buildings and battery powered lease cars, and district heating for the heating of some of its buildings.

In 2025, Alfen directly consumed 7392 MWh, of which 66% was renewable energy, which is 8 percentage points more compared to last year. Alfen also produced 2257 MWh of renewable energy through its solar panels.

Own energy production (MWh)	2023	2024	2025
Renewables	299	669	2257
Fossil fuel	—	—	—

Growth in solar energy production came from the first full year use of the new Hefbrugweg 79 location (and its solar panels), and the decrease in natural gas consumption came primarily from the increased adoption of heat pumps.

Energy consumption and mix	2023	2024	2025
Fossil fuel consumption (in MWh)			
Fuel consumption from coal and coal products	—	—	—
Fuel consumption from crude oil and petroleum products	1,867	1,979	1,505
Fuel consumption from natural gas	928	1,276	998
Fuel consumption from other fossil sources	—	—	—
Consumption of purchased electricity, heat, steam, and cooling from fossil sources	499	580	0
Total Fossil energy consumption (MWh)	3,294	3,835	2,504
Nuclear consumption (in MWh)			
Consumption from nuclear sources	—	—	—
Renewable consumption (in MWh)			
Fuel consumption from renewable sources, including biomass	551	556	700
Consumption of purchased electricity, heat and cooling from renewable sources	3,421	4,094	1,931
Consumption of self-generated non-fuel renewable energy	299	669	2,257
Total renewable energy consumption (MWh)	4,271	5,319	4,889
Total consumption ¹			
Total energy consumption (MWh)	7,564	9,153	7,392
Share of fossil sources in total energy consumption (%)	44 %	42 %	34 %
Share of consumption from nuclear sources in total energy consumption (%)	— %	— %	— %
Share of renewable sources in total energy consumption (%)	56 %	58 %	66 %

¹ Total sum may not add up due to rounding

On a MWh / net revenue basis, Alfen consumed 17.0 MWh per million euro of net revenue (based on net revenue of €435.6 million, which is equivalent to its revenue at group level). For this comparison all of Alfen's emissions are in scope as all of Alfen's revenue is classified as being in high climate impact sectors (NACE codes C and F). When considering combined scope 1,2 and 3 emissions on a tCO₂eq / net revenue basis, using market based emissions this was 476.3 tCO₂eq per million euro revenue (2024: 464.5), while using location based emissions this was 476.8 tCO₂eq per million euro revenue (2024: 465.6).

As Alfen grows, the expectation is that its total energy consumption will increase. However, Alfen will work to continue increasing the share of renewables in the energy mix. Future improvements in Alfen's own energy management system should result in using Alfen's own renewable energy production more effectively, reducing the amount of energy taken directly from the grid (which has a higher location based emissions intensity).

Resource use and circular economy – Resource inflows: metrics, targets, and performance

Responsible management of Alfen's resource use is central to its sustainability strategy, as it shapes both the environmental footprint and long-term resilience of its products and supply chain. Alfen has a strong understanding of the key materials driving the weight and environmental impact of its products, with steel, copper, cement, and aluminium forming the largest shares. These materials are primarily used in the housing of its battery systems and substations, which account for most of the weight of its product lines—a single substation can weigh over 1,000 times more than Alfen's EVC Single Pro-Line charger.

Under the EU Critical Raw Materials Act, selected materials have been identified as critical, of which a subset are also deemed strategic. For Alfen, aluminium and copper are the two key materials which fall under this classification as both critical and strategic.

Alfen has been improving its understanding of the proportion of virgin versus secondary materials in its products, and is now refining this knowledge through a more granular analysis to identify targeted opportunities to enhance circularity and reduce emissions.

As resource use was not classified a material topic last year, Alfen did not set any metrics or targets for 2025. For 2026, Alfen's target is to develop a roadmap for Scope 3 emissions reductions, focusing on resource use and circularity. The roadmap will assess the components and materials Alfen sources, and identify opportunities to reduce associated emissions. For example, it will consider increasing the share of secondary or recycled materials, adopting alternative lower emissions intensity materials, addressing the use of hazardous substances to improve circularity, and implementing greener production methods such as renewable electricity. Once this analysis is complete, Alfen will consider setting quantitative targets for the desired share of secondary materials, focusing on key materials where it can have the greatest impact.

Year-on-year differences in material inflows largely reflect variations in product volumes across Alfen's different product lines, which have distinct material compositions. This is particularly relevant for the amounts of purchased steel, copper, cement, and aluminium, where product mix strongly influences total material volumes. Alfen's granular analysis will enable it to track progress precisely and set measurable, material-specific targets in future reporting cycles.

Alfen is also strengthening its approach to product end-of-life management as part of its broader circularity strategy. For products that fall under the scope of the EU Waste Electrical and Electronic Equipment (WEEE) Directive, Alfen participates in recognized collective compliance schemes in relevant markets to support responsible end-of-use collection and recycling.

With the introduction of the EU Battery Regulation, Alfen is committed to further defining its approach to battery end-of-life management. As industry practices and regulatory expectations continue to develop, Alfen will look to work with stakeholders and industry partners to shape a strategy that supports responsible processing and recycling of batteries associated with its products.

Alfen monitors implementation through indicators such as participation with collective schemes, the inclusion of end-of-use instructions in product documentation, and the mapping of regulatory obligations across product groups and markets.

Key material weights (in tonnes)	2021	2024	2025
Cement	1,788	2,976	2,563
Steel	3,295	4,264	5,253
Copper ¹	1,522	1,299	1,439
Aluminium ¹	340	283	298
Critical & Strategic raw materials % of total weight)			
Copper ¹	7 %	4 %	4 %
Aluminium ¹	2 %	1 %	1 %
Secondary resourced materials (% of total weight) ²			
All secondary resourced materials	< 1 %	< 1 %	< 1 %
Biological materials (% of total weight) ²			
All biological materials	< 1 %	< 1 %	< 1 %

¹Minimum amount; as many of the components we source in are complex and part of long value chains, these materials may be present in small amounts in components of which we are not aware
²Minimum amount; this percentage is only based on components where we know the breakdown of these materials from suppliers. For suppliers who cannot inform of us this, we have assumed the percentage is zero.

Social information

Introduction to social information

Alfen is committed to maintaining a socially sustainable workplace that respects human rights, promotes well-being, and values diversity and inclusion. This commitment reflects both Alfen's responsibility as an employer and its belief that an inclusive workplace strengthens its organisation.

By focusing on individual strengths, Alfen fosters a culture in which people collaborate effectively and diverse perspectives drive progress. Inclusion is therefore not only central to social responsibility, but also fundamental to achieving its strategic objectives and organisational resilience.

Alfen's Code of Conduct and Supplier Code of Conduct reflect its commitment to safe, respectful, and equitable working conditions. Alfen expects all employees, business partners, and suppliers to uphold these principles across its operations and value chain.

In 2024, Alfen implemented an organisational right-sizing initiative, resulting in a headcount reduction of approximately 12%. As most affected employment contracts ended in the first quarter of 2025, this restructuring negatively affected headcount levels and employee turnover during the reporting period.

Based on Alfen's Double Materiality Assessment (DMA), several social sustainability topics were identified as material under ESRS S1 (Own Workforce) and ESRS S2 (Workers in the Value Chain).

Within ESRS S1, the material subtopics identified are labour relations, health and safety, training and skills development, and diversity and equal treatment. Labour relations cover social dialogue, freedom of association, works councils, employee participation rights, and collective bargaining. Alfen’s own operations do not present a significant risk of forced labour, compulsory labour, or child labour, nor does Alfen identify significant negative impacts on its own workforce arising from its operations.

Within ESRS S2 (Workers in the Value Chain), health and safety is identified as a material sub-topic under working conditions, while forced labour is identified as a material component under the material topic other work-related rights. The related impacts, risks, and opportunities are outlined below and analysed in more detail in subsequent sections.

Alfen's policies for employees and suppliers explicitly prohibit trafficking in human beings, forced labour, and child labour, reinforcing its commitment to responsible business conduct throughout its operations and value chain.

Given the differing disclosure requirements and number of material topics identified, this section is structured differently to enhance clarity and readability. It first outlines processes applicable across ESRS S1, followed by an overview of workforce characteristics and a sequential discussion of each material topic.

In 2024, some metrics did not include Alfen's subsidiary Elkamo (e.g., training hours), resulting in discrepancies between the 2024 and 2025 figures. Alfen has highlighted where this is the case. All employee headcount figures are year-end, unless specified otherwise.

Material topics	Value chain	Impact materiality			Financial materiality		
Own workforce		Positive	Negative		Opportunity	Risk	
Labour relations	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
Health & safety	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
Diversity & equal treatment	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
Training & development	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
Workers in the value chain		Positive	Negative		Opportunity	Risk	
Health & safety	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
Other work-related rights: Forced labour	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>		<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	
<div><div>Legend:</div><div><div>Value chain</div><div><div><div></div><div></div><div></div></div><div>Upstream</div><div><div></div><div></div><div></div></div><div>Own operations</div><div><div></div><div></div><div></div></div><div>Downstream</div></div><div><div>Materiality level</div><div><div><div></div><div></div><div></div></div><div>Low below 60%</div><div><div></div><div></div><div></div></div><div>Medium 60 to 79%</div><div><div></div><div></div><div></div></div><div>High 80% and above</div></div></div></div></div>							
<div><div>Note:</div><div>Alfen has a materiality threshold of ~60% of the total score, for all categories. Refer to metrics of the materiality assessment in the General information section for more detail</div></div>							

Processes related to policies, target setting and action plans for Alfen's own workforce

At the start of each year, HR leadership reviews the performance of social metrics from the previous year and defines actions to achieve targets for the coming year(s). All social targets and related action plans for the forthcoming year are presented to the Management Board.

In 2025, an internal HR report was established to monitor the effectiveness of action plans. Going forward, effectiveness will be tracked on an ongoing basis, allowing corrective measures to be taken during the year where necessary. At year-end, target achievement is assessed, and lessons learned are incorporated into the subsequent year’s target setting and reporting process.

Currently, none of Alfen's action plans require significant financial resources for implementation.

All internal policies are available to employees via the intranet. Where relevant, policies are also published on its website to inform external stakeholders.

Characteristics of own workforce

Alfen defines employees as all colleagues with an employment relationship with Alfen, regardless of the country in which they work. This includes permanent, temporary, and non-guaranteed hours contracts, and excludes individuals engaged via third parties, such as temporary recruitment agencies.

Alfen's employment figures are aligned with those presented in the financial statements of this Annual Report, noting that financial reporting is based on full-time equivalents (FTEs). Following the right-sizing initiative, total headcount declined by 12%, compared to a growth of 12% in 2024. At year-end, Alfen employed 950 people, of whom 86% had a permanent contract (2024: 79%).

Headcount by country ¹ , #		2025		2024
Country	Number	%	Number	%
Netherlands	809	85 %	945	87 %
Finland	89	9 %	84	8 %
Other	52	5 %	54	5 %
Total	950	100 %	1,083	100 %

Non-guaranteed hours contracts are generally used only for students working at Alfen alongside their higher education.

Turnover rate

In 2025, a total of 248 employees (2024: 165) left Alfen, including both voluntary and involuntary departures. This corresponds to a turnover rate of 26% (2024: 15%), calculated as the number of employees leaving during the year divided by total headcount at year-end.

The significantly higher turnover rate compared to the previous year is primarily attributable to the restructuring effectuated early in the year.

Non-Employees

Alfen engages two types of non-employees: self-employed contractors and temporary labour (individuals contracted via third parties, typically for short-term work).

In 2025, Alfen engaged a total FTE of 91 non-employees. Approximately 93% of these were temporary labour hired through contracting agencies (2024: 90%).

Self-employed non-employees are generally engaged for short-term assignments requiring specific expertise, while temporary labour is primarily used in production assembly roles to enable workforce flexibility. For reporting purposes, temporary labour includes only individuals whose line manager is directly employed by Alfen.

Headcount per contract type and gender, #				2025			2024	
Type	Female	Male	Total	Total %	Female	Male	Total	Total %
Permanent contract	140	674	814	86 %	153	701	854	79 %
Temporary contract	26	110	136	14 %	39	190	229	21 %
Total	166	784	950	100 %	192	891	1,083	100 %

Non-employees by average ¹ FTE, #			2025				2024
Type	Direct	Indirect	Total	Direct	Indirect	Total	Total
Temporary labour	75	10	85	116	17		133
Self-employed	—	6	6	—	16		16
Total	75	16	91	116	33		149

¹ Average FTE calculated as average of each month's figures; FTE is full time equivalent of 40 hour work week

Own workforce: Labour relations

Impacts, risks and opportunities

Labour relations at Alfen encompass collective bargaining, freedom of association, social dialogue, works councils, and employee participation rights. These elements determine how employment conditions are set, how employees are represented, and how they are informed, consulted, and involved in decisions affecting their employment and the organisation.

Freedom of association and collective bargaining are legally protected in all countries in which Alfen operates. Collective labour agreements (CLAs) are in place in the Netherlands, Finland, Belgium, and Spain. In the Netherlands, the applicable CLA results from participation in the Metalektrø sector, governed by the sector-level Metalektrø CAO. This agreement applies to all employees except those whose remuneration exceeds the applicable threshold.

Collective bargaining and freedom of association

Alfen recognises collective bargaining and freedom of association as fundamental labour rights. The company operates in sectors where employment conditions are largely determined through sector-level collective bargaining.

In the Netherlands, minimum employment standards are defined by the Metalektrø CAO, which establishes agreements on pay, working hours, leave entitlements, and employment contracts.

Sector-level collective bargaining provides employees with social protection, fair remuneration, and predictable working conditions, contributing positively to employee well-being, job satisfaction, and trust. It also promotes transparency and consistency across the sector.

From an organisational perspective, sector-level collective bargaining presents risks, including limited influence over negotiated outcomes, labour cost increases resulting from collectively agreed wage developments, and reduced flexibility in adjusting employment conditions.

Ineffective bargaining outcomes or industrial disputes at sector level could result in work stoppages, potentially affecting operational continuity and financial performance.

Social dialogue

Social dialogue at Alfen refers to ongoing communication, consultation, and cooperation between management and employees or their representatives on workplace-related matters, particularly in the context of major organisational decisions.

Effective social dialogue supports employee morale, trust, and engagement, contributing to collaboration, productivity, and reduced turnover and absenteeism. Conversely, insufficient or poorly managed dialogue may lead to dissatisfaction, increased absenteeism, industrial action, or legal disputes, negatively affecting productivity, reputation, and business performance. Social dialogue played an important role during the right-sizing initiative implemented earlier in the year.

Works council and participation rights

Employee participation rights refer to formal mechanisms through which employees are informed, consulted, and able to provide advice on organisational decisions affecting their employment.

In the Netherlands, employee participation is primarily organised through the Works Council, serving as a key forum for structured consultation between employee representatives and management.

Effective functioning of the Works Council supports transparency, mutual understanding, and trust,

improves decision-making by incorporating employee perspectives, and enhances acceptance of organisational change.

Conversely, ineffective consultation may delay decision-making, lead to internal conflicts, or result in legal challenges, potentially affecting morale, productivity, and business performance. Alfen therefore actively works to ensure timely consultation of the Works Council.

Strategy, governance, and action plans

Collective bargaining and freedom of association

Alfen’s approach to labour relations is informed by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, which outline the corporate responsibility to respect human rights. These frameworks, together with applicable labour laws and collective bargaining agreements, form the basis of Alfen’s policies and practices.

Local labour laws and collective bargaining agreements, which are often more stringent than international guidelines, provide minimum requirements for pay, social security, leave, pensions, and working hours. Compliance with these requirements is overseen by the HR function and, where relevant, supplemented by company-specific policies.

In 2025, 95% (2024: 95%) of Alfen’s headcount was based in the Netherlands and Finland. In the Netherlands, the Metalektrø CLA applies, consisting of a standard CLA and a separate CLA for senior staff. In Finland, the Technology Industry Union CLA applies to Alfen Elkamo Oy Ab. Collective labour agreements are also in place in Belgium and Spain. Employees outside these countries are not covered due to the absence of applicable agreements in the respective jurisdictions. Alfen operates exclusively in countries with strong labour legislation and social security systems.

In January 2026, employers’ organisations and trade unions agreed on the 2026 Metalektrø CLA, including a general salary increase of 2% and a structural increase of EUR 43 per month. For further details, reference is made to the FNV website. Employees not covered by a CLA are subject to annual inflation corrections where applicable.

Social dialogue, works council, and participation rights

Alfen places strong emphasis on employee engagement and maintains multiple channels to facilitate effective communication between management and employees. While no standalone policy on social dialogue exists, engagement is embedded in daily practice.

Alfen has also set-up a dedicated way for employees to submit questions anonymously on an ongoing basis and held multiple Q&A sessions with the opportunity to send questions beforehand.

Responsibility for employee engagement rests with the CHRO, supported by the internal communications function.

Town hall meetings

Monthly company-wide town halls were introduced during the year to inform employees about key developments. Separate monthly town halls are held for Alfen Elkamo employees, with opportunities for participation by union representatives. In both cases employees can engage directly (either in person or online) with leadership - for Elkamo employees this is the Elkamo Managing Director, and otherwise this is the Alfen CEO.

Works Council

Depending on country-specific regulations, Alfen maintains active engagement with employee representative bodies, including works councils and trade unions. In the Netherlands, employees of Alfen N.V., Alfen B.V., and Alfen ICU B.V., as well as temporary personnel, are represented by a Works Council operating under the Dutch Works Councils Act. The Council consists of nine members.

In the Netherlands, at least four formal meetings per year are held with employee representatives and senior management to share information, explain decisions, and, where required, seek approval or advice, including on matters affecting vulnerable or marginalised groups.

In Finland, engagement occurs through a union representative who is part of the workforce. Engagement with the Dutch Works Council is led by the CEO, supported by the CHRO, while engagement in Finland is led by the Managing Director.

Engagement surveys

Annual engagement surveys assess employee experience at Alfen, including specific questions on unwanted behaviour such as violence, harassment, and discrimination. These surveys ensure that feedback from all employees, including vulnerable or marginalised groups, is captured. Additional communication channels include the intranet, company-wide emails, and digital displays in production facilities.

Exit surveys

Employees leaving Alfen are invited to complete an exit survey covering work climate, relationships, and other relevant topics. Feedback from exit surveys, together with other engagement channels, informs the evaluation and improvement of policies and practices.

Metric, targets, and performance

Collective bargaining and freedom of association

In 2025, 93% (2024: 95%) of employees were covered by a collective labour agreement. This metric is calculated by dividing the total headcount of employees covered by CLAs by total headcount (i.e., all employees in Finland, Belgium, Spain, and all Dutch employees covered by the CLA). The decrease reflects the relative change in the size of the Dutch workforce following restructuring.

Social dialogue

In 2025, 81% (2024: 87%) of Alfen's workforce is covered by the Dutch Works Council. Similarly, this decline is linked to the restructuring primarily impacting workers in the Netherlands, increasing the relative proportion of workers outside the Netherlands (particularly in Finland), who are not covered by the Dutch Works Council.

In addition, as Alfen moves towards annual engagement surveys, Alfen will set a target in the coming year for expected minimum response rates.

Own workforce: Health & safety

Impacts, risks, and opportunities

Given the nature of Alfen’s products and services, employees work with electrical components that may involve hazardous voltages in production

environments, during grid integration, and on project sites. As a result, Alfen operates in a higher-risk sector with respect to employee health and safety. Without appropriate management and controls, these activities may pose significant risks to employee well-being and to the organisation.

Effective health and safety measures are critical to preventing workplace accidents, injuries, and occupational illnesses. Such measures positively impact employees by supporting physical and mental well-being and reducing absenteeism. Conversely, inadequate safety management may lead to unsafe working conditions, increased stress and dissatisfaction, higher turnover, and an elevated risk of serious incidents. It may also result in financial impacts, including accident-related costs, compensation claims, legal liabilities, higher insurance premiums, and reputational damage.

Alfen aims to provide a safe working environment for all employees and extends this objective to external workers present on project sites. A strong safety record also represents an opportunity to differentiate Alfen within the manufacturing and electrical installation sector, supporting its position as a preferred partner for customers and suppliers.

Strategy, governance, and action plans

Alfen recognises that safe, effective, and efficient execution of its activities is essential to business success. Given the inherent risks associated with working with electrical components, Alfen has implemented a comprehensive health and safety management approach (ISO 45001 certified) to minimise the likelihood and severity of incidents.

Health and Safety Management System

Alfen maintains an incident management policy embedded within the Alfen Integrated Management System (AIM), which is certified in accordance with recognised occupational health and safety standards, including ISO 45001:2018. The management system applies to 100% of employees, non-employees, and all other individuals present on Alfen sites. It provides a structured framework to identify, assess, and mitigate occupational risks, defines incident investigation requirements and management responsibilities, and sets out the calculation of incident frequency rates. The policy is accessible to employees via the intranet and is actively promoted within production facilities through safety communications and visual reminders.

Implementation is supported by the PDCA (Plan–Do–Check–Act) cycle, enabling systematic monitoring and continuous improvement of safety practices. This approach supports compliance with the Dutch Occupational Health and Safety Act (Arbowet) and corresponding legislation in Belgium and Finland.

Monitoring includes regular risk assessments, incident reporting, and preventative actions to address identified hazards. Oversight responsibility lies with the Health & Safety advisor, who periodically reports key indicators to the Management Board.

In 2026, Alfen will conduct occupational risk evaluations through the Risk Inventory and Evaluation (RI&E) process, in line with ISO 45001 requirements. These evaluations will cover all work-related activities and implemented mitigation measures, with outcomes translated into a targeted action plan.

Ensuring safety

The AIM system, in place since 2020, incorporates standard safety practices such as regular risk assessments, hazard identification checklists, maintenance protocol updates, and routine inspections of equipment and systems. Additional testing is performed in higher-risk situations by trained personnel.

Building a strong safety culture is central to Alfen’s approach. Employees are provided with appropriate tools that meet current safety standards, and safe behaviour is promoted through training, workshops, and emergency response exercises. Activities involving the internal emergency response organisation (BHV) and collaboration with local fire departments further enhance preparedness and awareness.

Learning from incidents is a key element of Alfen’s safety approach. All workplace accidents and near misses are documented, investigated, and shared across the organisation to support continuous improvement and prevent recurrence. Information is communicated via the intranet and visual displays in production facilities, reinforcing transparency and accountability.

Metric, targets, and performance

The Lost Time Injury Frequency Rate (LTIFR) measures the number of lost time injuries per million hours worked. The Total Recordable Incident Rate (TRIR) includes all recordable injuries, excluding first aid cases, while the Fatality Rate (FAR) reflects the

number of fatalities per year. Calendar days are used to calculate days lost. No incidents, lost days, or fatalities were reported for non-employees. As the methodology for calculating these metrics has been updated this year, figures for 2024 have also been restated accordingly.

To reinforce a safety-first culture, Alfen has set an LTIFR target of zero, reflecting the principle that workplace incidents should should be prevented at all cost.

Elkamo figures are reported separately as this is the first year these have been tracked according to ESRS standards. The number of recordable work-related ill health cases at Elkamo will be tracked as of 2026.

Alfen Health and Safety	Target 2026	2025	2024
Lost Time Injury Frequency Rate (LTIFR)	0.00	1.25	0.78
Numbers of days lost		14	10
Total Recordable Incident Rate (TRIR)		1.64	2.47
Recordable work-related incidents		13	22
Recordable work-related ill health cases		18	8
Number of fatalities (FAR)	—	—	—

Elkamo Health and Safety	Target 2026	2025
Lost Time Injury Frequency Rate (LTIFR)	0.00	5.80
Numbers of days lost		1
Total Recordable Incident Rate (TRIR)		5.80
Recordable work-related incidents		1
Number of fatalities (FAR)	—	—

Own workforce: Diversity & equal treatment

Impacts, risks, and opportunities

Diversity and equal treatment at Alfen focus on fair and respectful treatment of all employees. This includes gender equality, equal pay for equal work, and a working environment free from discrimination and harassment. The employment and inclusion of people with disabilities are recognised as part of the ESRS topic definition.

These principles guide decisions across the employee journey, including recruitment, remuneration, development and day-to-day working conditions. A fair, inclusive workplace supports Alfen's ability to attract, engage and retain talent in a competitive labour market.

Alfen operates primarily in the Netherlands, where strict data protection and labour laws apply. As a result, Alfen cannot collect or process disability data within its own workforce. Due to this legal limitation, the employment and inclusion of people with disabilities are not further addressed in the assessment below.

Gender equality and equal pay for work

Remuneration at Alfen is based on clear job descriptions and a structured salary matrix, supporting consistency and transparency for comparable roles.

Alfen operates in the Metalektrø sector, which is traditionally male-dominated. According to the latest available data, in 2024 women represented 16% of the sector workforce (2018: 13%). Sector organisation FME has set a long-term ambition to increase female representation to 30%.

In this context, progress on equal pay for equal work is closely linked to improving gender equality and increasing female representation across roles and levels. Starting from a low base of female representation in a male-dominated sector means that improving gender balance requires sustained and deliberate effort over time. Limited progress may affect employer attractiveness and reputation amid rising societal and regulatory expectations.

Strengthening gender diversity supports balanced representation across teams and leadership, reinforces fair pay outcomes, and broadens access to qualified talent, supporting long-term performance.

Non-discrimination and prevention of harassment

Alfen’s workforce represents 51 nationalities, reflecting the international nature of its operations. This diversity reinforces the importance of clear and consistently applied behavioural standards.

The Code of Conduct prohibits discrimination and harassment and applies to all employees. Multiple reporting channels are available to raise concerns, enabling timely and appropriate follow-up.

Clear standards and accessible reporting mechanisms support a safe and respectful working environment, contributing to employee well-being, trust and engagement. Conversely, incidents of discrimination or insufficient confidence in reporting channels may result in legal, reputational and operational risks, including increased absenteeism or turnover.

By setting clear expectations and ensuring concerns can be raised safely, Alfen supports a positive company culture in which employees feel respected and valued. This strengthens Alfen's reputation as an employer and supports its ability to attract, engage and retain top talent over the long term.

Strategy, governance, and action plans

Diversity and inclusion support Alfen’s organisational success by enabling innovation, resilience and talent attraction and retention.

A key focus is addressing gender imbalance in a male-dominated sector by increasing female representation across all organisational levels, particularly leadership. In parallel, Alfen promotes inclusive practices by addressing unconscious bias and supporting equal treatment.

Given the broad range of nationalities at Alfen, cultural diversity is another important pillar. Diversity and inclusion considerations apply across the employee journey, including recruitment, compensation, development, promotions and, where applicable, restructuring.

Gender equality and equal pay for work

Equal pay for work of equal value is embedded in Alfen’s remuneration practices through collective bargaining agreements and the employee manual.

Roles are linked to a function classification framework and predefined salary scales based on responsibilities and complexity. Compensation is therefore determined objectively, independent of gender or background.

Improving pay equity is closely linked to improving gender equality, particularly through equal access to roles, progression and development opportunities. Governance is supported through regulatory guidance, including from the Sociaal-Economische Raad (SER), and internal remuneration frameworks.

In 2026, Alfen will complete the classification of all roles, enabling an internal salary review to assess

alignment with pay equity principles and identify potential gaps. By reinforcing the link between function profiles and salary scales, Alfen aims to ensure that pay equity is addressed consistently, including during the recruitment phase.

Recruitment and retention initiatives

Increasing female representation is addressed through inflow and retention measures:

- **Inflow:** Alfen has refined its recruitment processes to promote gender neutrality and inclusivity. For selected functions, recruitment agencies are required to present at least two female candidates per role, and aim to include a female employee on the selection committee wherever possible. In cases of equal suitability, preference is given to female candidates for external hiring. In 2026 these requirements will be expanded to all office functions.
- **Retention:** Opportunities for promoting women to management positions are explicitly discussed and encouraged, with preference given to female candidates in cases of equal suitability.

Beyond gender, Alfen supports broader diversity initiatives, including culture workshops for senior staff and unconscious bias training for all new employees. Alfen's internal training school, the Alfen Academy, also supports diverse hiring and development efforts, including opportunities for candidates from a wide range of backgrounds.

Behaviour, inclusion and equal treatment

Alfen's Code of Conduct and Diversity and Inclusion Policy prohibit discrimination and harassment and define expectations for respectful behaviour for employees and non-employees.

Alfen embraces and encourage its employees’ differences, including differences in age, colour, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make its employees unique. These principles apply to both employees and non-employees.

All employees are expected to act with dignity and respect in all work-related contexts. Behaviour that does not meet these standards may result in disciplinary action.

Concerns can be raised through managers, HR, confidential counsellors or whistleblowing channels. Reporting procedures, including access to an external hotline, are described in the Reporting Policy.

Initial conversations with counsellors are used to discuss the matter in a non-judgmental way, without the requirement to file a formal complaint. Confidential counsellors provide support and guidance and assist with formal complaints if requested. All incidents are logged, followed up and reported. In more severe instances an investigation into the matter might be necessary which can be initiated by the CEO, CHRO or the Supervisory Board. In this case an independent research team will be appointed. For smaller offences a (formal) warning is given.

These channels are available for all employees in Alfen's workforce (including non-employees) and are extensively covered in Alfen's Personnel Manual. Alfen's confidential counsellors also offer support for non-work-related issues.

Governance

The HR department, led by the CHRO, is responsible for implementing diversity and inclusion policies and initiatives. Managers are expected to foster inclusive team environments and are supported through leadership training.

Metrics, targets, and performance

Company level

In 2025, Alfen targeted a 1 percentage point increase in female representation, from 18% to 19%. Following restructuring-related outflows, female representation remained broadly stable at 17%. The same target of 19% has therefore been set for 2026.

Headcount by gender		2025		2024
Gender	Number	%	Number	%
Female	166	17 %	192	18 %
Male	784	83 %	891	82 %
Other	—	— %	—	— %
Not reported	—	— %	—	— %
Total	950	100 %	1,083	100 %

Supervisory Board

The Supervisory Board currently has a 50/50 gender split, consisting of 2 women and 2 men, meeting the diversity quota of at least one-third female and one-third male. Alfen aims to maintain this ratio throughout 2026.

Gender diversity SB		2025		2024	
Gender	Number	%	Number	%	
Female	2	50 %	2	50 %	
Male	2	50 %	2	50 %	
Total	4	100 %	4	100 %	

Executive Committee

The Executive Committee (refer to section Corporate Governance for definition) composition has changed this year, with the departure of Alfen's CCO and its CHRO (filled temporarily). Of the four currently filled positions, 100% are male.

Alfen is actively reviewing female candidates for its permanent C-suite positions to improve the gender diversity of this committee.

Gender diversity ExCom		2025		2024	
Gender	Number	%	Number	%	
Female	0	— %	2	40 %	
Male	4	100 %	3	60 %	
Total	4	100 %	5	100 %	

Sub-top

As allowed under ESRS guidelines, Alfen has chosen its definition of the sub-top (called top management in the ESRS) in order to best align with the intent of the guidelines. In line with the Dutch Diversity Act, Alfen defined its sub-top to cover categories of employees in managerial positions below the Executive Committee. In practice, Alfen has therefore defined the sub-top as 1) executives who report directly to the Executive Committee and lead a team (e.g. N-1); and 2) executives that lead a team and whose direct manager reports directly to the Executive Committee (N-2). Only employees above a certain salary scale are included to best reflect Alfen's sub-top management.

The sub-top, shrank from 58 to 54 employees this year, of which 11% were female, a sharp decline since last year, and is primarily the outcome of changes in

its organisation due to its restructuring. Alfen's ambition is to raises the share of women in these roles to 20% by the end of 2027.

Gender diversity Sub-top		2025		2024	
Gender	Number	%	Number	%	
Female	6	11 %	11	19 %	
Male	48	89 %	47	81 %	
Total	54	100 %	58	100 %	

Gender pay gap

The concepts of pay equality and the gender pay gap address different aspects of workplace compensation. Pay equality focuses on ensuring that men and women in comparable roles within the same job classification and salary scale, as defined by Alfen's structured system, receive equal remuneration.

Alfen's own analysis shows that there is no significant gender pay gap for employees performing comparable jobs while performing it for the same number of years.

On the other hand, the gender pay gap as defined by the ESRS represents the disparity in average earnings between male and female employees across Alfen, regardless of the specific roles they occupy. This year the gender pay gap is 10.5%, compared to 8.0% in 2024, which is again attributed to its restructuring and changes in the sub-top. Alfen did not see significant differences between countries. To calculate the gender pay gap, Alfen compared the average hourly earnings of male employees to those of female employees, expressed as a percentage of the average hourly pay for male employees. Calculations include benefits in cash, which is the sum of the base salary and cash allowances, bonuses, commissions, cash profit-sharing, and other forms of variable cash payments as well as long-term variable equity incentive (e.g. granted performance shares).

This approach reveals pay gaps that often arise when men are disproportionately represented in senior roles. Closing this gap will therefore require achieving balanced representation of women across all levels, particularly in leadership positions.

Total remuneration ratio

The Alfen internal pay ratio is calculated by dividing the compensation of the highest paid individual (currently the CEO) by the median employee

compensation. Employee compensation is constructed according to the same components as the pay gap.

In 2025 it was 8.3x (2024: 9.5x) which is not uncommon in organisations like Alfen's, with the ratio change largely explained through different performances in each year on the STI and LTI incentives.

Alfen does not have a specific target on the internal pay ratio. The internal pay ratio differs from the one published in Alfen's remuneration report - internal pay ratio due to differences in calculation methods prescribed by ESRS and Alfen's governance code. The latter uses the average employee compensation.

Grievance mechanisms

In 2025, 32 consultations were reviewed through Alfen's grievance mechanisms, largely in line with last year (2024: 36). The number of consultations is the total number of consultations following incidents in the reporting period through the confidential counsellors. Four of these consultations were related to a form of discrimination, mainly harassment in the form of intimidation (2024: 6).

These consultations have been followed up on with appropriate measures. Alfen's commitment to its values, ethical behaviour and providing a workplace without any form of discrimination remain firm. None of the consultations have led to formal complaints, both through internal and external channels. No severe human right incidents reported.

Alfen's grievance mechanisms	2025	2024
Number of consultations confidential counsellors regarding discrimination	4	6
Number of complaints regarding discrimination (includes harassment)	—	—
Number of other consultations confidential counsellor	28	30
Number of other complaints	—	—
Total amount of fines, penalties, and compensation for damages related to these incidents and complaints	€—	€—
Total number of severe human rights incidents	—	—
Total amount of fines, penalties, and compensation for damages related to severe human right incidents	€—	€—

Own workforce: Training & skills development

Impacts, risks, and opportunities

Training and skills development at Alfen focus on ensuring that the organisation maintains the capabilities required to remain at the technological forefront of the energy transition. Rapid technological innovation and evolving regulatory requirements make continuous skills development essential, particularly in research and development (R&D) and other technical functions.

Alfen's approach encompasses technical skills, safety-related training and the development of social and professional skills across all organisational levels. A strong learning and development offering also supports Alfen's ability to attract and retain talent in a competitive labour market.

Through training and skills development, employees are supported in maintaining and enhancing their knowledge, performance and employability. This strengthens adaptability to new technologies and regulations, promotes safe working practices, and contributes to job satisfaction, particularly for employees in technical and R&D roles.

In turn, a skilled and adaptable workforce supports innovation, product quality and responsiveness to developments in the energy transition. Strong R&D capabilities contribute to future-proof solutions and long-term financial performance, while reinforcing Alfen’s employer attractiveness.

If training and skills development do not keep pace with technological and regulatory change, skill gaps may emerge, particularly in critical technical and R&D functions. This could limit innovation capacity, increase compliance or safety risks and reduce competitiveness. Insufficient development opportunities may also negatively affect employee engagement and retention, increasing operational and business risks in a tight labour market.

To mitigate these risks, Alfen provides training and development resources across all organisational layers through the Alfen Academy, its internal training school, complemented by e-learning as a scalable and cost-effective solution. E-learning supports efficient knowledge sharing, continuous learning and cost management. Over time, a strong focus on training, skills development and career growth strengthens

workforce resilience, innovation capacity and competitiveness in the energy transition.

Strategy, governance, and action plans

Training and skills development are integral to Alfen’s strategy to maintain a highly skilled, adaptable and motivated workforce. By providing structured learning opportunities, Alfen supports the development of employees’ technical, professional and personal capabilities, contributing to both individual growth and organisational performance.

Alfen’s training policy addresses both mandatory and elective learning needs to ensure employees are equipped for their current roles and future development. The policy covers:

- Mandatory functional training: Role-specific training, including safety certifications, technical system training and continuous education (e.g. for legal and finance roles), coordinated by HR.
- Elective functional training: Non-mandatory professional skills training, such as language courses or Lean training, initiated by employees or managers through ADAPT. Group sessions are organised where sufficient demand exists.
- Personal development: Opportunities such as leadership programmes and diversity training are offered based on employee interest, team needs and managerial approval, informed by performance, ambition, mobility, succession and retention considerations.
- Mandatory organisation-wide training: Annual compliance and data security awareness training is required for all employees and delivered via e-learning through the ADAPT platform. Completion rates are monitored and reported to managers and the Management Board.

In addition, the Alfen Academy addresses the scarcity of skilled technical personnel through apprenticeship programmes in cooperation with Deltion College. These programmes combine practical training with formal education and support a sustainable pipeline of technical talent. The Academy also manages technical training facilities and apprenticeships, strengthening governance and ensuring continued skills development. In 2025, 20 Alfen Academy students obtained their diplomas (2024: 22).

Performance management, as described in the personnel handbook, emphasises continuous development through structured feedback and goal setting. The performance cycle includes three formal

interactions each year: a target-setting meeting, a mid-year development check-in and a year-end appraisal. These discussions inform Personal Development Plans (PDPs) and support the identification of employees for advanced training and career development opportunities.

Overall responsibility for training, skills development and performance management policies rests with the CHRO.

Developing Alfen's workforce

Operating in a highly innovative and safety-critical industry requires continuous monitoring and development of employee skills, covering technical expertise, safety requirements related to working with electricity, and professional and personal capabilities.

In 2026 Alfen will first finish the review of its job classifications, which will form the basis for updating the skills matrix and developing predefined development paths for functional groups.

In 2024, Alfen introduced a standardised onboarding programme for new employees. Participation increased significantly, and from 2026 onwards Alfen aims to onboard 100% of new employees in the Netherlands through this programme. The onboarding includes a full day of group training combined with online courses, covering topics such as the Code of Conduct, unconscious bias and data security awareness.

In addition, all employees with a laptop are required to complete annual online Code of Conduct and data security awareness training. Upon completion, certification is recorded in ADAPT, Alfen’s learning and development system.

Metrics, targets, and performance

Training and development

E-learning is widely used to support employees in preparing for and performing their roles at Alfen. In 2025, the average number of training hours per employee was 21 (2024: 29), with higher training hours for men. The decline reflects the inclusion of Elkamo employees in 2025 (2024 figures excluded Elkamo) and a temporary reduction in completed training following restructuring.

Training hours		2025		2024
Gender	Total hours	Per employee	Total hours	Per employee
Female	2,482	15	5,045	27.7
Male	17,366	22.2	24,019	29.4
Total	19,848	20.9	29,064	29.0

Performance management

Alfen continues to refine its performance management approach to ensure development conversations contribute meaningfully to personal development and long-term career growth. For 2026, Alfen aims for participation rates of over 95% for at least one performance conversation and over 80% for two conversations.

Performance management		2025		2024
Gender	Completed reviews, #	% of employees	Completed reviews, #	% of employees
Female	147	89 %	154	85 %
Male	732	93 %	694	85 %
Total	879	93 %	848	85 %

In 2025, 93% of employees participated in the performance cycled as defined by the ESRS of employees participated in the performance cycle as defined by ESRS, meaning they had at least one performance conversation (2024: 85%). Participation rates did were slightly higher for men versus women. The 2024 figures did not include Elkamo employees.

Workers in the value chain: Health & safety and Forced labour

Alfen considers that workers across its value chain should have access to fair working conditions, equal treatment and other fundamental labour rights. Alfen's value chain extends from upstream raw material suppliers, with whom Alfen often does not have direct contractual relationships (tier 2+), through to direct suppliers and logistics providers, and further downstream to customers, end-users and third-party technicians who operate or repair Alfen's products.

For the purpose of this disclosure, value chain workers are defined as all third-party workers who are not under Alfen’s direct managerial oversight. The fact that many of Alfen's business partners are based in Europe generally contributes to stronger labour

protections. However, for suppliers operating further upstream or outside Europe, oversight is more challenging, and risks related to health and safety or forced labour may arise.

Both health and safety and forced labour are therefore assessed as material topics for value chain workers. While impacts, risks and opportunities are described separately below, strategy, governance and action plans are combined, as the underlying approach is the same. At this stage, Alfen will focus on further developing its approach before setting metrics and targets.

Both the use of forced labour and health & safety issues in Alfen's value chain have the potential to substantially impact its business model; were it to tolerate such practices it could face substantial financial risks such as legal penalties, reputational damage, and regulatory interventions in its operations.

Consequently, rather than address them as individual topics with suppliers and develop separate strategies, Alfen addresses these (and other) topics together in its Supplier Code of Conduct policy. This policy is Alfen's overarching approach to mitigating and monitoring material risks related to value chain workers. In its approach and policy, Alfen does not differentiate its understanding of the impacts, risks and opportunities between different demographics.

Health & safety: Impacts, risks and opportunities

Low health and safety standards, or insufficient enforcement thereof, can have immediate and severe impacts on value chain workers in the event of an incident. Given the electrical nature of Alfen’s products, such incidents could result in serious injury or harm, which is why this topic is considered material.

From Alfen’s perspective, inadequate health and safety practices within the value chain may result in financial risks, including costs related to workplace accidents, workers’ compensation claims, legal liabilities, higher insurance premiums and reputational damage. While the potential impact is high, the likelihood of such risks materialising is currently assessed as low.

In addition, association with suppliers or service providers involved in serious health and safety incidents may negatively affect Alfen’s reputation

both upstream and downstream. Customers may avoid products linked to unsafe practices, while downstream risks are particularly relevant given that Alfen’s products are operated and maintained by technicians working with live electrical systems.

Alfen does not identify specific business opportunities related to this topic, as effective health and safety practices are considered a baseline expectation for all market participants.

Other work related rights: Forced labour: Impacts, risks and opportunities

Certain materials and components within global supply chains originate from countries or regions with elevated human rights risks, including the potential use of forced labour. Without adequate supply chain due diligence, procurement from such regions may directly or indirectly contribute to these practices.

The negative impacts of forced labour on affected workers are severe, involving exploitation, abuse, violations of fundamental human rights and significant physical and psychological harm. Although the number of workers potentially affected within Alfen’s value chain is expected to be very limited, the severity of the impact leads Alfen to assess this topic as material.

Engagement with suppliers that use or tolerate forced labour also poses significant risks to Alfen, including legal sanctions, reputational damage and potential operational disruptions due to regulatory intervention or public scrutiny. Any suspected incidents are therefore taken seriously and investigated thoroughly.

As with health and safety, Alfen does not identify opportunities related to forced labour, as the absence of forced labour is considered a “license to operate” and a minimum expectation from customers, regulators and other stakeholders.

Strategy, governance, and action plans

Alfen Supplier Code of Conduct

Alfen’s primary instrument for managing risks related to value chain workers is its Supplier Code of Conduct, which is publicly available and applies to all suppliers, contractors and business partners.

The Code is based on the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and relevant ILO standards.

It sets expectations for ethical and responsible business conduct, covering human rights, labour conditions (including health and safety), environmental practices and fair business behaviour. By aligning the Code with international frameworks, Alfen aims to ensure that the interests of value chain workers are adequately reflected throughout the supply chain.

Specifically, the Code addresses non-discrimination, freedom of association and collective bargaining, labour conditions, child labour and modern slavery, including forced labour and human trafficking. In 2025, no severe human rights incidents or material negative impacts on value chain workers were reported, based on definitions from the UN, ILO and OECD frameworks.

Compliance with the Supplier Code of Conduct is mandatory for all relevant business partners. Responsibility for enforcement lies with the Director of Purchasing, whose department manages supplier relationships and conducts audits of critical suppliers.

Mitigating potential impact in the value chain

To reduce the likelihood of negative impacts on value chain workers, Alfen regularly evaluates its suppliers and has strengthened its Supplier Risk & Audit Approach.

In addition, Alfen operates on a denied party screening basis, whereby each customer and supplier (“trade partners”), whether new, ongoing, or to be re-activated, are screened on a step-by-step basis. Alfen's standard procedure is that each new and to be re-activated trade partner is screened against credit level, possible sanctions CPI Index and more.

For existing trade partners, a constant monitoring regular process will be integrated. Screening covers factors such as credit risk, sanctions lists and corruption-related indices and is supported by the GraydonCreditsafe tool, which provides automated checks against global sanctions and Politically Exposed Persons (PEPs) lists. This process was formalised in early 2025, with continuous monitoring for existing trade partners being progressively integrated.

For critical suppliers, audits are conducted by the Purchasing department and increasingly in cooperation with the Sustainability department. Audit findings are documented and retained internally, supporting follow-up where needed.

Engaging with workers in the value chain

Alfen has not yet adopted a general process to structurally engage with workers in the value chain about impacts, nor are there currently channels set up for value chain workers to raise concerns or grievances. Whilst Alfen recognises that it don't directly incorporate the perspectives of value chain workers into both activities aimed at managing the actual/potential impacts on value chain workers and as well as its broader business model, Alfen aims to do this by proxy through its external DMA review.

In addition, Alfen currently does not have targets related to managing the identified negative impacts and risks or to track performance of its suppliers on these topics; Alfen will going forwards review the feasibility and benefit of doing so.

Actioning issues in the value chain

Whilst Alfen is strongly committed to complying with its Code of Conduct and reducing negative impacts on its value chain workers, Alfen acknowledges that there is scope to further formalise how material impacts on value chain workers are identified, addressed and monitored.

Currently, the Purchasing department proactively conducts supplier audits and assesses concerns raised by third parties, such as media reports. Where issues are identified, appropriate measures may be taken, including the use of commercial leverage or, where necessary, termination of supplier relationships. To date, no supplier relationships have been terminated for this reason. Decisions are currently taken on a case-by-case basis.

Looking ahead, Alfen aims to develop a more systematic approach to tracking actions and outcomes related to value chain risks. In situations where supplier relationships may be terminated, Alfen will also consider potential adverse impacts on value chain workers and how these could be mitigated.

Future developments, including the implementation of the Corporate Sustainability Due Diligence Directive (CSDDD), are expected to further shape Alfen’s approach to managing impacts, risks and governance related to workers in the value chain.

Governance information

Introduction to governance information

For Alfen, maintaining high ethical standards is essential not only to comply with regulatory requirements but also to build trust with stakeholders, including employees, customers, suppliers, investors and the communities in which it operates.

Ethical business conduct is the foundation for sustainable, long-term value creation. It guides its decision-making, strengthens lasting relationships with stakeholders, and fosters a sustainable, value-driven culture. By integrating ethical principles into every aspect of its business, Alfen aims to navigate challenges, seize opportunities, and contribute positively to society and the environment.

The outcome of the DMA highlights corporate culture, including the protection of whistleblowers and the prevention of corruption and bribery, as a material topic. Policies are developed and maintained to support a healthy corporate culture, strong performance and compliance. Alfen's policies include a range of procedures that guide ethical business conduct, including a Code of Conduct with specific anti-corruption and anti-bribery provisions.

Regarding its governance policies on anti-corruption and anti-bribery, no irregularities were identified in 2025.

Material governance topics and related IROs

Corporate culture

Corporate culture refers to the values, beliefs, behaviours, and norms within an organisation that shape its overall functioning and decision-making processes. A strong corporate culture is an essential prerequisite for sound corporate governance.

A strong corporate culture and a safe work environment are essential for an engaged and motivated workforce, while also enhancing the attraction and retention of talent. A strong corporate culture drives ethical and sustainable business practices, strengthens employee morale, and enhances reputation. Alfen mitigates risks related to unethical behaviour through its shared values and Code of Conduct.

In a strong corporate culture, openness and transparency are encouraged. Alfen encourages employees to raise concerns about suspected violations of ethical business conduct, applicable laws and regulations, the Code of Conduct or related internal policies and procedures. Alfen protects those who raise concerns or report suspected violations and does not tolerate retaliation against individuals who report in good faith. Openness, transparency and fairness embedded in the corporate culture help prevent and mitigate harm to the environment and public health.

The prevention and detection of corruption and bribery also serves as part of the foundation for a strong corporate culture. Alfen takes a zero-tolerance approach to corruption and bribery. Alfen's commitment to prevent corruption and bribery have been recorded in the Code of Conduct and related policies.

Guidance and training are provided to employees to help them recognise compliance dilemmas and raise suspected misconduct or irregularities. This approach not only mitigates legal and reputational risks but also strengthens Alfen's reputation, helping attract ethically minded investors and partners and potentially opening access to markets where responsible and ethical business practices are valued. Failure to prevent or detect corruption and bribery may lead to legal sanctions, fines, reputational damage, operational disruptions and resulting financial losses.

Business conduct – Business ethics and corporate culture

Strategy, governance, and action plans

While our board and senior management are responsible for fostering and enforcing a culture of honesty and ethical behaviour to ensure business is conducted in a sustainable manner, this responsibility must be embraced by each individual across Alfen.

Beyond the importance of formalised policies and procedures, Alfen is convinced that a culture of integrity starts with the right mindset and leadership example setting the tone at the top.

Code of Conduct

The Code of Conduct provides principles of ethical behaviour and is an essential part of its corporate culture. The Code of Conduct contains obvious and universal standards and expected behaviour for all employees and helps to create a safe and respectful environment for every individual. The Code of Conduct includes key topics such as integrity, gifts and hospitality, anti-bribery and anti-corruption, corporate social responsibility, health and safety and is made readily available to all (including new) employees and can be accessed on Alfen’s intranet and corporate website.

Departments involved in multinational supply chain, such as Strategic Purchasing, are classified as 'at risk functions'.

Adherence to the Code of Conduct is incorporated into employment agreements and compliance is reinforced through e-learning and in-person training for identified 'at risk functions' like Strategic Purchasing.

Last year, Alfen made its Code of Conduct e-learning (which also covers corruption, bribery and insider trading) mandatory on an annual basis for all employees with an Alfen e-mail address, including its Management Board and Supervisory Board. This year, the target group was 840 employees, with a completion rate of 66%.

No violations with the Code of Conduct were reported in the financial year 2025 (2024: no violations were reported).

Whistleblower protection

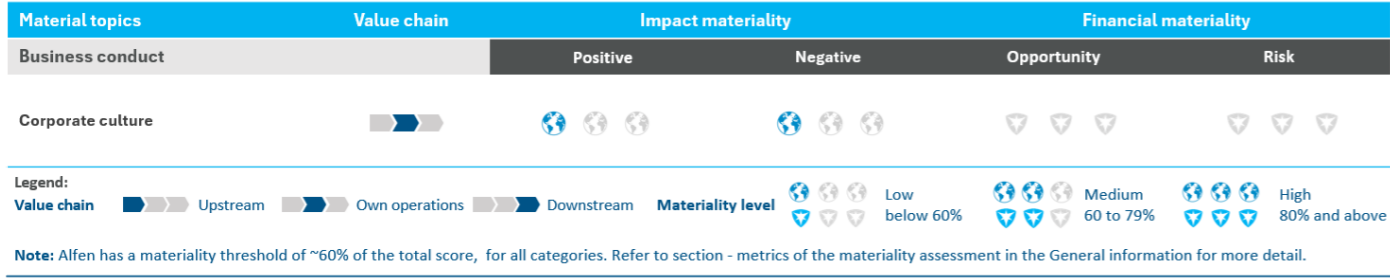
Alfen employees (as well as third parties) are encouraged to report irregularities or suspected violations of the Code of Conduct, applicable laws, safety policies, environmental standards, or any other forms of misconduct without jeopardising their position. Alfen's Whistleblower Policy, available on Alfen’s intranet and corporate website, guarantees protection against reports made in good faith.

Reporting of such instances by Alfen employees and third parties can be either to designated independent ‘persons of trust’, which are not part of day-to-day (line)-management (for employees only). In 2026 the option for complete anonymity through a prescribed website (for both employees and third parties) will be developed. Whistleblower cases are assessed by the Compliance Committee. Depending on the nature and severity of the case, disciplinary actions can be taken. The number of reports and the status, if any, are reported to the Management Board and Supervisory Board.

No violations or irregularities were reported under the Whistleblower Policy in financial year 2025 (2024: no violations or irregularities were reported).

Insider trading

Alfen continues to adhere to its implemented regulations covering security transactions by the members of the Management Board and Supervisory Board, the Executive Committee, independent contractors and other designated employees that have insight into market-sensitive information. The Insider Trading policy is published on Alfen’s intranet and website.



During the financial year 2025, questions were asked about the Insider Trading policy and addressed by the Compliance Officer. Furthermore, and as previously described, the insider trading e-learning (part of Code of Conduct e-learning), became mandatory for everyone within Alfen that has an e-mail address, including its Supervisory Board.

No violations or irregularities were reported in financial year 2025 (2024: no violations or irregularities were reported).

Anti-corruption and anti-bribery

Alfen operates a multinational supply chain and primarily conducts business in jurisdictions that are ranked higher on the CPI. Alfen is committed to conducting its business fairly, transparently and with integrity, while applying the highest ethical and legal standards.

Alfen does not permit, offering, giving or authorising bribes nor engaging in any other form of unethical business practice.

Alfen's corruption and bribery policies are incorporated into the Code of Conduct and the Supplier of Code of Conduct. Any alleged violation of Alfen's anti-corruption or anti-bribery rules and procedures can be reported through its Whistleblower process and is subsequently investigated by the Compliance Committee. Alfen has a zero-tolerance policy for bribery and corruption incidents.

Alfen does not intend to engage in business with governments, municipalities located, or customers in countries with high CPI scores that are associated with corruption or bribery. This is embedded in its day-to-day operations through its Know Your Customer ('KYC') procedure and related approval process. The identification and monitoring of corruption and bribery risks are part of its annual fraud risk assessment process (see risk management section for more details).

No violations or irregularities with the corruption and bribery policies were reported in financial year 2025 (2024: no violations or irregularities were reported). Similarly, no convictions for violation of anti-corruption and anti- bribery laws were reported (2024: no convictions).



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EU Taxonomy

Alfen operates at the heart of the energy transition providing smart energy solutions to enable the electricity grid of the future: reliable, sustainable and innovative. We design, engineer, develop, manufacture and service Smart Grid Solutions, Energy Storage Systems and EV charging, offering our customers integrated solutions that address various electricity challenges.

The EU Taxonomy Regulation establishes a system to classify sustainable economic activities by setting criteria for economic activities that support the objectives of the European Green Deal. An economic activity is considered eligible under the EU Taxonomy Regulation if such activity is in scope of the Delegated Acts to the EU Taxonomy Regulation and considered likely to substantially contribute to one of the six environmental objectives, i.e.:

- 1. Climate change mitigation;
- 2. Climate change adaptation;
- 3. Sustainable use and protection of water and marine resources;
- 4. Transition to a circular economy;
- 5. Pollution prevention and control; and
- 6. Protection and restoration of biodiversity and ecosystems.

Whether an economic activity is Taxonomy-eligible does not determine its (un)sustainability. Taxonomy eligibility only indicates that the activity is considered to make a substantial contribution to one of the six environmental objectives defined under the EU Taxonomy Regulation.

Taxonomy alignment goes beyond mere eligibility. An economic activity is Taxonomy-aligned when it fully meets the specific requirements defined for that activity, meaning that it:

- makes a substantial contribution to one or more environmental objectives under the EU Taxonomy Regulation by meeting the relevant technical screening criteria set out in the applicable Delegated Acts.

- does not cause significant harm to any of the other environmental objectives, by meeting the applicable "Do No Significant Harm" criteria set out in the Delegated Acts to the EU Taxonomy Regulation.
- is carried out in compliance with the applicable minimum safeguards.

An economic activity is considered Taxonomy-aligned only if it complies with all of the above conditions and criteria, as well as the relevant minimum safeguards.

Alfen applies the simplified reporting templates that have been issued in the Commission Delegated Act adopted by the European Commission on 4 July 2025.

Assessment of taxonomy-eligible activities

The first stage of the EU Taxonomy assessment is to determine whether the economic activities being carried out are eligible under the EU Taxonomy Regulation. The assessment and determination of Alfen’s Taxonomy-eligible activities is based on current insights, interpretations, and best judgment. To this end, we have conducted an analysis of the requirements arising from the applicable and relevant regulations, including the relevant Delegated Acts under the EU Taxonomy.

For this years’ eligibility assessment, we also considered Commission Notice 2025/1373 that was issued on 5 March 2025, which provides further guidance on the interpretation and implementation of certain provisions of the EU Taxonomy Delegated Acts. This Commission Notice contains technical clarifications responding to frequently asked questions (FAQs) on the interpretation and implementation of the EU Taxonomy Delegated Acts. We have incorporated these clarifications into a reassessment of our economic activities.

EV Charging

In our EV Charging business line, Alfen offers an in-house developed range of smart and connected electric vehicle chargers for use at destinations, such as: home, business and public locations. Since the first EU Taxonomy reporting for FY 2022, the activities of our EV Charging business line were classified eligible under *4.9 Transmission and distribution of electricity*. As electric vehicle charging is referenced by multiple economic activities, this issue was addressed and clarified through the Commission

Notice 2025/1373. Based on this new guidance, we now conclude that category *3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate* better reflects the activities of our EV Charging business line. We consider that the Manufacturing section of the EU Taxonomy provides a more appropriate classification for these activities than the Energy section, which is also in line with ESRS sector C27 - Manufacturing of electrical equipment. Accordingly, we have revised the classification to reflect the guidance provided in the abovementioned Commission Notice.

Smart Grid Solutions

In our Smart Grid Solutions business line, Alfen offers a proprietary range of in-house developed substations.

Similar to the reassessment of our EV charging activities, we also reassessed the classification of economic activities for our Smart Grid Solutions business line. Since the first EU Taxonomy reporting for FY 2022, the activities of our Smart Grid Solutions business line were classified under *4.9 Transmission and distribution of electricity*. Based on the clarifications provided through Commission Notice 2025/1373, we now conclude that category *3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate* better reflects the activities of our Smart Grid Solutions business line. We consider that the Manufacturing section of the EU Taxonomy provides a more appropriate classification for these activities than the Energy section, which is also in line with ESRS sector C27 - Manufacturing of electrical equipment . Accordingly, we have updated the classification to align with the guidance provided in the aforementioned Commission Notice.

Energy Storage Systems

In our Energy Storage Systems business line, Alfen offers an in-house-developed range of battery energy storage solutions. Based on the assessment of the activities performed, we have determined that category *4.10 Storage of electricity* accurately reflects the activities of our Energy Storage Systems business line.

Assessment of taxonomy-aligned activities

Once eligibility is validated, an alignment assessment must be conducted to determine whether the eligible activity is environmentally sustainable and aligned with the EU Taxonomy. In the paragraphs below the assessment of these conditions is described per taxonomy-eligible activity. The Minimum Social Safeguards are assessed on group level.

3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate

As described above, Alfen considers that both its Smart Grid Solutions and EV Charging business lines are eligible under economic activity 3.20. In this paragraph we assess whether this activity meets the criteria to be considered taxonomy-aligned.

Substantial contribution

Alfen's Smart Grid Solutions business line is engaged in the manufacturing of medium power transformers with highest voltage for equipment not exceeding 36 kV, which makes a substantial contribution to climate change mitigation.

Alfen's EV Charging business line is engaged in the manufacturing of electric vehicle charging stations for the electrification of transport that is installed primarily to enable electric vehicle charging, which makes a substantial contribution to climate change mitigation.

DNSH

Alfen has conducted an assessment of the DNSH criteria. Based on the assessment we conclude that Alfen currently has not adopted all the techniques that are required for the DNSH criteria 'Transition to a circular economy', primarily caused by the requirement to adopt techniques related to full product circularity. Although, there is no legal requirement at the moment for Alfen to take back the product at the end-of-life, Alfen does not yet have

implemented all techniques that address full product circularity at end-of-life at this stage.

For an economic activity to be aligned with the EU Taxonomy, all DNSH criteria specified in the Delegated Acts need to be fully met. Based on the aforementioned elaboration on the DNSH criteria, Alfen concludes that the eligible activities related to economic activity 3.20 are not considered Taxonomy-aligned activities.

4.10 Storage of electricity

As described above, Alfen considers that its Energy Storage Systems business lines is eligible under economic activity 4.10 Storage of electricity. In this paragraph we assess whether this activity meets the criteria to be considered taxonomy-aligned.

Substantial contribution and DNSH

Alfen's Energy Storage Systems business line is engaged in the construction of facilities that store electricity and return it at a later time in the form electricity and therefore makes a substantial contribution to climate change mitigation.

DNSH

For this economic activity, Alfen has conducted a reassessment of the DNSH criteria. In this reassessment, new insights from industry peers and stakeholders have been taken into consideration and a more clear understanding has emerged on how the DNSH criteria for economic activity 4.10 should be interpreted. Progressive insights from this benchmark made it become evident that the interpretation of the DNSH criteria differs from the approach applied in previous year and as a consequence we consider that, based on this progressive insights, more details or specific information is needed to be included in order to comply with the requirements. As such, Alfen concludes that it no longer meets the requirements under criteria 'Transition to a circular economy'. If this progressive insight had already been known last year, it would have resulted in the criteria not being met and as a result being classified as an eligible but not aligned activity.

For an economic activity to be aligned with the EU Taxonomy, all DNSH criteria specified in the Delegated Acts need to be fully met. Based on the aforementioned elaboration on the DNSH criteria, Alfen concludes that the eligible activities related to economic activity 4.10 are not considered Taxonomy-aligned activities.

Minimum Social Safeguards

The scope of MSS covers four topics for which we are following a two-dimensional approach to assess compliance. On the one hand, the Management Board is convinced that safeguarding MSS starts with setting the right mind-set ('tone at the top') and incorporating these ethical business conduct principles in procedures and processes, such as the Code of Conduct and the Supplier of Code of Conduct, to prevent negative impacts (procedural dimension). On the other hand, outcomes are monitored to validate whether our procedures and processes are effective (outcome dimension).

Human rights (incl. labour and consumer rights)

Based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles, Alfen implemented policies and procedures for which the six steps in the OECD Guidelines are used as a basis. Human rights policies are included in our Code of Conduct and Supplier Code of Conduct. New suppliers are screened via our KYC and KYS procedures. For existing suppliers, we perform audits using a risk based approach. In 2024, we performed a supplier audit on our battery supplier. In case suspicion is raised with regards to potential adverse human rights impacts, we actively investigate and remedy this.

In financial year 2025, no violations of labour laws and human rights have been raised nor did we have any court cases in this respect.

Corruption and bribery

Corruption and bribery policies are incorporated in the Code of Conduct and the Supplier of Code of Conduct. Furthermore, internal training, by means of e-learning (mandatory on an annual basis for all internal employees with an Alfen e-mail address) and physical courses, is used to further enhance awareness and compliance with these policies.

For further information, we refer to the corruption and bribery paragraph in the Governance section of the Sustainability Statement.

In financial year 2025, no violations regarding corruption and bribery have been raised nor did we have any court cases in this respect.

Taxation

Alfen regards taxation as part of its social responsibility and follows the principle of responsible

tax practices, which are further explained under paragraph Tax practices within the Corporate Governance section of the Annual Report.

In financial year 2025, no violations of tax laws have been raised nor did we have any court cases in this respect.

Fair competition

Alfen is carrying out activities in a manner consistent with all applicable competition law and regulations taking into account the competition laws of the jurisdictions in which our activities might have anticompetitive effects.

In financial year 2025, no violations regarding fair competition have been raised nor did we have any court cases in this respect. In accordance with the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 to establish a framework to facilitate sustainable investment, we applied the reporting requirements for financial year 2025 and disclose our Taxonomy-eligible, Taxonomy-aligned and non-eligible economic activities relating to all environmental objectives.

Summary of EU Taxonomy related accounting policies and contextual information

KPI related accounting policies

The metrics for taxonomy-eligible and -aligned economic activities were calculated as follows:

Revenue	Proportion of revenue from Taxonomy-eligible and/or Taxonomy-aligned activities (numerator) of total revenue (denominator). Total revenue equals the total revenue in financial year 2025 from continuing operations as disclosed in note 8.
CapEx	<div>Proportion of CapEx relating to assets and/or processes that are associated with Taxonomy-eligible and/or Taxonomy-aligned economic activities (numerator) of total CapEx (denominator).</div> <div>Total CapEx equals the additions in financial year 2025 related to property, plant and equipment, additions to right-of-use assets as disclosed in note 16 and additions to intangible assets and goodwill as disclosed in note 17. Any depreciation, amortisation, re-measurements, fair value changes and additions for leases that do not lead to the recognition of a right-of-use asset are not part of the CapEx.</div>
OpEx	Proportion of OpEx relating to assets and/or processes that are associated with Taxonomy-eligible and/or Taxonomy-aligned economic activities (numerator) of total direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by Alfen or third parties to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets (denominator).

The financial information for calculating the metrics was gathered from Alfen’s accounting system and exclude intercompany transactions.

The economic activities identified currently contribute to one environmental objective being climate change mitigations, but should they contribute to several environmental objectives then the numerator would only take into account the allocation of revenues and expenditures to one environmental objective so that double counting is avoided.

KPI related contextual information

EU Taxonomy Revenue

The breakdown of eligibility and alignment of our revenue is as follows:

EU Taxonomy KPI's - Revenue	2025*	2024
Taxonomy-Eligible and Aligned Activities (%)	—%	99.5%
Taxonomy-Eligible but not aligned Activities (%)	99.4%	—%
Taxonomy-Non-Eligible Activities (%)	0.6%	0.5%
Total	100%	100%

* Shift from Taxonomy-Eligible and Aligned to Taxonomy-Eligible but not Aligned is primarily the result of the change in economic activities.

The taxonomy non-eligible revenue stated in the table are solely related to our activities in Belgium concerning the delivery of concrete cabinets, which are used to create a transformer substation for electric power distribution. The revenues related to taxonomy-eligible and/or taxonomy-aligned activities pursued for Alfen's own internal consumption was nil.

EU Taxonomy CapEx

The breakdown of eligibility and alignment of our CapEx is as follows:

EU Taxonomy KPI's - CapEx	2025*	2024
Taxonomy-Eligible and Aligned Activities (%)	—%	96.6%
Taxonomy-Eligible but not aligned Activities (%)	83.4%	—%
Taxonomy-Non-Eligible Activities (%)	16.6%	3.4%
Total	100%	100%

* Shift from Taxonomy-Eligible and Aligned to Taxonomy-Eligible but not Aligned is primarily the result of the change in economic activities.

The majority of our CapEx is directly contributing - e.g. new moulds for Smart Grid Solutions - or will be directly contributing in the near future - e.g. capitalised development - to our business lines. However, investments were also made in IT-infrastructure and data security, as well as general staff-related CapEx, which are both labelled as head office costs and are therefore not directly contributing to one of our three business lines. Hence, these are not considered eligible.

The breakdown by type of CapEx was as follows:

In EUR '000	2025	2024
Additions to property, plant and equipment - owned	2,862	12,659
Additions to property, plant and equipment - right-of-use assets	2,108	29,608
Additions to intangible assets and goodwill	10,208	10,771
Total Taxonomy-eligible CapEx	15,178	53,038

EU Taxonomy OpEx

The breakdown of eligibility and alignment of our OpEx is as follows:

EU Taxonomy KPI's - OpEx	2025*	2024
Taxonomy-Eligible and Aligned Activities (%)	—%	100.0%
Taxonomy-Eligible but not aligned Activities (%)	100.0%	—%
Taxonomy-Non-Eligible Activities (%)	—%	—%
Total	100%	100%

* Shift from Taxonomy-Eligible and Aligned to Taxonomy-Eligible but not Aligned is primarily the result of the change in economic activities.

All of our OpEx is directly contributing or will be directly contributing in the near future to our three business lines and are hence considered eligible. The breakdown by type of OpEx was as follows:

In EUR '000	2025	2024
Non-capitalised research & development costs	10,498	12,283
Maintenance and repair costs	963	874
Costs related to day-to-day servicing of assets	737	778
Total Taxonomy-eligible CapEx	12,198	13,935

The expenditures relating to the day-to-day servicing of assets solely relate to cleaning costs.



EU Taxonomy KPI disclosure tables

The KPI tables included on the next two pages summarise the outcome of Alfen’s assessment of its revenue, capital expenditure (CapEx) and operating expenditure (OpEx). None of the capital and operating expenditures relate to a so-called CapEx plan for allowing Taxonomy-eligible economic activities to become Taxonomy-aligned.

The company does not have any issued environmentally sustainable bonds or debt securities with the purpose of financing specific identified Taxonomy-aligned activities.

Financial year 2025		Breakdown by environmental objectives of Taxonomy-aligned activities													
KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Bio-diversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy -aligned activities in previous financial year (N-1) *	Proportion of Taxonomy -aligned activities in previous financial year (N-1) *
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	Currency	%	Currency	%	%	%	%	%	%	%	%	%	%	Currency	%
Turnover	435,624	99.4%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	485,318	99.5%
CapEx	18,208	83.4%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	52,705	96.6%
OpEx	12,198	100%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	13,937	100%

* Shift from Taxonomy-Eligible and Aligned to Taxonomy-Eligible but not Aligned is primarily the result of the change in economic activities.

EU Taxonomy Revenue

Turnover														
Financial year 2025														
					Breakdown by environmental objectives of Taxonomy-aligned activities									
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (Monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Bio-diversity				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Text	Currency	%	Currency	%	%	%	%	%	%	%	%	%	%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	70.6%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Storage of electricity	CCM 4.10	28.8%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Sum of alignment per objective					—%	—%	—%	—%	—%	—%				
Total KPI (Turnover)		99.4%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	

EU Taxonomy CapEx

CapEx														
Financial year 2025					Breakdown by environmental objectives of Taxonomy-aligned activities									
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (Monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Bio-diversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Text	Currency	%	Currency	%	%	%	%	%	%	%	%	%	%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	72.4%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Storage of electricity	CCM 4.10	11.0%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Sum of alignment per objective					—%	—%	—%	—%	—%	—%				
Total KPI (CapEx)		83.4%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	

EU Taxonomy OpEx

OpEx														
Financial year 2025					Breakdown by environmental objectives of Taxonomy-aligned activities									
Economic activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (Monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Bio-diversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Text	Currency	%	Currency	%	%	%	%	%	%	%	%	%	%	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	73.0%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Storage of electricity	CCM 4.10	27.0%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
Sum of alignment per objective					—%	—%	—%	—%	—%	—%				
Total KPI (OpEx)		100.0%	—	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	





Risk Management

Key risks

Refer to the table below for an overview of risks, our risk appetite, likelihood and potential impact:

Risk category	Risk description	Risk appetite	Likelihood	Impact
Strategic and commercial	Risk of insufficient innovation to address the accelerating energy transition	Low	High	High
	Market volatility and exposure to short-term market dynamics	Low	Medium	High
	Competitive pressure and market positioning risk	Low	High	High
	Customer dependency risk	Medium	Medium	Medium
	Government incentives and policy dependency risk	High	High	Medium
Operational	Project execution and delivery risk	Medium	High	High
	Supply chain and sourcing risk	Low	Medium	High
	IT systems disruption risk	Low	Low	High
	Cybersecurity risk	Low	Medium	High
Compliance	Product warranty and litigation risk	Low	Medium	Medium
	Multi-jurisdictional compliance risk	Low	High	Medium
Sustainability	Sustainable operations risk	Medium	Low	Low
	Human capital and organisational capability risk	Medium	High	Medium
	Occupational health and safety risk	Low	Medium	Low

Alfen is subject to financial reporting requirements. Material misstatements in reporting could affect Alfen's reputation and - as a listed company - stock market value. Alfen reports to the market on a quarterly basis and reports financial figures based on IFRS standards. For information about Alfen’s debt financing, exposure to credit risks and interest rate fluctuations, liquidity and market risks as well as the capital management structure, please refer also to the information outlined in note 3 and 4 of the financial statements.

Strategic and commercial risks

Risk of insufficient innovation to address the accelerating energy transition

Alfen operates in a competitive markets that are exposed to political volatility and characterised by rapid regulatory change and technological innovation. The acceleration of the energy transition requires high speed of innovation and may be addressed by various solutions. There is no certainty that the solutions offered by Alfen will remain acceptable or sufficient to address these developments and challenges.

Alternative technologies, such as hydrogen storage or fuel cells, may compete with Alfen’s products, systems, and solutions, particularly within its Energy Storage Systems and EV Charging business lines. Failure to maintain the necessary speed and quality of innovation, could negatively impact market acceptance of Alfen's products, systems and services. Such developments may have an adverse effect on Alfen’s business, financial condition, results of operations and prospects. Additionally, due to historical reasons, Alfen maintains relatively high multi-year levels of platform-specific inventory. This poses a potential risk in a market subject to rapid regulatory and technological changes, as inventory may become obsolete.

To mitigate this risk, Alfen continuously monitors market and regulatory developments and aligns its R&D efforts accordingly. Through its open-architecture approach and its technology-agnostic solutions, Alfen maintains flexibility to adapt its products and solutions to evolving market trends and regulatory requirements.

Market volatility risk and exposure to short-term market dynamics

Alfen operates in markets where performance is influenced by short-term and rapidly evolving market dynamics, such as declining battery prices, changes in government incentives and regulatory developments. Consequently, demand levels may be volatile, impacting visibility and predictability of order intake and revenues that potentially could impact short-term financial performance.

The market for electric vehicles is rapidly developing, continuously evolving and therefore considered volatile. This results in our EV Charging business being

a flow business with limited backlog. A slower than anticipated increase, or even a decrease, in EV sales in the countries where Alfen operates could directly impact order intake and revenues in Alfen’s EV Charging business line. Such developments may have a material adverse effect on Alfen’s business, financial condition, including inventory levels, results of operations and prospects. Additionally, due to historic reasons, Alfen maintains relatively high multi-year levels of platform specific inventory, which poses a potential risk in a market subject to volatility.

Our Energy Storage Systems business line is primarily a project-based business generally involving a limited number of larger projects, where timing of closure and execution is critical and dependent on market dynamics such as declining battery prices. Delays in order intake and project execution could have a material adverse effect on Alfen’s business, financial condition, inventory value, results of operations and prospects.

To mitigate this risk, Alfen continuously monitors market developments in EV charging, energy storage trends and customer demands, supported by strict pipeline management. Alfen aligns its internal organisation and processes, including commercial, pricing, R&D efforts and operational activities to enable a timely response to changing market conditions and demand patterns.

Competitive pressure and market positioning risk

Intensifying competition in the industries and market segments in which Alfen operates may put pressure on margins and profitability and could adversely affect its market share and technology frontrunner position.

Alfen operates in highly competitive industries and market segments, facing competition from large international players, as well as smaller regional competitors in certain markets. In addition, new entrants or existing industry players that do not currently compete with Alfen in terms of quality or market share may enter Alfen’s market and disrupt the competitive landscape. Existing customers may choose to develop or acquire certain capabilities in-house, which could reduce demand for Alfen’s products, systems and services.

If Alfen is unable to compete successfully in its product and geographic markets, such developments may have an adverse effect on Alfen's business,

financial condition, results of operations and prospects.

To mitigate this risk, Alfen continuously focuses on product upgrades, new product development, cost engineering and purchasing savings. In addition, Alfen continuously monitors its competitive environment and seeks to identify and strengthen its unique selling points that deliver value to customers.

Customer dependency risk

Alfen’s business relies, in part, on contracts with certain key customers. Discontinuation of these contracts could adversely affect Alfen’s financial position and results of operation.

The success of Alfen’s business relies, in part, on certain key customer contracts entered into with a limited number of grid operators and large companies. If one or more of these contracts were discontinued or not renewed upon expiry, this could have a negative impact on Alfen’s revenue and profits.

To mitigate this risk, Alfen maintains a balanced revenue mix between EV Charging, Smart Grid Solutions and Energy Storage Systems. Within Smart Grid Solutions, Enexis and Alliander represent a significant portion of the Smart Grid Solutions business line. Alfen applies a structured approach to tenders in the market, supported by multi-disciplinary tender teams, to strengthen its ability to win new business and reduce dependency on individual customers.

Government incentives and policy dependency risk

Alfen operates in markets that are dependent on governmental incentives with regards to the energy transition. Changes in political priorities or policies could adversely effect or delay revenues, profitability and cash flows.

Macro-economic conditions, political priorities or policies and changes in the regulatory environment may impact the wider economy and Alfen's end markets. Such developments could lead businesses in these markets to reduce their capital expenditures in response to an uncertain investment climate. This may result in lower order intake for Alfen and could materially impact revenue, platform specific inventory, profits and cash flows.

To mitigate this risk, Alfen is continuously diversifying its customer base and maintains a balanced revenue mix across its three business lines. Furthermore, Alfen operates in markets driven by the long-term energy transition, which is expected to experience sustained growth over time, providing resilience against short-term macro-economic and regulatory fluctuations.

Operational risks

Project execution and delivery risk

Failure to adequately manage customer projects and delivery schedules, may result in additional costs, claims or penalties and could adversely affect or delay revenues, profitability and cash flows.

Alfen generates part of its business by participating in projects to install its products, systems and solutions. Alfen may not always be able to execute these projects or deliver its project management services in line with initial planning. Furthermore, projects may be subject to delays resulting from circumstances beyond Alfen's control. Delays in project execution and delivery could lead to penalties and result in deferred revenue recognition and adversely affect profitability and cash flows, particularly in our Energy Storage business line. Alfen mitigates this risk by continuously professionalising its project management and supply chain management functions and strengthening the interrelation between these two. This includes recurring Sales and Operations Planning (S&OP) meetings, where project management together and supply chain management jointly identify bottlenecks and set priorities to ensure timely and efficient project execution.

Supply chain and sourcing risk

Alfen relies on third-party suppliers for the delivery of raw materials and components. Disruptions in supply could adversely affect or delay production, project execution, revenues and profitability. This risk is heightened by the current global environment, including geopolitical tensions, potential import restrictions or tariffs and climate-related regulatory initiatives.

Alfen’s production and assembly processes rely on the timely availability of raw materials, components and finished goods from third-party suppliers. Alfen obtains a significant portion of its processed raw materials from a limited number of international key suppliers.

If any supplier fails to meet its obligations under purchase orders or supply agreements, Alfen may be forced to pay higher prices, pay project delay penalties, switch suppliers or may not be able to find suitable alternatives at all. This risk is particularly significant for concrete and battery supplies. Supply interruptions could lead to interruptions of Alfen’s production process at one or more production facilities.

The supply of batteries poses an additional risk due to the rapidly developing market for energy storage projects, including the current global situation with geopolitical tension and climate change initiative, that puts significant pressure on the production and supply capacities of a relatively small number of global battery suppliers. Supply shortages could prevent Alfen from fulfilling customer orders on time, in the required quantities, or at competitive prices. This could potentially result in damage claims, order cancellations, decreased sales, loss of market share and reputational damage.

To mitigate this risk, Alfen seeks to have multiple interchangeable suppliers for key purchases and maintains continuous dialogue with its key suppliers to address potential supply chain challenges. Alfen seeks to jointly address them and return to normal course of business as quickly as possible. In case of disruptions, Alfen may temporarily increase stock levels, make prepayments to secure components or adjust working procedures. In case of structural supply issues, Alfen has in-house capabilities to adapt product designs and configurations to develop alternative solutions.

IT systems disruption risk

Disruptions or failures in Alfen’s IT systems may lead to business interruptions, loss of (confidential) data or reputation damage.

Alfen relies on its IT systems to support operations, interface with customers (for example through its webshop) and to maintain financial records. In addition, Alfen develops and supplies software to customers, making IT reliability crucial to its business model. Failures or interruptions in IT systems could disrupt operations and lead to increased costs. Furthermore, Alfen’s computer systems, including back-up systems, could be damaged, hacked or interrupted which could impair its ability to effectively and timely deliver products, systems, solutions and services. Such incidents could also damage Alfen’s reputation.

To mitigate this risk, Alfen has appropriate security monitoring tools that provide threat detection, network monitoring enabling it to identify and respond to threats quickly. Alfen prioritises contingency planning involving strategies to safeguard business continuity and data integrity.

In addition, Alfen has IT security policies and sufficient resources in place to manage IT-related risks. As such, Alfen further strengthened the IT department and continues to do so going forward. To reduce risks related to privacy related information and data protection, Alfen has implemented several measures.

Cybersecurity risk

Security breaches of Alfen’s IT systems, including security of its products, by third parties could result in the misuse or unauthorised access of systems and data, and may have an adverse effect on its operations, reputation and business performance.

Alfen’s business activities are increasingly conducted online, utilising collaborative software and cloud-based data solutions, with IT systems accessible remotely to enable efficient operations. Furthermore, Alfen's smart energy solutions are increasingly connected to the internet of things to allow remote monitoring and operation of its products and services. These developments increase exposure to cybersecurity risks. Third parties may attempt to breach security and gain unauthorised access to Alfen’s IT systems and/or products, potentially hijacking or misusing sensitive information or company assets. Such incidents could impair Alfen’s ability to effectively and timely conduct its business and could damage Alfen’s reputation.

To mitigate this risk, Alfen uses cloud-based solutions for its own IT systems from suppliers with proven and continuously updated security protocols. To further reduce risks related to privacy and date protection, Alfen has implemented several measures and maintains a cyber-security insurance policy. Additionally, Alfen has adopted an information security policy to safeguard and secure remote communication and operation of its products and services. For this purpose, Alfen is certified under ISO 27001.

Compliance risks

Product warranty and litigation risk

Alfen is exposed to risks related to product liability, warranties and other potential legal or financial claims that could adversely affect its operations, financial position or reputation.

In the ordinary course of business, Alfen is exposed to product liability, warranty and recall claims and any other potential legal or financial claims that might lead to higher costs and/or reputational damage.

Furthermore, Alfen may become subject to proceedings alleging violations of due care or safety provisions, as well as claims arising from breaches of contract or fines imposed by government or regulatory authorities. These risks are particularly relevant given Alfen's customised and semi-customised products, systems and solutions.

To mitigate this risk, Alfen aims to establish back-to-back agreements with its suppliers. Throughout the design and production phases, quality assurance is an integral part of Alfen’s processes, ensuring continuous focus on product quality. Furthermore, Alfen leverages performance insights from its integrated service offering to continuously improve its products and services.

Multi-jurisdictional compliance risk

Alfen operates across multiple jurisdictions and must comply with the applicable laws and regulations across each of these. Managing compliance across these jurisdictions carries inherent risks, particularly as statutory requirements become increasingly stringent and may result in legal, financial or reputational consequences.

Alfen is subject to numerous regulations across multiple jurisdictions, which are becoming increasingly stringent. Alfen’s products and business operations are subject to a broad range of local, national and international laws and regulations. Amendments or revisions to such laws and regulations may require changes to Alfen’s product designs or production processes and may lead to additional costs or failure to comply.

To mitigate this risk, Alfen strictly monitors product quality and compliance with relevant safety and quality certifications by its Quality department. Additionally, Alfen manages regulatory compliance

through established policies and (as appropriate) external expert (legal) oversight. To further enhance safety awareness and accreditations, Alfen uses its in-house education centre to train employees.

Sustainability risks

Sustainable operations risk

Alfen is a manufacturing company using a variety of materials and components in its solutions and with a global supply chain. Capital goods are energy-intensive to manufacture across the value chain. Failure to conduct business in a sustainable manner, could adversely impact the environment and Alfen's reputation.

The environment faces increased pressure, leading to climate change, and action is required to mitigate future negative impacts on our planet. Alfen faces the risk that its strategy and business model may not be fully compatible with the transition to a net-zero economy, which could harm the planet, Alfen's reputation and its competitive advantage. At Alfen, we believe that sustainable development is essential because it integrates economic progress, social equity and environmental stewardship.

To mitigate this risk, Alfen has a plan in place to ensure that its strategy and business model are aligned with the transition to a sustainable economy and the limitation of global warming in line with the Paris Agreement. This includes initiatives to reduce carbon emissions across operations and the value chain, improve energy efficiency and integrate circular economy principles into product design and lifecycle management.

Human capital and organisational capability risk

Alfen operates in rapidly evolving markets, which require continuous adaptation through strategic and commercial initiatives, especially in light of the upcoming transformation. Successful execution of these initiatives and transformation is contingent upon the commitment, skills and capabilities of employees and management. Failure to timely and adequately align workforce capabilities with the evolving needs, could adversely affect the execution and success of these initiatives and transformation, potentially impacting Alfen's performance and strategic objectives.

Alfen’s performance depends on the continued service of senior management and other key personnel. The loss of senior management or other key personnel could affect Alfen's business and prospects.

Alfen’s success depends on attracting, retaining and developing qualified and skilled personnel, particularly technical and engineering staff. Competition for such talent is intense, especially in the Netherlands, where Alfen's headquarters, operations and R&D activities are based. Inability to attract and retain qualified employees may lead to high dependency on existing employees and loss of knowledge. A lack of skilled employees could delay or otherwise adversely impact the achievement of strategic objectives.

Alfen seeks to leverage its increased public profile and widespread interest in the energy transition to attract talent and strives to be recognised as a safe, inspiring and high-quality place to work. Retention and development remain key focus areas. By investing in succession planning and through Alfen’s in-house Academy, Alfen continues to attract talent and incentivises employees to further develop their skills and careers within Alfen.

Occupational health and safety risk

Alfen's production activities, grid integration work and on-site project execution involve working with electrical and heavy equipment. Failure to perform these activities in accordance established health and safety procedures may result in occupational health and safety incidents. Such incidents could cause injury to employees and may adversely affect Alfen's reputation.

Alfen's activities involve working with electrical and heavy equipment, which carries a potential risk for occupational health and safety incidents if not performed according to established procedures.

To mitigate this risk, Alfen is committed to maintaining effective health and safety standards and protocols across the business. To safeguard the health and safety of its employees, Alfen complies with relevant national and international guidelines, standards and policies for health and safety. Where necessary, Alfen implements additional safety measures to ensure safe and responsible operations under exceptional circumstances, as needed.

Risk management process, including fraud and sustainability risks

Alfen maintains and discusses an integrated operational focus dashboard, which includes operational risks (imminent items, with quantified financial impact), watchlist items (items that could lead to financial impact if not properly monitored or managed) and fraud and sustainability risks.

Our annual integrated risk assessment process starts with an initial assessment driven by a multi-disciplinary team comprised of the Finance department, including the CFO, General Counsel and Strategy, IR and Sustainability Manager. New market and/or business developments and the operational focus dashboards are among others, taken into account to identify (new) inherent risks per business line, including fraud, if any, that Alfen is facing or might face in the near future. An evaluation of the appropriate mitigating actions that are already in place or require implementation are part of these discussions and brainstorm sessions.

The individual identified risks on a business line level were assessed on their significance related to the Company as a whole and included in Alfen’s integrated risk assessment document. This risk assessment is presented to and discussed with the Management Board and senior management and was discussed in the Audit Committee meeting on 8 December 2025 and subsequently formally presented and discussed in the Supervisory Board meeting of 9 December 2025.

Risk management and control systems

Management Board's responsibility and approach towards risk management

The Management Board is responsible for maintaining a comprehensive risk management and internal control system that is aligned with the risks associated with Alfen’s strategy and business activities and for regularly reviewing and monitoring its effectiveness. The risk management and control system is embedded in Alfen’s business practices to ensure that strategic, operational and other risks and uncertainties that could materially affect Alfen’s business and day-to-day operations, are properly managed. Relevant risks and uncertainties are evaluated on a periodic basis by the Management

Board and senior management and discussed with the Supervisory Board.

The Management Board believes that effective begins with setting the right mindset (‘tone at the top’), assigning clear responsibilities, and establishing appropriate day-to-day procedures for all employees.

Alfen's corporate culture is also an important control to mitigate risks and fraud.

During 2025, Alfen continued to support its corporate culture and other foundations of its risk management and control systems with its Code of Conduct, Whistleblower policy, Insider Trading policy, safety and quality certifications, periodic reports and meetings. In addition, the company uses the Alfen Integrated Management System (“AIM”), in which our business processes, as well as our day-to-day working procedures are formally documented in one central system.

Refer to the Corporate Governance section for the statement by the Management Board with regards to the Corporate Governance Code 1.4.3.

Management Board's responsibility and approach towards fraud

The Management Board is responsible for ensuring that the risk management and internal control system is embedded in Alfen’s business practices, including measures to prevent and detect fraud. This involves designing and implementing appropriate group-wide programs and controls to identify, assess and mitigate inherent fraud risks and creating awareness and maintaining a culture that addresses fraud incentives and associated risks.

Creating awareness and attitude towards fraud (‘tone at the top’) begins with the Management Board and senior management leading by example and promoting a culture of honesty and ethical behaviour, further reinforced through compliance training. This culture is further formally enforced through Alfen’s Code of Conduct, the Whistleblower policy, the Insider Trading policy and the annual fraud risk assessment process, including assessment of mitigating (anti-fraud) controls.

Code of Conduct

Alfen has a Code of Conduct that applies to all employees, which is further explained in the

governance section of the information of the Sustainability statement.

Whistleblower policy

Alfen employees are offered the opportunity to report irregularities or suspicions to violations of the Code of Conduct, which is further explained in the governance section of the information of the Sustainability statement.

Insider Trading policy

Alfen has an Insider Trading policy, which is further explained in the governance section of the information of the Sustainability statement.

Safety and quality certifications

Alfen has been awarded several ISO certifications and possesses other relevant safety and quality certificates. The quality of Alfen’s products and compliance to relevant safety and quality certificates is strictly monitored by the Quality department.

Corporate Governance



General

Alfen’s governance framework is based on the statutory requirements applicable to public limited liability companies in the Netherlands. It incorporates the principles and best practice provisions of the Dutch Corporate Governance Code, as most recently updated in March 2025, as well as Alfen’s articles of association, last amended on 11 April 2024.

Key topics addressed in the Corporate Governance Code are reflected throughout this Annual Report. Alfen’s articles of association, together with related policies such as the Supervisory Board terms of reference and the Supervisory Board committee terms of reference, form the foundation for Alfen’s governance and decision-making processes. This framework ensures a prudent and transparent system of checks and balances.

Alfen’s articles of association, the Supervisory Board terms of reference, the Supervisory Board committee terms of reference and additional information on corporate governance are available on Alfen’s corporate website at www.alfen.com.

Alfen N.V.

Alfen N.V. is a publicly limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its statutory seat in Amsterdam and its offices at Hefbrugweg 79, 1332 AM Almere, the Netherlands. Alfen N.V. is registered with the Dutch Chamber of Commerce under number 64462846. Details regarding Alfen’s share capital are set out in the section Capital structure.

Alfen, as the ultimate parent company, directly holds all shares in Alfen B.V., Alfen ICU B.V., Alfen Projects B.V. and Alfen International B.V., and indirectly holds all shares in Alfen België BV and Alfen Elkamo Oy Ab. Alfen has established a works council. Alfen N.V., Alfen B.V. and Alfen ICU B.V. meet the three criteria as set out in article 2:263 (2) of the Dutch Civil Code for the application of the large company regime (*structuurregime*).

Two-tier governance structure

This section provides an overview of the information relating to the Management Board, the Supervisory Board and the General Meeting of Shareholders. Alfen N.V. operates under a two-tier board structure, consisting of a Management Board and a Supervisory Board. The Management Board is responsible for the management and continuity of Alfen and Alfen’s strategy for sustainable long-term value creation. The Management Board and the Supervisory Board are jointly responsible for Alfen’s governance framework.

Management Board

The Management Board, comprising the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and, until March 2025, the Chief Commercial Officer (CCO), is responsible for the management and continuity of Alfen, including the determination and implementation of its strategy for sustainable long-term value creation, as well as its objectives, results and policies. In performing its duties, the Management Board considers the impact of Alfen and its affiliated enterprises on people and the environment, while appropriately balancing the interests of its stakeholders.

A key responsibility of the Management Board is to develop and maintain a culture that prioritises safety and sustainable long-term value creation. Establishing and maintaining a strong company culture is crucial for mitigating the risk of misconduct and irregularities.

The Management Board is accountable to the Supervisory Board and the General Meeting of Shareholders. Certain key decisions require the prior approval of the Supervisory Board.

The articles of association of Alfen provide that the Management Board shall consist of at least two members, with the Supervisory Board determining the total number of Management Board members.

Members of the Management Board are appointed by the Supervisory Board. The Supervisory Board is required to inform the General Meeting of Shareholders of any intended appointment of a Management Board member. In accordance with provision 2.2.1 of the Corporate Governance Code, all Management Board members are appointed for a maximum term of four years and may be reappointed for successive terms of no more than four years each. The selection process reflects the diversity objectives set out in Alfen’s Diversity and Inclusion Policy, which is available on the corporate website at www.alfen.com.

A member of the Management Board may be dismissed by the Supervisory Board following consultation with the General Meeting of Shareholders regarding the intended dismissal. A member of the Management Board may be suspended by the Supervisory Board at any time.

Members of the Management Board comply with statutory requirements regarding the number of supervisory or non-executive positions they may hold in large enterprises.

A Management Board member refrains from participating in the deliberation and decision-making process on any matter in which they have a personal interest that conflicts with the interests of Alfen. In the event of a conflict of interest, the Management Board member is obliged to promptly report it to the Chairman of the Supervisory Board. Transactions involving such conflicts require the approval of the Supervisory Board. In 2025, there were no transactions in which a conflict of interest with a Management Board member arose. Alfen maintains a policy of not providing loans or guarantees to members of the Management Board.

The Management Board provides the Supervisory Board with all information necessary for the proper performance of its duties and consults with it on all material matters. In 2025, key topics discussed included Alfen’s strategic policy and review, general and financial risks, executive succession planning and key positions, financing, the 2026 budget, audit assessments, risk management and control systems, as well as health, safety and quality matters.

Two Managing Directors are jointly authorised to represent Alfen N.V. Under the articles of association, the Management Board may grant powers of attorney or other forms of authority to represent Alfen N.V.

Members of the Management Board

In 2025, the Management Board comprised the following members:

Name	Year of birth and nationality	Position	Member since	End of term
Mr. M. Roeleveld	1962 - Dutch	(former) CEO	1/11/2015	1/11/2025*
Mr. M. Colijn	1973 - Dutch	CEO	1/11/2025	31/10/2029
Mr. O. Krap	1965 - Dutch	CFO	1/1/2025	31/12/2028
Ms. M.K. Lesh	1978 - American	(former) CCO	7/4/2022	11/3/2025**
* Expiry as member of the Management Board (statutair bestuurder) 1 November 2025 and expiry management agreement 31 December 2025				
** Expiry as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025.				

Executive Committee

The Executive Committee comprises the members of the Management Board, and other executives responsible for executing specific aspects of Alfen’s strategy for sustainable long-term value creation, as well as achieving its objectives, results, and policies. In 2025, the Executive Committee included the Chief Operations Officer (COO) and the Chief Human Resource Officer (CHRO).

The Management Board determines the number of members of the Executive Committee in consultation with the Supervisory Board. Appointment and dismissal of Executive Committee members who are not part of the Management Board are carried out by the Management Board, following consultation with the Supervisory Board. In appointing members to the Executive Committee, the diversity objectives set out in Alfen’s Diversity and Inclusion Policy are taken into account.

The Executive Committee meets regularly to discuss key operational and strategic matters. Members of the Executive Committee who are not part of the Management Board are invited to attend Supervisory Board meetings at regular intervals as appropriate.

Supervisory Board

The Supervisory Board is responsible for supervising and advising the Management Board in the execution of its duties, as well as overseeing the overall development and performance of Alfen. In fulfilling its role, the Supervisory Board prioritises the interests of Alfen and its stakeholders, focusing on areas such as the effectiveness of Alfen’s risk management and internal control systems, and the integrity and quality of financial and sustainability reporting. Certain key decisions of the Management Board, as set out in the Dutch Civil Code, the articles of association, and the Supervisory Board and Management Board terms of reference, require the prior approval of the Supervisory Board.

The composition of the Supervisory Board is designed to ensure that its members can act critically and independently. Each member possesses the expertise, experience, and background necessary to fulfil their role, in line with the Supervisory Board’s profile and the diversity objectives set out in Alfen’s Diversity and Inclusion Policy. Both the profile and the

Diversity and Inclusion Policy are available on the corporate website at www.alfen.com.

The Supervisory Board shall consist of a minimum of three members, with the exact number of Supervisory Board members to be determined by the Supervisory Board itself.

The Supervisory Board has prepared a profile outlining its size and composition, considering Alfen’s activities, the desired expertise and backgrounds of its members, independence, and diversity. The Supervisory Board profile, is available on the corporate website at www.alfen.com.

Members of the Supervisory Board are appointed by the General Meeting of Shareholders on a nomination of the Supervisory Board. The Supervisory Board must simultaneously inform the General Meeting of Shareholders and the works council of the proposed nomination. A resolution of the General Meeting of Shareholders to appoint a Supervisory Board member requires a majority of the votes cast. The Supervisory Board may suspend a Supervisory Board member and the General Meeting of Shareholders can, by an absolute majority of the votes cast, representing at least one third of the issued capital, resolve to revoke its confidence in the Supervisory Board. The Commercial Division of the Amsterdam Court of Appeal may – upon a request thereto – remove a Supervisory Board member.

The Supervisory Board elects a Chair from among its members. The Chair presides over Supervisory Board meetings, ensuring their effective functioning and that of its committees, and facilitates communication between the Supervisory Board, the Management Board, and the General Meeting of Shareholders. Regular contact is maintained between the Chair of the Supervisory Board and the CEO regarding matters within the Supervisory Board’s remit, and between the Chair of the Audit Committee and the CFO concerning Audit Committee responsibilities.

Supervisory Board members step down according to a rotation schedule. Members whose term expires may be reappointed, taking into account their performance, the diversity objectives in Alfen’s Diversity and Inclusion Policy, and best practice provision 2.2.2 of the Corporate Governance Code regarding appointment and reappointment periods.

New members of the Supervisory Board undertake a structured introduction program to familiarise them

with Alfen, its business activities, and internal procedures essential for their duties.

Regular Supervisory Board meetings include the Management Board members and, periodically, as appropriate, the Executive Committee members, while independent Supervisory Board meetings are held without Management Board members. The Company Secretary supports the Supervisory Board by ensuring compliance with statutory and governance requirements and facilitating communication with the Management Board members. Additional details are set out in the Supervisory Board terms of reference, which can be found on the corporate website at www.alfen.com.

The Supervisory Board has two committees, the Audit Committee and the HR Committee, which prepare decision-making for the Supervisory Board. The committee terms of reference are available on the corporate website at www.alfen.com.

The Supervisory Board conducts an annual evaluation of its own performance, that of its committees, and individual members. Results are discussed internally, and the Chair informs the Management Board members as appropriate.

Supervisory Board members do not receive shares or share rights as remuneration, and Alfen does not grant them loans or guarantees. Members do not participate in decisions where they have a personal conflict of interest. No conflicts of interest occurred in 2025.

Committees of the Supervisory Board

Audit Committee
The Audit Committee advises the Supervisory Board and prepares its decision-making, with a focus on matters relating to Alfen’s financing, financial and sustainability reporting, and the integrity and quality of both financial and non-financial information. It also oversees the effectiveness of internal controls and risk management, and reviews and monitors the independence of the external auditor.

HR Committee

The HR Committee is primarily responsible for overseeing the selection and preparation for the appointment of members of the Management Board and the Supervisory Board, developing and presenting clear and comprehensive proposals for the remuneration policy of the Management Board and Supervisory Board, including recommendations regarding the remuneration of individual

Management Board members, and addressing human capital–related matters in support of Alfen’s long-term and sustainable value creation strategy.

Additional information on the committees of the Supervisory Board and their activities during the year under review is provided in the Report of the Supervisory Board on page 63 of this Annual Report.

Members of the Supervisory Board

The Supervisory Board comprises four independent members, as defined by the Dutch Corporate Governance Code. Each member adheres to statutory requirements regarding the permitted number of supervisory or non-executive positions in large enterprises.

In 2025, the Supervisory Board comprised the following members:

Name	Year of birth and nationality	Position	Member since	End of term
Mr. H. ten Hove	1952 - Dutch	Chair - Member HR Committee	22/3/2018	AGM 2026
Mr. W.W.M. Ackermans	1955 - Dutch	Vice-Chair - Chair Audit Committee	6/7/2020	AGM 2028
Ms. J.W. van der Vlist	1964 - Dutch	Member - Chair HR Committee	21/11/2022	AGM 2027
Ms. M. Anhalt	1970 - Bulgarian	Member - Member Audit Committee	19/9/2023	AGM 2027

Mr. H. ten Hove (born 1952, Dutch) has served as member and Chair of the Supervisory Board since 22 March 2018. He was a member of the supervisory board of the publicly listed company Kendrion N.V. from 2013 to 2021, during which he also served as Chair. Since 2024, he has been a member of the Supervisory Board of Unica. In addition, he serves as Chairman of the foundation holding the shares in the BDR Thermea Group.

Mr. W.W.M. Ackermans (born 1955, Dutch) has been a member of the Supervisory Board since 6 July 2020. He currently also serves as a member of the investment committee of FSFE Fûns Skjinne Fryske Enerzjy, Chair of the supervisory board of GBM Works and member of the board of Norges Bank Investment Management for the Offshore Wind Project Borssele I+II.

Ms. J.W. van der Vlist (born 1964, Dutch) has been a member of the Supervisory Board since 21 November 2022. She currently also serves as a non-executive director of DPG Media Group and member of the

supervisory board of DPG Nederland, as vice-Chair of the supervisory board and Chair of the remuneration committee and member of the audit committee of BDR Thermea, and as Chair of the supervisory board of Holland Colours N.V.

Ms. M. Anhalt (born 1970, Bulgarian) has been a member of the Supervisory Board since 19 September 2023. Since January 2021, she serves as Chief Executive Officer of Elektrobit GmbH, a global vendor of software and services for the mobility ecosystem, powering approximately one billion devices in more than 100 million vehicles, and headquartered in Erlangen. In addition, she serves as Chair of the board of the joint venture e.solutions, which was established by Elektrobit and Audi and is currently a subsidiary of Volkswagen AG, with Elektrobit remaining the majority shareholder.

The composition of the Supervisory Board complies with the statutory requirements of the Dutch Gender Balance Act.

Supervisory Board members do not receive shares or rights to acquire shares in Alfen as part of their remuneration, nor do they hold any shares in Alfen.

Related party transactions

All legal entities that can control, jointly control, or significantly influence Alfen, as well as entities over which Alfen can exercise control, joint control, or significant influence, are considered related parties. In addition, Management Board and Supervisory Board members, along with their close relatives, are regarded as related parties.

All intercompany transactions are conducted on an arm’s length basis.

In 2025, the following transactions were carried out with related parties:

- Key management compensation
- Share-based payments
- Remuneration of the Management Board and the Supervisory Board

Share-based incentive plans

The Management Board recognises that Alfen’s key employees are critical to executing Alfen’s strategic objectives and driving sustainable long-term value. To appropriately support retention and align employee interests with Alfen’s performance, Alfen implemented a long-term share-based incentive plan

(LTIP) on 4 October 2018 for a select group of employees.

The seventh annual grant under this share-based incentive plan was made on 1 January 2025 and comprises a total of 54,861 (2024: 17,189) ordinary shares, granted at no consideration.

The conditional rights to acquire existing ordinary shares will become exercisable four years after the grant date, provided that the relevant Alfen employee remains employed by the company on that date (with certain provisions for exceptional circumstances, such as the employee’s death). Apart from this service-based vesting condition, no other vesting requirements apply under the LTIP.

None of the outstanding rights related to the LTIP are exercisable at 31 December 2025. The fourth grant under the plan made at 1 January 2022 will be exercisable at 2 January 2026.

In accordance with best practice principle 2.7 of the Corporate Governance Code, the transactions which were carried out with related parties, with who conflicts of interest should be prevented, are also set out in Note 30 in the Consolidated Financial Statements.

General meeting of shareholders

Alfen convenes a shareholder meeting at least once a year. Meetings may be convened by the Management Board and/or the Supervisory Board. Meetings must be held in Almere or Amsterdam, each in the Netherlands.

Shareholders jointly representing at least 10% of Alfen’s issued share capital may also request a meeting, subject to authorisation by the competent Dutch court. Shareholders holding at least 3% of the issued share capital have the right to propose items for inclusion on the agenda. In principle, Alfen will include such items if it receives a substantiated proposal, clearly stating the item to be discussed or a draft resolution, in writing, at least 60 days prior to the meeting date. Each shareholder is entitled to attend meetings in person or be represented by written proxy and may exercise voting rights in accordance with the articles of association.

Each outstanding share entitles the holder to one vote. Resolutions are adopted by absolute majority of the votes cast, unless the articles of association or applicable law provide otherwise. Shareholders representing 15.55% (2024: 55.83%) of the total number of shares entitled to vote were present or

represented at the annual General Meeting of Shareholders held on 8 April 2025.

The General Meeting of Shareholders, or the Management Board if authorised by the General Meeting of Shareholders and with the approval of the Supervisory Board, may resolve to issue shares and/or grant rights to subscribe for shares, and to limit or exclude pre-emptive rights. At the 2025 annual General Meeting of Shareholders, the shareholders delegated this authority to the Management Board for a period of 18 months from 8 April 2025 (i.e. until 8 October 2026), subject to the approval of the Supervisory Board, to issue shares and/or grant rights to subscribe for shares, and to limit or exclude pre-emptive rights up to a maximum of 10% of the issued share capital on 8 April 2025. The Management Board did not use this authority in 2025.

The Annual General Meeting or the Management Board with approval of the Supervisory Board may further cause Alfen to (re)purchase own shares. At the 2025 annual General Meeting of Shareholders, the shareholders delegated this authority to the Management Board subject to the approval of the Supervisory Board up to a maximum of 10% of the issued share capital on the date of the 2025 annual General Meeting of Shareholders for a period of 18 months from 8 April 2025, i.e. up to and including 8 October, 2026. The Management Board did not use this authority in 2025.

Further information on the authority of the General Meeting of Shareholders and the articles of association is available on Alfen’s corporate website.

Special provisions relating to shares

Unless indicated otherwise, there are no restrictions on the transfer of shares, the exercise of voting rights or the term for exercising those rights, and there are no special controlling rights attached to shares.

Stakeholder engagement

In 2023, Alfen adopted its Stakeholder (Dialogue) Policy and commenced stakeholder engagement reporting in the Annual Report. Further details on Alfen’s stakeholder engagement are provided in the General Information section of the Sustainability Statement.

Diversity

Diversity and inclusion are key priorities for Alfen. In line with the Diversity Act and the Corporate

Governance Code, Alfen has adopted a Diversity and Inclusion Policy, which is available on the corporate website. Alfen has also set appropriate targets to achieve a balanced representation of men and women on the Management Board, the Supervisory Board, and within senior management.

For further information on diversity and inclusion, including specific targets, reference is made to the chapter on Corporate Sustainability Reporting under Social Topics. This section also provides relevant disclosures in accordance with best practice provision 2.1.6 of the Corporate Governance Code.

Deviations from the best practice principles of the Dutch Corporate Governance Code

Unless otherwise stated below, Alfen complies with the best practice principles of the Dutch Corporate Governance Code. Alfen recognises the importance of good corporate governance and aligns with the general principles and the majority of the provisions of the Corporate Governance Code.

In consideration of Alfen’s interests and those of its stakeholders, the company deviates from one best practice principle. Specifically, Alfen deviates from best practice principle 1.3, which calls for the establishment of an independent internal audit function. The Supervisory Board has assessed whether suitable alternative measures are in place, taking into account the recommendation of the Audit Committee. Both the Audit Committee and the Supervisory Board have concluded that, given Alfen’s size, the limited number of legal entities, and the centralised processes and internal controls, the absence of an independent internal audit function is justified.

Tax practices

Alfen regards taxation as part of its social responsibility and follows the principle of responsible tax practices whereby the interests of all stakeholders (including customers, shareholders, local governments and communities in the countries in which Alfen operates) are taken into consideration. We strive to comply with the letter and spirit of applicable laws, are guided by relevant international standards and do not use ‘artificial’ structures in tax haven jurisdictions to avoid taxes. The design of the Alfen organisation is based on operational considerations, not on taxation. This means that taxes are paid where factual economic activities are

executed and that transactions should have a business rationale.

Takeover Directive (article 10)

In the context of the EU Takeover Directive (article 10) Decree, the following notifications must be given insofar as they are not included in this Annual Report.

Capital structure

The company's share capital at 31 December 2025 of EUR 2,175,000 is divided into 21,750,000 ordinary shares, fully paid-up, with a par value of EUR 0,1 each. 7,019 treasury shares are held by Alfen. The remainder of the ordinary shares: 21,683,091 are outstanding. Each share confers the right to cast one vote.

Limitations on the transfer of shares

Alfen has not imposed any limitations on the transfer of its shares and therefore there are no outstanding or potential protection measures against a takeover of control of the company. No depositary receipts for shares have been issued with the cooperation of the company.

Substantial holdings

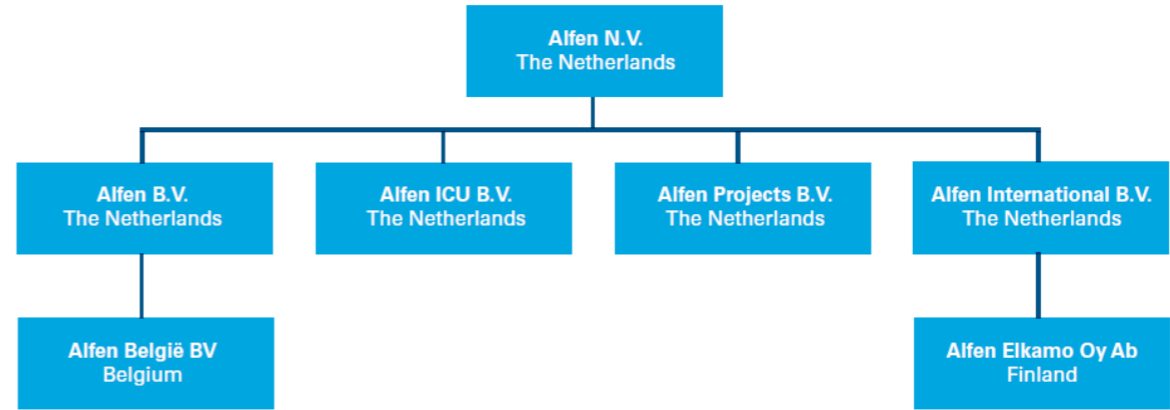
Please refer to the paragraph Major shareholders below.

Special controlling rights

No special controlling rights are attached to the shares in the capital of Alfen.

Material subsidiaries of Alfen

Please refer to the figure below for an overview of the material subsidiaries of Alfen.



Long term incentive plan

Please refer to the paragraph on Related party transactions above.

Limitations on voting rights

Each share confers the right to cast one vote. The voting rights attached to the shares in the company are not restricted, and neither are the terms in which voting rights may be exercised restricted.

Appointment and dismissal of Management Board members and Supervisory Board members and amendment of the articles of association

Please refer to the paragraphs on the Management Board and Supervisory Board above.

The General Meeting of Shareholders may adopt a resolution to amend the articles of association by an absolute majority of the votes cast, but only (i) on a proposal from the Management Board approved by the Supervisory Board, or (ii) in the absence of such a proposal, with the explicit consent of both the Management Board and the Supervisory Board. Any such proposal must be included in the notice convening the General Meeting of Shareholders.

The Management Board's authority to issue shares

Please refer to the paragraph General Meeting of Shareholders above.

Material agreements and changes in control

Alfen’s credit facility agreement includes events of default that are customary for this type of facility, including provisions relating to change of control.

Redundancy agreements in the event of a public takeover bid

Alfen has not entered into any agreements with Management Board members or employees that provide for severance payments in the event of termination of employment in connection with a public offer, as defined in article 5:70 of the Financial Supervision Act.

Major shareholders

Any person holding or acquiring an interest of 3% or more in a Dutch publicly listed company is required, under the Financial Supervision Act (*Wet op het Financieel Toezicht*), to disclose such holdings to the Dutch Authority for the Financial Markets (AFM). These disclosures are recorded in the AFM register and published on the AFM website at www.afm.nl.

The table below lists the major shareholders as at 31 December 2025, as recorded in the AFM register and published on its website.

Shareholder	Capital Interest	Voting Interest	Notification date
Legal & General Investment management Limited	7.27%	7.27%	21 November 2025
Schroders Plc	—%	4.88%	6 March 2024
UBS Group	3.60%	3.60%	29 December 2025
JP Morgan Chase	3.03%	3.03%	26 November 2025
Numeric Investors	3.00%	3.00%	15 December 2025

Dividend policy

Alfen's current dividend policy is to retain all profits until the policy is revised. Accordingly, no dividends are being paid to shareholders at this time.

Financial calendar

Date	Event
10 February 2026	Publication full year results 2025
7 April 2026	Annual General Meeting of Shareholders
12 May 2026	Q1 2026 trading update
18 August 2026	Publication half-year results 2026
3 November 2026	Q3 2026 trading update

The following closed periods apply to transactions, directly or indirectly, involving shares or other financial instruments of Alfen:

- 11 January 2026 - 10 February 2026 until publication Q4 and FY 2025 results
- 12 April 2026 - 12 May 2026 until publication Q1 2026 trading update
- 19 July 2026 - 18 August 2026 until publication Q2 and HY 2026 results
- 4 October 2026 - 3 November 2026 until publication Q3 2026

In accordance with best practice provision 1.4.3. of the Corporate Governance Code, the Management Board states to the best of its knowledge that:

- *the 2025 Management Board Report provides sufficient insights into any deficiency in the effectiveness of the internal risk management and control systems with regard to the risks as referred to in best practice provision 1.2.1;*
- *the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;*
- *these systems provide at least limited assurance that the sustainability reporting is free from material misstatements;*
- *the Management Board is not aware that the internal risk management and control systems do not provide sufficient comfort that the operational and compliance risks identified in section Risk Management of the Report of the Management Board are effectively managed, considering the Company's risk appetite;*
- *based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and*
- *the 2025 Management Board Report includes the material risks as referred to in best practice provision 1.2.1. and the uncertainties, to the extent that they are relevant for the company's continuity for the period of twelve months after the preparation of the 2025 Management Board Report.*

As required by the relevant statutory provisions, the Management Board hereby declares that to the best of its knowledge:

- *the 2025 Management Board Report provides a true and fair view of the position of Alfen and its subsidiaries included in the consolidation on the reporting date and of the course of their affairs during the financial year. The 2025 Management Board Report provides information on any material risks to which Alfen is exposed; and*
- *the Consolidated Financial Statements as at and for the year ended 31 December 2025, give a true and fair view of the assets, liabilities, financial position and result of the financial year of Alfen and its subsidiaries included in the consolidation as a whole.*

Almere, 10 February 2026

Management Board

Mr. M. Colijn (CEO),

Mr. O. Krap (CFO)

A woman with long blonde hair, wearing a blue t-shirt with the Alfen logo and dark blue overalls, is working in a factory. She is holding a tool and working on a piece of machinery. The background shows industrial equipment and shelves. The text "Report of the Supervisory Board" is overlaid in large white letters.

Report of the Supervisory Board



Report of the Supervisory Board

Reflecting on a year of change and transition, with a confident outlook with a new CEO

Looking back on 2025

The year 2025 proved demanding, marked by a series of rapidly evolving developments, both in Alfen's operating markets and within the Management Board. Changes at the Management Board level were driven primarily by strategic and business considerations, while the departure of Mr. Roeleveld in October 2025 was influenced by personal considerations.

Performance in 2025

Ongoing delays in the energy transition affected Alfen's business lines. In Smart Grid Solutions (SGS), private customers were impacted by grid congestion, as Dutch grid operators faced installation and regulatory capacity constraints caused by labour shortages and nitrogen-related permitting issues. Simultaneously, the slowdown of European emissions reduction targets for automotive OEMs impacted EV adoption, affecting demand for EV charging across the EV Charging (EVC) segments. Competition in the home segment also intensified.

These and other developments contributed to persistently challenging market conditions, resulting in a downward revision of the revenue guidance in Q1 2025 from EUR 445–505 million to EUR 430–480 million.

Despite these challenges, Alfen launched its new generation chargers in November 2025. Energy Storage Systems (ESS) performed in line with revenue expectations. Notably, in April 2025, Alfen secured its largest ESS contract to date—a 100 MW/200 MWh system for Return Energy, to be connected to the Dutch transmission grid.

Strategic focus and Management Board changes

The strategic review initiated in 2024 led to a sharper focus on selected core markets, indicating a slower pace of European growth. This review also triggered changes to the composition of the Management Board. Early 2025, it was determined that a different approach to commercial leadership was required to lead Alfen through its next phase. As a result, Ms. Lesh, who had led the commercial and business development teams across all three business lines,

stepped down at the end of March 2025. Given her ambitions Ms. Lesh decided to pursue new opportunities outside Alfen.

In July 2025, Mr. Roeleveld, Alfen's long-standing CEO and driving force behind Alfen's successful listing on the Amsterdam Stock Exchange in 2018, decided to retire early for health reasons. After a solid and comprehensive search process, Mr. Michael Colijn was recruited as a suitable successor. The transition from Mr. Roeleveld to Mr. Colijn was effortless and professionally managed.

The Supervisory Board expresses its deep gratitude and respect for Mr. Roeleveld's contributions to Alfen and for his leadership in positioning Alfen at the heart of the energy transition. Through his commitment and strong technical and market expertise, he has played an important role in strengthening Alfen's foundation and supporting its growth and long-term ambitions. The Supervisory Board thanks him for his dedication and acknowledges the lasting impact of his leadership on Alfen.

In addition to changes in the composition of the Management Board, steps were taken to identify a successor for Mr. Ten Hove, whose second term expires in 2026. In June 2025, the intention was announced to nominate Mr. M. Roef for appointment to Alfen's Supervisory Board for a four-year term. The nomination will be submitted to the General Meeting of Shareholders for approval at the Annual General Meeting in April 2026.

Outlook

Despite his short tenure during the final months of 2025, Mr. Colijn's leadership has already strengthened Alfen's focus on safety, quality, and commercial and sales excellence, leading to clearer priorities and improved execution across the organisation. The Supervisory Board is confident that, under Mr. Colijn's leadership, Alfen will continue to advance its strategic direction, maintain its market leadership, and create long-term sustainable value for all stakeholders, including employees, customers, and suppliers.

For 2025, the Supervisory Board identified 4 key areas of focus with the following status:

- **Monitoring the progress of implementation conclusions of strategic review**

The effective and timely implementation of the strategic review's outcomes at the end of 2024 is essential for ensuring its success. The significant

restructuring initiated during this period, which included redundancies, required careful monitoring and active engagement with remaining employees. The reorganisation was executed quickly and efficiently. Strategic changes resulting from the strategic review, particularly for EVC and ESS were implemented, albeit with some delay, reflecting the complexity of these initiatives.

- **Monitoring trends and enhancement of sales effectiveness in key markets**

During the year under review, the Supervisory Board continued to prioritise monitoring trends and enhancing sales effectiveness in key markets. A thorough understanding of market developments and the ability to respond appropriately remain critical, particularly in an environment of intensifying competition. During 2025, the Supervisory Board gained deeper insights into developments in key markets and observed increased competitive pressures from multiple directions, emphasising the necessity for ongoing focused and proactive measures to strengthen the Alfen’s position and drive sustainable growth.

- **Monitoring the transformation in the R&D organisation**

In 2025, the Supervisory Board continued to monitor the transformation of the R&D organisation. The focus remained on increasing output and further reducing lead times. While improvements have been made, further progress is ongoing to fully realise the organisation’s potential.

- **Monitoring CSRD maturity**

Efforts have been undertaken for an effective CSRD reporting framework. Reporting structures are now in place, and progress is regularly monitored to ensure compliance and continual improvement.

Key focus areas for 2026

In 2026, the Supervisory Board will focus in particular on the following topics:

- **Monitoring implementation of mid-term plan**

Following the strategic choices defining where Alfen aims to compete, successful execution remains critical. The Supervisory Board will closely monitor progress, ensuring that Alfen not only maintains its existing customer base but also explores new opportunities.

- **Transition of the Chair of the Supervisory Board**

Since mid-2025, Mr. Roef has attended Supervisory Board meetings as a guest, using this period to undergo an extensive introduction program in preparation for his proposed appointment by the General Meeting of Shareholders in April 2026. The Supervisory Board will continue to assess the working relationship between the Chair, the Supervisory Board, and Management Board, and evaluate ways of working on a regular basis.

- **Monitoring organisational and personnel impacts during challenging periods**

The Supervisory Board will continue to focus on maintaining an engaged and qualified workforce, carefully monitoring organisational and personnel impacts during challenging periods.

Responsibility and composition

The Supervisory Board plays a key role in providing oversight, assessing progress and performance, maintaining a robust and transparent system of checks and balances, and advising the Management Board where appropriate. Its primary focus is on long-term sustainable value creation in the best interests of Alfen and its stakeholders.

The Supervisory Board consists of four members: Mr. H. ten Hove (Chair), Mr. W. Ackermans (Vice Chair and Chair of the Audit Committee), Ms. J. van der Vlist (Chair of the HR Committee) and Ms. M. Anhalt.

For more information on the Supervisory Board members, please refer to the Corporate Governance section of this Annual Report. The Supervisory Board members operate independently of (a) one another, (b) the Management Board, and (c) other stakeholders. Each member possesses the expertise,

experience, and background necessary to effectively carry out their duties and responsibilities.

All four members of the Supervisory Board are independent as defined by the Dutch Corporate Governance Code. The Supervisory Board confirms that the independence requirements set out in the Corporate Governance Code have been fully met.

The composition of the Supervisory Board reflects balanced gender representation, with two women and two men.

Meetings and attendance

The Supervisory Board held seven regularly scheduled meetings and five extraordinary meetings in 2025. All of these meetings were attended by the Management Board members in office, occasionally joined by members of the Executive Committee. Additionally, pre-scheduled meetings without the Management Board were held before each regular Supervisory Board meeting. The attendance rate for regular scheduled and extraordinary Supervisory Board meetings in 2025 was 100%.

The Chair of the Supervisory Board and the Chair of the Audit Committee conducted regular meetings with the CEO and CFO, respectively. The Supervisory Board also focused on direct interaction with the Executive Committee and other senior management as appropriate.

The agenda for the Supervisory Board meetings covered key areas of focus for 2025 outlined above and standard agenda items routinely addressed each year. These included discussions about operational and financial performance, principal risks associated with operations, fraud and risk management, internal control system, safety, governance and compliance matters and the Annual General Meeting of Shareholders.

The external auditor attended the meeting of the Supervisory Board in February 2025 during which the full-year figures for 2024 were discussed.

The extraordinary Supervisory Board meetings focused on the effects of the reorganisation initiated at the end of 2024, progress in the transformation of the R&D organisation, changes in the composition of the Management Board, and succession planning for both the Supervisory Board and the Management Board.

Evaluation Supervisory Board and the Management Board

Throughout the year, the Supervisory Board prioritised continuous training, staying informed about governance, compliance and relevant sustainability/ESG (reporting) matters.

In 2025, the HR Committee at the instruction of the Supervisory Board, commissioned an evaluation conducted by an independent external consultant. Feedback was obtained from Supervisory Board members, Management Board and Executive Committee members, and the General Counsel through in-depth interviews and a review of key governance documents and performance reports. The assessment reviewed the composition and expertise of the Supervisory Board, time management, the effectiveness and dynamics among members and between the Supervisory Board and Management Board, the allocation of responsibilities between the Supervisory Board and its committees, and the performance of the Chair of the Supervisory Board. During the interviews, participants provided feedback based on key thematic areas.

The evaluation showed that the Supervisory Board demonstrates high engagement, ownership, and commitment, with constructive cooperation among its members and with the Management Board. Effective Supervisory Board only meetings and a proactive Chair contribute positively to board dynamics and decision-making, and the members are valued for their expertise, dedication, and ability to navigate complex organisational dilemmas.

The evaluation confirmed the Supervisory Board’s strengths while providing recommendation and guidance to further support and enhance governance boundaries, strategic oversight, and leadership effectiveness. Leadership transitions have brought both renewal and change, influencing team dynamics. Recommendations encourage continued attention to information management, governance clarity, leadership rhythm, and proactive succession planning.

In Supervisory Board-only meetings, members evaluate the performance of the Management Board and its individual members. Discussions with the Management Board members focused among others on performance, risks, strategic and operational priorities, and personal development.

Audit Committee

The Audit Committee consists of Mr. W. Ackermans (Chair) and Ms. M. Anhalt.

The Audit Committee held five meetings in 2025. Attendance during 2025 was 100%. The CFO and the Director of Finance & Control attended all meetings. The external auditor attended the meetings of the Audit Committee during which the full year annual report 2024, the semi-annual report for 2025, the 2025 audit plan and the management letter were discussed. The Audit Committee met with the external auditor without the CFO.

The Audit Committee advised on and monitored regular matters, including: the company’s financing, quarterly financial results, the half-year and full-year financial statements, the integrity and quality of financial and certain non-financial reporting, the effectiveness of risk management and internal controls and the approach towards internal audit, the external audit plan, (interim) audit findings, annual evaluation of the external auditor.

The Audit Committee informed itself of relevant developments in the field of ESG and associated CSRD reporting requirements, in addition to the regular updates provided by management during the Audit Committee meetings.

As part of the annual assessment of the independent internal audit function, the Audit Committee reviewed the company’s current approach, which does not include an internal audit function. Based on the Audit Committee's recommendation, the Supervisory Board believes the risk management and internal control system adequately meet the company's needs, with appropriate measures in place. Therefore, the Supervisory Board is satisfied with the current approach of not having an internal audit function.

The Audit Committee assessed and reported on the performance and developments in the relationship with the external auditor, taking into account the observations of the Management Board. The Audit Committee noted that the collaboration with the external auditor is strong, the auditor demonstrates independence and expertise, and the team remains stable on all levels, contributing to an efficient and effective audit process. Consequently, the Audit Committee recommended that the Supervisory Board advise the General Meeting of Shareholders to

reappoint PricewaterhouseCoopers Accountants N.V. as external auditor for the financial year 2027.

HR Committee

The HR Committee consists of Ms. J. van der Vlist (Chair) and Mr. H. ten Hove. The HR Committee held four regular meetings, with an attendance rate of 100%. The CEO in office and the CHRO attended all meetings. In addition to the scheduled meetings, there were several informal and ad hoc meetings among the HR Committee members, in some instances together with members of the Management Board and/or the CHRO.

The HR Committee guided and advised on remuneration and human capital matters in support of Alfen’s long-term, sustainable value creation strategy, while also advising on and monitoring routine matters, including:

- **Succession planning**

In view of the upcoming expiry of Mr. Roeleveld’s term of office on the date of the annual General Meeting of Shareholders in 2026, the HR Committee – at the instruction of the Supervisory Board – timely initiated a search process to identify potential suitable successors to Mr. Roeleveld. The HR Committee - together with an executive search agency - developed a role profile, taking into account the ongoing business and operational requirements, as well as the financial position of the company.

Following Mr. Roeleveld’s decision to retire early for health reasons, the HR Committee accelerated the previously initiated search process and advised the Supervisory Board on the selection and nomination of a new CEO.

After careful deliberation, the Supervisory Board unanimously resolved - subject to the appropriate notification to the General Meeting - to appoint Mr. M. Colijn as a member of the Management Board (*statutair bestuurder*) and CEO for a four-year term effective 1 November 2025.

In anticipation of the expiry of Mr. Ten Hove’s second term in 2026, the Chair of the HR Committee - at the instruction of the Supervisory Board - initiated the succession process in a timely manner to identify a suitable successor to Mr. ten Hove. Taking into account the Supervisory Board profile and the diversity objectives set out in the

Diversity and Inclusion Policy, the HR Committee recommended the nomination of Mr. M. Roef for appointment as member of the Supervisory Board for a four-year term and successor to Mr. ten Hove. The proposed nomination will be submitted to the General Meeting of Shareholders for approval at the Annual General Meeting in April 2026.

- **Performance management**

The HR Committee considered and prepared the performance reviews of the members of the Management Board for discussion in the Supervisory Board. The outcome of the performance reviews process was discussed in a Supervisory Board-only meeting.
- **Remuneration policy**

The current Supervisory Board Remuneration Policy was adopted by the General Meeting of Shareholders on 6 April 2023. In 2025, the HR Committee assessed the remuneration arrangements of the members of the Supervisory Board and conducted a comprehensive review, taking into account market benchmarks and stakeholder feedback.

This review resulted in a proposal to update the Supervisory Board’s Remuneration Policy, ensuring continued alignment with best practices. The proposed amendments will be submitted to the General Meeting of Shareholders in April 2026 for approval.
- **Variable remuneration**

The HR Committee agreed on the financial and non-financial target setting for the short-term and long-term variable remuneration of the Management Board and reviewed progress on these performance criteria.

Financial statements and auditor’s opinion

The financial statements 2025, included in this Annual Report, have been audited by PricewaterhouseCoopers Accountants N.V. who have given their unqualified opinion. They have discussed their audit and conclusions in detail with the Supervisory Board.

As a result, the Supervisory Board is of the opinion that the financial statements meet all the necessary requirements for transparency and correctness.

Therefore the Supervisory Board will recommend to the Annual General Meeting of Shareholders, to be held on 7 April 2026, to approve the financial statements.

Related Party Transactions assessment

The transactions which were carried out with related parties are set out in Note 30 in the Consolidated Financial Statements. During Supervisory Board meetings, the Supervisory Board assesses if these related party transactions are concluded in the ordinary course of business and on normal market conditions. The conclusion of the Supervisory Board is that the related party transactions are all concluded at arm’s length in the ordinary course of business.

Result appropriation

Over 2025, Alfen realised a loss of EUR 0.2 million. The proposal to the Annual General Meeting is to recognise this loss in retained earnings. The members of the Supervisory Board have signed the financial statements to comply with their statutory obligation pursuant to article 2:101 (2) of the Dutch Civil Code.

Concluding remarks

With Mr. Michael Colijn as new CEO, Alfen is entering a new era. Alfen is positioned to seize the many opportunities ahead, but must continue to sharpen its approach and enhance effectiveness to respond to recent developments and market challenges. The Supervisory Board is confident that the Management Board will successfully steer Alfen back on track toward sustainable, profitable growth while capitalising on opportunities arising from the energy transition.

We extend our sincere gratitude to our shareholders for their patience, our customers for their loyalty, and our employees for their dedication and contributions throughout the year.

Almere, 10 February 2026

The Supervisory Board
Henk ten Hove (Chairman)
Maria Anhalt
Jeanine van der Vlist
Willem Ackermans

Remuneration report

Chair Letter

Dear Shareholders and other stakeholders,

As Chair of the Supervisory Board's HR Committee, responsible for topics like Selection, Appointment and Remuneration matters, I am pleased to report on the Remuneration Policies and its execution in 2025.

This Remuneration report describes the application of the Remuneration Policy for the Management Board and the actual performance in 2025 against the predefined performance criteria. In addition, the Remuneration report provides an overview of the remuneration of the Supervisory Board in 2025.

Looking back on 2025, it was a demanding year marked by a series of developments following rapid succession, not only in the markets in which Alfen operates, but also in changes to the composition of the Management Board. The latter were predominantly driven by strategic and business considerations and, in the case of the CEO who stepped down in October 2025, by personal considerations.

Business highlights

Ongoing delays in the energy transition impacted Alfen’s business lines. Alfen’s Smart Grid Solutions (SGS) private customers were affected by grid congestion. Dutch grid operators faced installation and regulatory capacity constraints due to labor shortages and nitrogen-related permitting issues. At the same time, the slowdown of European emissions reduction targets for automotive OEMs reduced the pace of EV adoption, which in turn impacted demand for EV charging across EV Charging (EVC) segments. Moreover, competition in the home segment increased considerably. The launch of the new generation Alfen chargers in November 2025 has been a great success and held significant strategic relevance. Energy Storage Systems (ESS) performed in line with the 2025 revenue expectations. In April 2025, Alfen was awarded its largest ESS contract to date by customer Return Energy: a 100 MW/200 MWh system that will be connected to the Dutch transmission grid.

As these and other developments unfolded during the year under review, they contributed to the persistently challenging market conditions, impacting expectations and resulting in a downward revision of the revenue guidance range in Q1 2025 from EUR 445-505 million to EUR 430-480 million.

The strategic review initiated in 2024 resulted in a sharpened focus on selected core markets for the various business lines, indicating the end of the phase of accelerated growth across Europe. The follow-up of the right-sizing that took place in 2024 continued to have the attention of the HR Committee in 2025

Management Board composition

In 2025 there were several changes to the composition of the Management Board.

- Per 1 January 2025 Mr. Krap became statutory CFO after his appointment as interim CFO in 2024.
- In early 2025, Ms. Lesh, who had led the commercial and business development across all three business lines, stepped down from her role at the end of March 2025. The CCO’s responsibilities were predominantly placed with the CEO.
- Regrettably, in mid-2025 Mr. Roeleveld, the long-standing CEO and driving force behind Alfen, who successfully led Alfen to its listing on the Amsterdam Stock Exchange in 2018, decided to retire early and step down from his role by the end of 2025 due to health considerations. Supported by a solid succession planning program and a continued focus on leadership development, a suitable successor was identified in Mr. Colijn, who joined Alfen in October 2025. The transition in leadership from Mr. Roeleveld to Mr. Colijn was smooth and professionally managed. Despite Mr. Colijn’s relatively short tenure, his appointment has already had a positive impact. Colijn’s leadership has strengthened Alfen’s focus on safety, quality, and commercial and sales excellence, contributing to clearer priorities and improved execution across the organization.

The Supervisory Board is confident that under Colijn’s leadership, Alfen’s strategic direction will be further advanced to maintain its position as a market leader and to create long-term sustainable value for all

stakeholders, including employees, customers, and suppliers.

Remuneration highlights

In 2024, the AGM adopted the Remuneration Policy 2024 with 78.87%. Considering the revised reality of Alfen, with a different market, and different outlook, the HR Committee performed an analysis in 2025 of the ongoing validity and relevance of the Remuneration Policy 2024. The conclusion is that albeit Alfen’s new reality, the pay for performance elements as well as the positioning of total direct compensation compared to the Labor Market Reference Group, the policy remains fit for purpose. This is also demonstrated by the outcomes of the short-term and long-term payout levels and absolute amounts as further explained in this report.

As part of this analysis, the HR Committee conducted a review of the Labor Market Reference Group, supported by an external expert in the field of Executive Remuneration. This led to the Supervisory Board’s decision to update the Labor Market Reference Group as follows:

- Acceleron is replaced with Huber+Suhner.
- Varta is replaced with discoverIE Group.

On average, Alfen remains positioned at the lower end in the peer group in terms of scope metrics. The Labor Market Reference Group remains aligned to the remuneration policy ambition to allow room to move towards a median positioning if a profitable growth trajectory is achieved.

Finally, the HR Committee conducted an external benchmark of the statutory CEO and CFO compensation levels. The compensation levels for Alfen’s CEO and CFO remain similarly positioned within the updated Labor Market Reference Group and the Dutch AScX (the latter as secondary reference). This benchmark analysis was used to determine the remuneration as applicable to the new CEO Mr. Colijn.

In this context, and as further explained in this report, the Supervisory Board believes that the reward of the Management Board in 2025 is fair and meets the principle of pay for performance. In this context, and as further explained in this report, the Supervisory Board believes that the reward of the Management Board in 2025 is fair and meets the principle of pay for performance.

Advisory vote remuneration report 2024

The remuneration report 2024 has been discussed with the shareholders and put to the General Meeting of Shareholders for an advisory vote during the annual General Meeting of Shareholders held on 8 April 2025. Of the votes cast, 87.78% (2024: 87.81%) voted in favour of the 2024 remuneration report. Supported by this advisory vote, the Management Board and the Supervisory Board considered that no substantive changes are needed relevant to the application of the Remuneration Policy.

Looking Forward

Despite the challenges, the rapid pace of market developments, and changes within the Management Board, Alfen continues to see significant opportunities ahead.

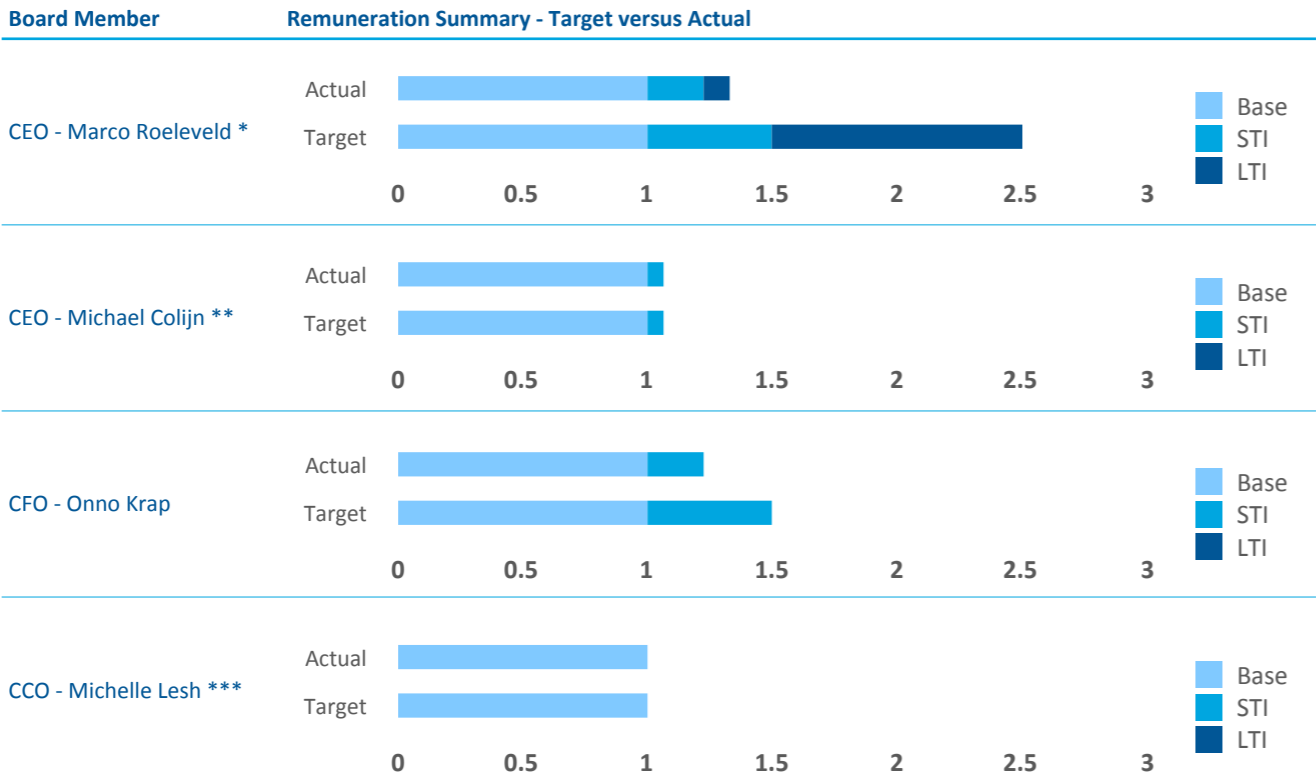
Especially in difficult times, attracting and retaining talent across the board, but specifically at senior and executive level is critical for Alfen's continued success.

To appropriately incentivise the members of the Management Board and to ensure the creation of long-term sustainable value, the Supervisory Board will, in 2026, set appropriate and ambitious financial and non-financial performance targets in accordance with the prevailing Remuneration Policy. In addition, the Supervisory Board will continue to uphold the share ownership guidelines applicable to members of the Management Board under the Remuneration Policy, thereby ensuring sustained alignment between the interests of Alfen, its stakeholders and those of the Management Board.

Jeanine van der Vlist

Chair of the HR Committee

Total Remuneration at a glance



* Expiry term as member of the Management Board (statutair bestuurder) 1 November 2025 and expiry management agreement 31 December 2025.
** M. Colijn commenced the position of non-statutory director on 1 October 2025 and was appointed as a member of the Management Board (statutair bestuurder) effective 1 November 2025.
*** Expiry term as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025. Variable remuneration forfeited as part of early end of term arrangement.

Policy at glance

Remuneration element	Description	Strategic role
Base	Fixed cash payments intend to attract and retain executives of the highest caliber and to reflect their experience and scope of responsibilities.	Rewards performance of day to day activities.
STI	Variable (cash) bonus incentive of which achievement is tied to specific financial and non-financial targets derived from the company's (annual) strategic plan.	The STI allows the company to apply focus on short-term business critical goals and drive behavior.
LTI	Variable equity incentive of which achievement is tied to targets reflecting long-term stakeholder value creation.	This enhances the pay-for-performance narrative and aligns recipients with the shareholder experience.
Pension and other benefits	Pension and benefits offered intend to contribute to the attraction and retention of executives, encourage long-term saving and planning for retirement.	

Elements of remuneration at a glance

The Remuneration Policy for members of the Management Board comprises four main components: a fixed annual base fee, a short-term variable incentive, a long-term variable incentive; and other benefits such as a pension scheme and a mobility allowance or lease budget.

The total remuneration level for the Management Board is positioned below the 25th percentile of the applicable labor market reference group, as defined in the Remuneration Policy. This total remuneration level for members of the Management Board is consistent with the principles of the Remuneration Policy and is considered appropriate in light of Alfen’s size, ambitions, complexity and corporate identity, the internal pay ratios, the geographic scope and industry sector in which Alfen operates, and the reasonable views of relevant stakeholders.

The variable remuneration components increase when performance targets are exceeded and are subject to a maximum payout in accordance with the Remuneration Policy. No variable remuneration is payable if threshold performance targets are not achieved. The Supervisory Board conducts scenario analyses to assess whether the payout levels of the variable remuneration components appropriately reflect performance across a range of possible financial outcomes, including at maximum performance levels.

Fixed remuneration

Base fee
Members of the Management Board receive a fixed base fee within the policy levels set out in the Remuneration Policy. Upon appointment, the level of the base fee is determined by the Supervisory Board, taking into account relevant factors such as the individual’s responsibilities, experience, performance, internal pay ratios, market data and other relevant circumstances.

In addition, the fixed base fee levels are subject to annual indexation. In accordance with the Remuneration Policy, such indexation is set at the lower of the increase in the consumer price index (CBS) and the average salary increase awarded to the wider workforce.

In accordance with the Remuneration Policy, the 2025 fixed base fee for the (former) members of the

Management Board are as indicated in the table below.

Board Member	2025 Annual fixed base fee	2024 Annual fixed base fee	Percentage of change
Mr. M. Roeleveld (CEO)*	EUR 488,300	EUR 475,000	2.8 %
Mr. O. Krap (CFO)	EUR 366,225	N/A	N/A
Ms. M.K. Lesh (CCO)**	EUR 366,225	EUR 356,000	2.8 %
Mr. M. Colijn (CEO)***	EUR 450,000	N/A	N/A

* Expiry term as member of the Management Board (statutair bestuurder) 1 November 2025 and expiry management agreement 31 December 2025
** Expiry term as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025
*** M. Colijn commenced the position of non-statutory director on 1 October 2025 and was appointed as a member of the Management Board (statutair bestuurder) effective 1 November 2025

Pensions and other benefits
The Managing Directors will participate in the pension scheme of the industry wide pension fund for Metalektro, whereby the pensionable compensation is capped in line with the Dutch fiscal regime. Other benefits are a company car and participation in a collective health insurance plan. The company also arranged Director Liability Insurance for the members of the Management Board.

Variable remuneration

The variable remuneration for members of the Management Board comprises a short-term incentive (STI) and a long-term equity-based incentive (LTI).

Short-term incentive (STI)
The short-term incentive is payable in cash, the amount of which is based on the achievement of predetermined, specific, and measurable financial and non-financial driven performance criteria, measured over a performance period of one year.

The on-target STI amount is set at 50% of the annual fixed base fee. The maximum payout under the STI is capped at 150% of the on-target STI amount. Achievement of threshold performance results in a payout of 50% of the on-target STI amount, while performance below threshold results in no payout.

Payout under the STI ranges from 0% of the annual fixed base fee to 75% of the annual fixed base fee, with 50% of the annual fixed base fee being the on-target amount.

Performance measures STI
The performance measures for the STI are derived from Alfen’s strategic plan, allowing a focused

emphasis on short-term business-critical objectives and encouraging the desired management behaviour.

The performance measures for the STI comprise both financial and non-financial performance measures. The financial performance measures account for 50-67% of the STI opportunity, while the non-financial performance criteria account for 33-50%. Together, these performance measures reflect Alfen's financial and non-financial strategic priorities.

Financial performance measures

Each year, the Supervisory Board selects a minimum of two financially driven performance measures, such as (i) revenue, (ii) adjusted EBITDA and (iii) working capital. The Supervisory Board may assign different weighting percentages to the selected financial performance measures. For each financial performance measure, the performance incentive zone, comprising threshold, on-target and maximum performance level, is determined in advance.

Non-financial performance measures

Each year, the Supervisory Board selects a minimum of two non-financial performance measures, such as (i) safety, (ii) customer satisfaction, (iii) diversity, (iv) talent and leadership development, and (v) performance management.

Long-term incentive (LTI)

The long-term incentive is designed to incentivise members of the Management Board to focus on creating sustainable long-term value for shareholders and other stakeholders.

- The members of the Management Board annually receive conditional performance shares. The conditional performance shares will vest upon achievement of performance measured over a period of three years, including the year in which the conditional performance shares are awarded.
- Vested performance shares are restricted by a two-year holding period.
- The on-target LTI value is set at 100% of the annual fixed base fee. The number of conditional performance shares awarded is calculated by dividing the annual fixed base fee by the average closing share price during

the last three trading days of the year preceding the award year.

- The maximum LTI opportunity is limited to 150% of the on-target value.
- Threshold performance is set at 50% of the on-target value. Conditional performance shares do not vest if performance is below the threshold level.

Performance measures LTI

The performance measures for the LTI comprise both financial and non-financial performance measures. The financial performance measures account for 50–67% of the LTI opportunity, while the non-financial performance measures account for 33–50%.

Non-financial performance measures

Each year, the Supervisory Board selects a minimum of two financially driven performance measures, such as (i) revenue growth, (ii) adjusted EBITDA margin and (iii) ROI. For each financial performance measure, the performance incentive zone, comprising threshold, on-target and maximum performance level, is determined in advance.

Non-financial driven/personal performance measures

Each year, the Supervisory Board selects at least two non-financial performance measures. These may include environmental measures, such as Science Based Target initiative (SBTi) approved CO₂ reduction targets or energy usage, as well as strategic measures linked to Alfen’s strategic plan, such as internationalisation, technological leadership, and new product introductions.

Actual 2025 outcomes

Performance 2025 STI

Within the framework of the applicable Remuneration Policy for the Management Board, the Supervisory Board makes an informed determination regarding the variable remuneration of the members of the Management Board. In assessing the financial and non-financial performance measures under the 2025 STI, the Supervisory Board considered – amongst others – the 2025 focus areas it has previously defined; the fundamentals of and developments in the energy transition, including related uncertainties; the impact of grid congestion; (geo)political volatility; and the importance of long-term sustainable value creation. The Supervisory

Board’s 2025 focus areas included monitoring progress on the implementation of the conclusions of the strategic review conducted in 2024, enhancing sales effectiveness in key markets, transforming the R&D organisation, and further progressing CSRD reporting maturity.

For the 2025 STI, the Supervisory Board followed the recommendations of the HR Committee and selected three financial performance measures, each with equal weighting (21.67%), collectively accounting for 65% of the 2025 STI. In addition, three non-financial performance measures were selected, also with equal weighting (11.67%), collectively accounting for 35% of the 2025 STI.

In 2025, the following STI target amounts applied to the members of the Management Board:

Board Member	2025 STI target amount (gross)
Mr. M. Roeleveld (CEO)	EUR 244,150 (i.e. 50% of EUR 488,300)
Mr. O. Krap (CFO)	EUR 183,113 (i.e. 50% of EUR 366,225)
Ms. M.K. Lesh (CCO)	Forfeited as part of early end of term arrangement
Mr. M. Colijn (CEO)	Not applicable for 2025

2025 STI financial performance measures

For 2025, revenue and other income amounted to EUR 435.6 million, resulting in below-threshold performance level under the 2025 STI. Adjusted EBITDA amounted to 25.5 million, corresponding to a below-threshold performance outcome. Inventory levels at year end 2025 were assessed at an on-target performance level under the 2025 STI.

The actual performance against the 2025 financial performance measures and the resulting 2025 STI payout are summarised in the table below.

STI Performance Financial	Payout as percentage of STI target amount	Payout as percentage of 2025 annual gross base fee	Payout in EUR [gross]
Revenues and other income	—%	—%	—
Adjusted EBITDA	—%	—%	—
Inventory level	46.9%	10.2%	86,791

2025 STI non-financial performance measures

The non-financial performance criteria for the 2025 STI reflect the collective responsibility of the Management Board, as they are closely aligned with the Supervisory Board’s key focus areas and Alfen’s strategic and operational priorities. The table below provides a summary of the non-financial performance criteria.

Summary description 2025 STI non-financial performance measures		
Management Board	ESG	Absolute reduction in Q4 2025 scope 1 tCO2 eq. emissions vs. Q4 2024 (154tCO2 eq.) and absolute reduction in 2025 scope 2 tCO2 eq. emissions vs. 2024
	ESG	Lost time injury frequency rate (LTIFR) (per million hours worked)
CEO	Product compliance	Enhancement and optimisation EVC product compliance
CFO	IT	Development and implementation of comprehensive IT strategy

Throughout the Supervisory Board reviewed progress against the non-financial performance measures and received regular updates on key developments and actions taken. Managing the uncertainties associated with the energy transition, as well as persistently challenging market conditions, particularly in EV Charging and Smart Grid Solutions, required a continued focus on operational cost control. At the same time, initiatives aimed at enhancing sales effectiveness and transforming the R&D organisation were implemented and further advanced, in support of Alfen’s continued pursuit of long-term sustainable value creation.

Key non-financial performance areas included achieving an absolute reduction in Scope 1 greenhouse gas emissions in Q4 2025 compared with Q4 2024 (154 tCO₂ eq.), an absolute reduction in Scope 2 greenhouse gas emissions in 2025 compared with 2024, maintaining a strong safety performance as measured by the lost time injury frequency rate (LTIFR) per million hours worked, enhancing and optimising EV charging product compliance, and the development and implementation of a comprehensive IT strategy.

Progress in these areas was assessed by the Supervisory Board based on qualitative and quantitative reporting provided during the year. While the level of achievement varied across the individual non-financial performance areas, the Supervisory Board concluded that the actions and

initiatives taken were appropriate in light of Alfen’s strategic objectives, operational priorities, and the challenging market environment in which it operates.

During the annual performance reviews, attention was given to the individual performance and development of the members of the Management Board, not only in relation to the non-financial performance measures under the 2025 STI, but also with respect to key competences.

Based on the comprehensive review of the performance of the Management Board, the Supervisory Board resolved that overall on-target performance. This is further substantiated by the following assessment of the non-financial performance measures under the 2025 STI. A reduction in Scope 1 greenhouse gas emissions in Q4 2025 compared with Q4 2024 of 44.9 tCO₂-eq and a reduction in Scope 2 greenhouse gas emissions in 2025 compared with 2024 of 120.8 tCO₂-eq were achieved, corresponding to an on-target performance outcome. With a safety score of 5,13 lost time injuries per million hours worked, a below-threshold performance level was achieved.

With respect to the enhancement and optimisation of EV charging product compliance and the development of a comprehensive IT strategy, the Supervisory Board assessed performance for each of these measures, based on the scope, content, and quality of the actions taken, as achieving an on-target performance level.

The actual performance against the 2025 non-financial performance criteria and the resulting 2025 STI payout are summarised in the table below.

STI Performance Non-financial	Payout as percentage of STI target amount	Payout as percentage of 2025 annual gross base fee	Payout in EUR [gross]
Environmental Score	58.7%	6.9%	58,564
Safety Score	—%	—%	—
Product compliance	50%	5.8%	28,492
IT	50%	5.8%	21.369

This results in a total payout under the 2025 STI of EUR 111,552 (gross) for the (former) CEO, Mr. Roeleveld, reflecting 22.8% of his 2025 annual gross fixed base fee and EUR 83,664 (gross) for the CFO, Mr. Krap, reflecting 22.8% of his 2025 annual gross fixed base fee.

The Supervisory Board has reviewed the settlement of the 2025 STI – including the performance against the non-financial targets – in light of principles of reasonableness and fairness taking due account of all relevant circumstances, and has concluded that the outcome is fair.

For Mr. Colijn, who commenced his term as a member of the Management Board (*statutair bestuurder*) on 1 November 2025, a separate arrangement was agreed, resulting in a fixed lump-sum payment of EUR 30,000 (gross). Mr. Colijn will participate in the STI for the first time in respect of the 2026 performance year.

2025 LTI Grant - performance years 2025 through 2027

Consistent with the Remuneration Policy as adopted by the General Meeting of Shareholders in April 2024, 30,905 conditional performance shares were granted to Mr. O. Krap (CFO). The number of conditional performance shares was calculated based on a target amount of EUR 366,225 (i.e. 100% of the 2025 annual base fee) and an average closing share price of EUR 11.85, measured over the last three trading days of 2024.

The vesting of the conditional performance shares awarded under the 2025 LTI is conditional upon the achievement of performance measured as summarised in the table below.

Summary description 2025 LTI performance measures		
Financial performance measure		Weight
Growth	Year-on-year revenue increase 2026 and 2027 and other income in FY2027	32.5%
Profitability	Adjusted EBITDA as a percentage of revenues FY2027	32.5%
Non-financial driven/personal performance measures		Weight
Quality	Enhancement first-time right strategy directed at significant improvement of quality	11.67%
Customer satisfaction	Significant improvement	11.67%
Footprint reduction	Realisation SBTi linked scope 1 and 2 targets (tCO2-eq.)	11.67%

Mr. Roeleveld and Ms. Lesh forfeited their respective entitlements under the 2025 LTI as part of their end of term arrangements, and consequently, conditional performance shares granted lapsed.

2023 LTI Grant - performance years 2023 through 2025

Consistent with the 2022 Remuneration Policy that applies to the 2023 LTI, (former) members of the Management Board were granted conditional performance shares as described in the table below.

Board Member	2023 Annual fixed base fee (gross)	Target amount	# Conditional performance shares
Mr. M. Roeleveld (CEO)	EUR 432,000	EUR 172,480 (i.e. 40% of EUR 432,000)	546
Ms. M.K. Lesh (CCO)	EUR 324,000	EUR 129,360 (i.e. 40% of EUR 324,000)	1,532 - Forfeited as part of early end of term arrangement

For the 2023 LTI, the Supervisory Board selected two financial performance measures, each with equal weighting (32.50%), collectively accounting for 65% of the 2023 LTI. In addition, three non-financial driven/ personal performance measures were selected, also

with equal weighting (11.67%), collectively accounting for 35% of the 2023 LTI.

The vesting of the conditional performance shares awarded under the 2023 LTI is conditional upon the achievement of performance measured as summarised in the table below.

Summary description 2023 LTI performance measures		
Financial performance measure		Weight
Growth	Revenue and other income FY2025	32.5%
Profitability	Adjusted EBITDA as a percentage of revenues FY2025	32.5%
Non-financial driven/personal performance measures		Weight
Internationalisation	Revenues outside the Netherlands as percentage of FY2025 revenue	11.67%
HSE	Establishment risk and control and consistent monitoring of safety scores	11.67%
Footprint reduction	Decline in kgCO2e/ avg. FY2025 compared with FY2019	11.67%

For 2025, revenue and other income amounted to EUR 435.6 million, resulting in below-threshold performance level under the 2023 LTI. Adjusted EBITDA amounted to 25.5 million, corresponding to a below-threshold performance outcome.

The Supervisory Board assessed the score on the non-financial/personal performance measures based on both qualitative and quantitative reporting provided throughout the 2023–2025 performance period.

Revenues generated outside the Netherlands as a percentage of total revenues in 2025 were assessed at a below-threshold performance level under the 2023 LTI.

The performance measure in the area of HSE was assessed at an on-target performance level under the 2023 LTI.

A reduction in greenhouse gas emissions in 2025 compared with 2019 of -91% was achieved, corresponding to a maximum performance outcome.

This means that under the 2023 LTI, a total number of 546 shares have vested for Mr. Roeleveld. As part of

her early end of term arrangement, Ms. Lesh forfeited her entitlement under the 2023 LTI, and consequently, no performance shares vested.

The Supervisory Board has reviewed the settlement of the 2023 LTI – including the performance against the non-financial targets – in light of principles of reasonableness and fairness taking due account of all relevant circumstances, and has concluded that the outcome is fair.

End of term arrangement

Under the 2024 LTI with performance period 2024 through 2026, 7,933 conditional performance shares were granted to Mr. Roeleveld. As part of his end of term arrangement, Mr. Roeleveld is entitled to a time proportional settlement of the 2024 LTI based on assumed on-target performance, resulting in the vesting of two-thirds of the initial award of 7,933 performance shares. In addition, as part of the end-of-term arrangement, it was agreed that (i) any entitlements under the 2025 LTI, with a performance period from 2025 through 2027, will lapse and become void, and (ii) the 2023 LTI, with a performance period from 2023 through 2025, will be settled based on actual performance (see also the paragraph above).

Outstanding LTI Grants

Board Member	Grant date	Number of Awards Granted *	Grant date fair value	Exercise price
CEO - M. Roeleveld **	25 April 2023	2,042	€74.70	Nil
CEO - M. Roeleveld **	14 May 2024	7,933	€42.72	Nil
CFO - Onno Krap	12 May 2025	30,905	€16.82	Nil

* At 100% realisation of the applicable performance conditions. The actual number of Awards that will vest can range between 0% realisation and 125% realisation.
** Refer to end of term arrangement paragraph above.

Total remuneration

The total remuneration of the Management Board, split by component and presented in relative proportion between fixed and variable remuneration is as follows:

	M. Colijn - CEO *		M. Roeleveld - CEO **		O. Krap - CFO		M. Lesh - CCO ***	
In EUR '000	2025	2024	2025	2024	2025	2024	2025	2024
Salaries and wages	112	—	488	475	366	—	183	357
Short-term incentive plan	30	—	112	—	84	—	—	—
Social security contributions	6	—	20	16	18	—	10	18
Pension contributions (DC)	5	—	24	27	24	—	8	19
Share-based payments	—	—	128	42	117	—	(48)	35
Severance	—	—	—	—	—	—	275	—
Other	11	—	23	7	16	—	2	16
Total	164	—	795	567	625	—	430	445
Percentage of variable remuneration	18%	—%	30%	7%	32%	—%	(11)%	8%

* M. Colijn commenced the position of non-statutory director on 1 October 2025 and was appointed as a member of the Management Board (statutair bestuurder) effective 1 November 2025. Remuneration is included as of 1 October 2025.

** Expiry term as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025. Remuneration is included up to 31 December 2025.

*** Expiry term as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025.

Internal pay ratio

In EUR '000	2025*	2024*
CEO compensation		
Salaries and wages	488	475
Short-term incentive plan	112	—
Social security contributions	20	16
Pension contributions (DC)	24	27
Share-based payments	128	42
Total	772	560
Average number of FTE's	1	1
Average compensation	772	560
Employee compensation		
Salaries and wages	62,171	66,441
Social security contributions	10,009	10,832
Pension contributions (DC)	6,658	7,642
Share-based payments	629	421
Total	79,467	85,336
Average number of FTE's	958	1,042
Average compensation	83	82
Internal pay ratio	9.3	6.8

* Adjusted for restructuring expenses

Pay ratio

The internal pay ratio is an important factor for remuneration of the Management Board. The Alfen internal (CEO) pay ratio is calculated by dividing the CEO compensation by the average employee compensation. The average employee compensation is based on the total personnel cost (defined as salaries and wages, social security contributions, pension contributions and share-based payment costs) and the average number of FTEs, excluding the CEO (see also Note 9, Note 11 and Note 15 of the Consolidated Financial Statements).

The internal pay ratio increased from 6.8 in 2024 to 9.3 in 2025. This increase is due to management forfeiting their bonus payments in 2024.

5-year comparison

(in EUR '000)	2025		2024		2023		2022		2021	
	Actual	△ (%)	Actual	△ (%)	Actual	△ (%)	Actual	△ (%)	Actual	△ (%)
Revenue and other income	435,624	(11)%	487,600	(3)%	504,477	15 %	439,876	76 %	249,679	32 %
Adjusted EBITDA	25,468	(11)%	28,514	(50)%	57,070	(28)%	79,370	115 %	36,845	51 %
CEO compensation	772	38 %	560	(13)%	641	(19)%	792	51 %	523	19 %
Average employee compensation	84	2 %	82	5 %	78	7 %	73	7 %	68	6 %

Alfen's business performance is related to the strategy of profitable growth. The suitable criteria to measure business performance are defined as growth in revenue and other income, as well as growth in adjusted EBITDA.

Notice Period

Management agreements for members of the Management Board have a standard term of four years. The notice period is three months for the Managing Directors and six months for Alfen.

Severance Payment

The maximum severance payment is six months' fixed base fee based on the preceding financial year. No severance payment will be made if the management agreement is terminated early at the request of the Management Board member or in cases of serious negligent conduct. Under the early end-of-term arrangement, Ms. Lesh was entitled to a severance payment equal to six months' base salary, being an aggregate gross amount of EUR 274,669.

Remuneration information for the Supervisory Board

The remuneration of the Supervisory Board is independent of Alfen’s performance. Supervisory Board members do not receive shares or rights to shares as part of their remuneration.

The total remuneration of the Supervisory Board members is presented below.

In EUR '000	2025	2024
H. ten Hove	60	60
W.W.M. Ackermans	47	47
J. van der Vlist	47	47
M. Anhalt	59	45
Total	213	199

No options have been awarded to the Supervisory Board, nor any loans, advance or guarantees.



Financial Statements

Consolidated financial statements



Alfen N.V.
Amsterdam, the Netherlands

Consolidated financial statements
for the year ended 31 December 2025

Consolidated financial statements

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Consolidated Statement of Comprehensive Income

In EUR '000	Note	2025	2024
Continuing operations			
Revenue	8	435,624	487,643
		435,624	487,643
Operating expenses			
Costs of raw materials and consumables		(276,541)	(336,017)
Costs of outsourced work and other external costs		(34,192)	(36,241)
Personnel expenses	9	(73,818)	(87,059)
Amortisation and impairment on intangible assets	17	(5,066)	(12,469)
Depreciation and impairment on property, plant and equipment	16	(17,095)	(13,800)
Impairment loss on trade receivables and contract assets	3	(567)	(12)
Other operating costs	10	(25,674)	(32,541)
		(432,953)	(518,139)
Operating profit (loss)		2,671	(30,496)
Finance income	12	28	34
Finance costs	12	(2,594)	(5,062)
Finance income (costs) - net		(2,566)	(5,028)
Profit (loss) before income tax		105	(35,524)
Income tax benefit (expense)	13	(294)	8,510
Profit (loss) for the period		(189)	(27,014)
Other comprehensive income for the period		—	—
Total comprehensive income (expense) for the period		(189)	(27,014)
Total comprehensive income (expense) for the period (attributable to the owners of the Company)		(189)	(27,014)
Earnings per share for profit attributable to the ordinary equity holders	14		
Basic earnings per share		(0.01)	(1.24)
Diluted earnings per share		(0.01)	(1.24)
Weighted average number of outstanding ordinary shares	14		
Basic		21,683,091	21,738,454
Diluted		21,733,103	21,765,984

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

In EUR '000	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	16	74,406	83,980
Intangible assets and goodwill	17	32,513	26,923
Deferred tax assets	18	59	—
Other financial assets	19	315	386
Total non-current assets		107,293	111,289
Current assets			
Inventories	20	81,692	101,533
Trade and other receivables	22	96,036	128,852
Current tax receivables		837	4,008
Cash and cash equivalents	23	26,673	17,068
Total current assets		205,238	251,461
Total assets		312,531	362,750
Liabilities and equity			
Group equity	24		
Share capital		2,175	2,175
Share premium		48,078	48,116
Retained earnings		102,701	128,958
Result for the year		(189)	(27,014)
Total group equity		152,765	152,235
Liabilities			
Non-current liabilities			
Borrowings	25	38,560	42,031
Deferred tax liabilities	18	651	802
Trade and other payables	22/27	4,223	—
Provisions	26	10,198	17,588
Total non-current liabilities		53,632	60,421
Current liabilities			
Trade and other payables	27	97,192	142,265
Current tax liabilities		129	111
Borrowings	25	8,813	7,718
Total current liabilities		106,134	150,094
Total liabilities		159,766	210,515
Total equity and liabilities		312,531	362,750

The above statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

In EUR '000	Note	Attributable to equity owners of Alfen N.V.				
		Share capital *	Share premium	Retained earnings	Result for the year	Total equity
Balance - 1 January 2024		2,175	48,943	98,811	29,684	179,613
Profit (loss) for the period		—	—	—	(27,014)	(27,014)
Other comprehensive income (loss)		—	—	—	—	—
Total comprehensive income (loss) for the period		—	—	—	(27,014)	(27,014)
Transactions with owners in their capacity as owners						
Issuance of ordinary shares, net of tax		—	—	—	—	—
Purchase of treasury shares, net of tax		—	(827)	—	—	(827)
Share-based payment transactions	11	—	—	463	—	463
Dividend		—	—	—	—	—
Allocation of profit (loss)		—	—	29,684	(29,684)	—
Balance - 31 December 2024		2,175	48,116	128,958	(27,014)	152,235
Profit (loss) for the period		—	—	—	(189)	(189)
Other comprehensive income (loss)		—	—	—	—	—
Total comprehensive income (loss) for the period		—	—	—	(189)	(189)
Transactions with owners in their capacity as owners						
Issuance of ordinary shares, net of tax		—	—	—	—	—
Purchase of treasury shares, net of tax		—	(38)	—	—	(38)
Share-based payment transactions	11	—	—	757	—	757
Dividend		—	—	—	—	—
Allocation of profit (loss)		—	—	(27,014)	27,014	—
Balance - 31 December 2025	24	2,175	48,078	102,701	(189)	152,765

* The outstanding ordinary shares of 21,750,000 includes 7,019 treasury shares as per 31 December 2025 (2024: 11,159)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

In EUR '000	Note	2025	2024
Cash flows from operating activities			
Operating profit (loss)		2,671	(30,496)
<i>Adjustments for:</i>			
- Depreciation, amortisation and impairment expenses	16/17	22,161	26,269
- Change in provision	26	(6,653)	17,538
- Change other financial assets	19	71	(89)
- Share-based payment expenses	11	757	463
<i>Changes in operating assets and liabilities:</i>			
- (Increase)/decrease inventories	20	19,841	49,243
- (Increase)/decrease contract balances	22	1,923	9,385
- (Increase)/decrease trade and other receivables	22	31,433	1,255
- Increase/(decrease) trade and other payables	27	(40,891)	(9,642)
Cash generated from operations		31,313	63,926
Income taxes (paid)/ received	13	2,698	(4,909)
Interest (paid)	12/25	(1,496)	(3,231)
Interest received	12	28	34
Net cash inflow/ (outflow) from operating activities		32,543	55,820
Cash flows from investing activities			
Payment for property, plant and equipment	16	(3,537)	(13,795)
Payment for intangible assets	17	(10,448)	(10,771)
Repayment (issued) loans	19	—	25,717
Net cash inflow/ (outflow) from investing activities		(13,985)	1,151
Cash flows from financing activities			
Proceeds from issuance of shares		—	—
Purchase of treasury shares		(47)	(1,074)
Proceeds from borrowings	4/25	433	317
Repayments of borrowings	4/25	(9,339)	(34,817)
Dividends paid to company's shareholders		—	—
Net cash inflow/ (outflow) from financing activities		(8,953)	(35,574)
Net increase/ (decrease) in cash and cash equivalents		9,605	21,397
Cash and cash equivalents at the beginning of the year	23	17,068	(4,329)
Cash and cash equivalents at the end of the year	23	26,673	17,068

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

Note 1

General information

Alfen N.V. (hereafter “Alfen” or “the Company”) is a public limited liability company (N.V.) which main activity is to develop, manufacture and sell products, systems and services related to the electricity grid, including Smart Grid Solutions, EV Charging and Energy Storage Systems.

Alfen’s main geographic focus is the Netherlands, followed by Germany, Belgium, Finland, France and the rest of Europe.

Alfen is the holding company of the Group. The companies included in the consolidated financial statements are the following:

Company name	Location and country of incorporation	Shareholding in %
Alfen B.V.	Almere, the Netherlands	100 %
Alfen ICU B.V.	Almere, the Netherlands	100 %
Alfen Projects B.V.	Almere, the Netherlands	100 %
Alfen België BV	Gent, Belgium	100 %
Alfen International B.V.	Almere, the Netherlands	100 %
Alfen Elkamo Oy Ab	Pietarsaari, Finland	100 %

Alfen was listed on the Amsterdam Stock Exchange on 22 March 2018 and has its registered office at Hefbrugweg 79, 1332 AM, Almere, the Netherlands. Before the listing, Alfen was a private limited liability company named Alfen Beheer B.V. with its statutory seat in Almere, the Netherlands. Alfen converted into a public company with limited liability with its statutory seat in Amsterdam, the Netherlands, and was renamed to Alfen N.V. as per the date of the listing.

Alfen is registered in the Chamber of Commerce under number 644.62.846.

The Group’s financial year covers the first day of January and ends on the last day of December of each year.

This annual report was authorised for issue by the Company’s Management Board and approved by the Supervisory Board on 10 February 2026. The annual report will be presented to the Annual General Meeting of Shareholders for their adoption on 7 April 2026.

Note 2

Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of Alfen N.V. have been prepared in accordance with the IFRS Accounting Standards as adopted in the European Union (hereafter: IFRS Accounting Standards). They also comply with the financial reporting requirements included in section 9 of Book 2 of the Dutch Civil Code.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

Going concern

In 2024, Alfen reached an agreement with the bank on a new committed financing agreement, with some adjustments for one-off costs and special items in the calculation of the financial covenant. In November 2025, Alfen reached an agreement with the bank to extend the financing arrangement with one year, until October 2027. The covenant that is included in the financing arrangement was met at 31 December 2025. The details of the financing arrangement are disclosed in Note 25.

Management performed a going concern assessment based on the outlook for 2026. Based on the outlook for 2026 in corroboration with the liquidity forecast and the financing agreement that the Company has in place, management concludes that there are no material uncertainties related to going concern. The consolidated financial statements are therefore prepared on the basis that it will continue to operate as a going concern.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention, unless stated otherwise. The consolidated financial statements are presented in euro's, which is the Company’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Changes in accounting policies and disclosures

New standards and interpretations adopted

A number of new amendments to standards are effective from 1 January 2025 but they do not have a material effect on the Company’s consolidated financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and amendments to standards have been published that are not mandatory for reporting periods starting on or after 1 January 2025 and have not been early adopted by the Company. For none of these standards that are not yet effective it is expected that they have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Principles for consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Subsidiaries are deconsolidated from the date that control ceases.

The financial data of the subsidiaries and other entities included in the consolidation have been included in full, to the exclusion of intercompany relationships, intercompany profit and intercompany receivables and liabilities between subsidiaries and other entities included in the consolidation, to the extent that the results are not realised by a third party outside the Group. Unrealised losses on intercompany transactions are eliminated unless they concern impairments.

Business combinations

The Company accounts for business combinations using the acquisition method when control is transferred to the Group. Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group’s interest in the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Negative goodwill arising from an acquisition is recognised directly in the income statement. Acquisition-related costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred and the liabilities incurred to the former shareholders of the acquiree. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognised in the income statement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the income statement.

Changes in ownership interests in subsidiaries without change of control

Transactions with subsidiaries that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of

the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

If the Group ceases to have control of an entity, any retained interest in the entity is remeasured to fair value at the date when control is lost with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or other financial asset. Amounts previously recognised in other comprehensive income are reclassified to profit or loss. Deconsolidation occurs when the Group no longer controls a subsidiary.

Foreign currency translation

Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in euro, which is the functional currency of all companies within the Group and the Group’s presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income, within finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Property, plant and equipment

Property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated by recognising the difference between historical cost and the estimated residual values using the straight-line method over their estimated useful life in profit or loss.

The estimated useful lives of property, plant and equipment for current and comparable periods are as follows:

Buildings	5 - 30 years
Furniture, fittings and equipment	5 - 10 years
Other fixed operating assets	5 years

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The costs of future replacement are capitalised based on the component approach. Under this approach the total costs are allocated to the ‘component assets’.

Government grants on investments are deducted from the purchase price or manufacturing price of the assets to which the government grants relate.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is higher than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within the income statement.

Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at historical cost less accumulated impairment losses. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Other intangible assets

Research and development

Development costs that are directly attributable to the design and testing of identifiable and unique products and systems controlled by the Company are recognised as intangible assets only if all of the following conditions are met:

- it is technically feasible to complete the product or system so that it will be available for use;
- management intends to complete the product or system and use or sell it;
- there is an ability to use or sell the product or system;
- it can be demonstrated how the product or system will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the product or system are available; and
- the expenditure attributable to the product or system during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the product include the development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Expenditure on research activities is recognised as expense in the period in which it is incurred.

Customer related intangibles

Customer related intangibles that are acquired by the Company with finite useful lives are recognised at fair value at the acquisition date and are subsequently

carried at cost less accumulated amortisation and impairment losses.

Software

Software is recognised as an intangible asset when all of the conditions included in IAS 38 are met. Software is recognised at historical cost and is amortised, on a straight-line basis, over its useful life.

Amortisation

Amortisation of intangible assets is calculated by recognising the difference between historical cost and the estimated residual values using the straight-line method over their estimated useful lives in the income statement. Amortisation is recognised in the income statement on a straight-line basis and commences as soon as the assets are ready for use.

The estimated useful lives of intangible assets for current and comparable periods are as follows:

Development costs	5 years
Customer related intangibles	1 - 7 years
Software	5 years

The expected useful life and the amortisation method are reviewed each reporting period.

Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Capitalised development projects in progress are not amortised but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Financial instruments

Financial assets - Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- (ii) those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets - Recognition and derecognition

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurements

At initial recognition the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments: (i) Amortised cost, (ii) Fair value through profit or loss; and (iii) Fair value through other comprehensive income.

The Company only has financial assets at amortised cost and makes no use of derivative financial instruments.

Amortised costs

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial

assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/losses together with foreign exchange gains and losses.

Financial assets - Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

The Company has no trade receivables nor amounts due from customers for contract work including a significant finance component and is therefore required to apply the simplified approach under IFRS 9, in which the credit losses are measured using a lifetime expected loss allowance for all trade receivables and amounts due from customers for contract work.

Information about the Company’s exposure to credit risk and measurement of impairment losses for trade receivables and amounts due from customers for contract work is included in Note 3.

Financial liabilities - Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

The Company only has financial liabilities at amortised cost and makes no use of derivative financial instruments.

Financial liabilities at amortised costs

Financial liabilities at amortised cost include trade and other payables and long-term debt.

Trade and other payables and long-term debt are initially recognised at fair value equalling the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade and other payables and long-term debt are measured at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities due to their short-term nature, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current liabilities.

Financial liabilities - Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or

cancelled, or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the income statement.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. However, when the cash flows of the modified liability are not substantially different, the Company (i) recalculates the amortised cost of the modified financial liability by discounting the modified contractual cash flows using the original effective interest rate and (ii) recognises any adjustment in the income statement.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The Company holds a group credit facility covering all entities located in the Netherlands which may consist of both debit and credit balances. The Company has a legally enforceable right to set off the recognised amounts and intends to settle these accounts on a net basis. Therefore, the debit and credit balances are offset and the net amount is presented in the statement of financial position.

Inventories

Inventories mainly relate to raw materials and are valued at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, costs that have been incurred in bringing the inventories to their present location and condition. Costs are determined using the weighted average price method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Contract assets and liabilities

Contract assets and liabilities comprise of revenue recognised (based on the costs for contract work performed plus the profit recognised to date) less progress billings when the Company constructs an asset that is built on the customers site or when the costs incurred are related to a product or project classified as contract manufacturing and for which the Company has an enforceable right to payment.

Contract assets are stated as a receivable (amounts due from customers for contract work) when the balance is positive. If negative, it is stated as a contract liability (amounts due to customers for contract work).

Contract assets are subject to the expected credit losses, for which the Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance in line with trade and other receivables. Please refer to note 3 for further information.

Trade and other receivables

Trade and other receivables are amounts due from customers for products delivered and services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement immediately and therefore all classified as current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

Cash and cash equivalents are recognised at nominal value. Cash and cash equivalents include cash at banks and cash in hand. In the cash flow statement cash and cash equivalents comprises cash at banks, cash in hand and bank overdrafts.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at management’s best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted where the effect is material using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Jubilee provision

Based on the collective labour agreement, a provision for jubilee benefits for employees is recognised based on the estimated future cost, using actuarial calculations to determine the amount to be recognised.

Restructuring provision

A provision for restructuring of activities is recognised when a detailed and formal restructuring plan has been approved and the restructuring has either commenced or has been announced publicly.

Warranty provision

A warranty provision is recognised in respect of products sold which are still under the warranty at the end of the reporting period and when the outflow of resources can be reliably estimated.

Moisture provision

The provision for the moisture issue is recognised based on the present value of the expected future cash outflows to cover the potential impact of the substation moisture issue.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected net costs of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the asset associated with that contract.

Trade and other payables

These amounts represent liabilities provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. The Company has no specific obligations for returns, refund clauses nor any other similar obligations specified in the contract with customers. However, standard product compliance warranty is provided to customers, which is not considered a separate performance obligation.

The following paragraphs provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies per business line. For all revenue streams, invoices are usually payable within 30 days.

In general there are no variable consideration clauses, such as volume related discounts, included in the contracts with customers. However, direct discounts can be provided on a customer-by-customer basis.

Smart Grid Solutions

Revenue from standardised substations

Revenue within the Smart Grid Solutions business line related to standardised substations is classified as contract manufacturing, meaning that every designed and manufactured transformer substation by the Company is produced on order. The revenue related to these standardised substations follow a modular design approach, that enable alternative use and are therefore recognised at a point-in-time when control of the products is transferred to the customer and when there is no unfulfilled obligation that could affect the customers’ acceptance of the product.

Revenue from projects

Revenue from projects within the Smart Grid Solutions business line is classified as contract manufacturing, meaning that every designed and manufactured project is tailor-made for a specific customer and has as such no alternative use. If in addition, the Company has an enforceable right to payment, revenue is recognised over time - i.e. before delivered to the customers’ premises - in the income statement using the cost-to-cost method. The cost-to-cost method represents a faithful depiction of the transfer of goods and services, as there is a direct correlation between the costs incurred and the progress towards complete satisfaction of the performance obligation.

In case the Company does not have an enforceable right to payment, revenue is recognised at a point-in-time when control of the products are transferred to the customer, being when the goods are delivered to the customer and when there is no unfulfilled obligation that could affect the customers’ acceptance of the product.

Within the Smart Grid Solutions business line, the Company always acts as a principal, because all purchased (input) materials are subsequently integrated into end products for which the Company provides significant integration services.

Uninvoiced amounts are presented as amounts due from customers for contract work, while advances received are included in the amounts due to customers for contract work.

Service related revenue within Smart Grid Solutions comprises additional service and/or maintenance sold to a customer by means of a separate contract for periods up to 4 years. Revenues generated through services rendered are recognised over time in the income statement as customers simultaneously receive and consume the benefits when the Company performs the services. Revenues related to ad hoc services are recognised at a point-in-time at the moment of performance of these services.

Energy Storage Systems

Energy Storage Systems revenue comprise of tailor-made Energy Storage Systems for a specific customer or a commingling of multiple tailor-made Energy Storage Systems designed and manufactured by the Company in combination with third party purchased manufactured products for which the Company subsequently provides overall project management and significant system integration services.

For this reason, the Company acts as a principle for the third party purchased manufactured products.

Energy Storage Systems are always tailor-made for a specific customer and have as such no alternative use. For these contracts, the Company always has an enforceable right to payment. Consequently, revenue is recognised over time - i.e. before delivered to the customers’ premises - in the income statement using the cost-to-cost method. The cost-to-cost method represents a faithful depiction of the transfer of goods and services, as there is a direct correlation between the costs incurred and the progress towards complete satisfaction of the performance obligation.

Uninvoiced amounts are presented as amounts due from customers for contract work, while advances received are included in the amounts due to customers for contract work.

Service related revenue within Energy Storage Systems comprises additional service & maintenance as well as performance guarantees sold to a customer for periods usually up to 5 years and 10 years, respectively. Revenues generated through service contracts or performance guarantees provided are recognised over time in the income statement as customers simultaneously receive and consume the benefits when the Company performs the services. Revenues related to ad hoc services are recognised at a point-in-time at the moment of performance of these services.

EV charging

The Company sells products related to charging equipment for electric vehicles. Revenue from the sale of these goods sold is recognised at a point-in-time when control of the products is transferred to the customer, being when the goods are delivered to the customer and when there is no unfulfilled obligation that could affect the customers’ acceptance of the product.

Service related revenue within EV charging comprises additional service, warranty and/or maintenance sold to a customer by means of a separate contract for periods usually between 3 and 5 years. Revenues generated through service contracts are recognised over time on a straight-line basis in the income statement as customers simultaneously receive and consume the benefits when the Company performs the services. Revenues related to ad hoc services are recognised at a point-in-time at the moment of performance of these services.

Employee benefits

Salaries, wages and social security contributions are charged to the income statement based on the terms of employment, when they are due to employees and the tax authorities respectively. Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring.

Pension obligations

The Company has a multi-employer pension plan which is a defined benefit plan for which there is insufficient information available for the Company to account for the pension plan as a defined benefit plan. There is not sufficient information available as the pension fund does not administer the pension plan on a company-by-company basis. Therefore, the Company accounts for this pension plan as a defined contribution plan.

For the defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory and contractual basis. The Company has no further payment obligations once the contributions have been paid.

The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash

refund or a reduction in the future payments is available.

Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The Company has no share-based payment awards with non-vesting conditions nor with market performance conditions.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are recognised in the statement of income over the period necessary to match them with the costs they are intended to compensate.

Expenses

Expenses arising from the Company’s business operations are accounted for in the year incurred.

Leases

At the inception of an agreement, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

The Company, as a lessee, recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments at the lease commencement date. However, the Company elected to apply the recognition exemption for both short-term and low

value leases – e.g. office equipment. As such, the Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. Subsequently, the lease liability is increased by the interest costs on the lease liability and decreased by lease payments made.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early

termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. The lease liability is remeasured when there is a change in future lease payments arising from a change in index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment whether a purchase or renewal option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

When the lease liability is remeasured as abovementioned, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company’s right-of-use assets and lease liabilities are presented under Property, plant and equipment and Borrowings, respectively.

Finance income and expenses

Finance income and expenses are recognised using the effective interest method. Financial expenses include interest incurred on borrowings calculated using the effective interest method and interest accruals for provisions that are recognised in the income statement.

In calculating finance income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Corporate income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company’s subsidiaries operate and generate taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the cash flow statement

The cash flow statement has been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any

deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Bank overdrafts repayable on demand are included in cash and cash equivalents in the cash flow statement to the extent that they are integral part of The Company's cash management. The Company has a legally enforceable right to set off the recognised amounts and intends to settle these accounts on a net basis.

Non-cash transactions are not included in the statement of cash flows.

Note 3

Financial risk management

As a result of our regular business practices, the Company holds positions in a variety of financial instruments. The financial instruments are presented in the balance sheet and consists of cash and cash equivalents, receivables and other receivables, interest-bearing loans, trade payables and other payables.

The Company does not use foreign exchange contracts and/or foreign exchange options and does not deal with such financial derivatives. On each balance sheet date, financial instruments are reviewed to see whether an objective indication exists for the impairment of a financial asset or a group of financial assets. If an objective indication for impairment exists, the company determines the amount of impairment losses and charges this amount to the income statement. As a result of the use of financial instruments, the company incurs credit risks, liquidity risks and market risks.

The market risks consist of currency risks, price risks and interest risks. The company has a strict policy that aims to minimise and control these risks as much as possible.

Credit risk

Credit risk is the risk of a financial loss in case a customer does not comply with the contractual obligations. Credit risks are mainly incurred from receivables to customers. The company executes a strict policy to minimise credit risks. To control these

risks, the company makes use of information from licensed credit agencies. If necessary, credit risks will be mitigated by the use of credit insurances, bank guarantees, prepayments and other insurances. Cash and cash equivalents may be placed by a number of banks.

The company determines the credit risk of cash- and cash equivalents that are placed with these banks, by solely doing business with highly respectable banks. The Company evaluates the concentration risk with respect to trade receivables and amounts due from customers for contract work as low.

Expected credit losses

The Company has two types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Amounts due from customers for contract work

Trade and other receivables and amounts due from customers for contract work

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables and amounts due from customers for contract work.

To measure the expected credit losses, trade and other receivables and amounts due from customers for contract work have been grouped based on shared credit risk characteristics and the days past due. The amounts due from customers for contract work relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade and other receivables are a reasonable approximation of the loss rates for the amounts due from customers for contract work.

The expected loss rates used at 31 December 2025 and 31 December 2024 are based on the payment profiles of sales over a period of 12 months of the preceding financial year and the corresponding historical credit losses experienced related to these sales.

The historical loss rates are adjusted to reflect current and forward-looking information based on macro-economic factors affecting the ability of the customers to settle the receivables. The Company retrieves the latter from externally available

information from credit rating agencies. Credit insured amounts are excluded from the determination of the loss allowance.

On that basis, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for both trade and other receivables and amounts due from customers for contract work:

In EUR '000	31 December 2025				
	Current amount	Overdue < 30 days	Overdue 31-60 days	Overdue 61-90 days	Overdue > 90 days
Expected loss rate	0.2%	0.1%	0.2%	3.8%	34.5%
Gross carrying amount – trade receivables and other receivables	60,055	9,753	2,492	921	3,096
Gross carrying amount – amounts due from customers for contract work	20,985	—	—	—	—
Loss allowance	143	14	5	35	1,069

	31 December 2024				
	Current amount	Overdue < 30 days	Overdue 31-60 days	Overdue 61-90 days	Overdue > 90 days
Expected loss rate	0.2%	0.1%	0.2%	3.8%	8.3%
Gross carrying amount – trade receivables and other receivables	87,241	10,343	3,301	873	5,439
Gross carrying amount – amounts due from customers for contract work	22,367	—	—	—	—
Loss allowance	204	15	7	33	452

The movement in the loss allowance in respect of trade and other receivables and amounts due from customers for contract work during the year was as follows:

In EUR '000	2025	2024
Balance - At 1 January	711	699
Amounts written off	—	—
Net remeasurement of loss allowance	555	12
Balance – At 31 December	1,266	711

Trade and other receivables and amounts due from customers for contract work are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company and a failure to make contractual payments.

Impairment losses on trade and other receivables and amounts due from customers for contract work are recognised in the income statement as a separate line item. Subsequent recoveries of amounts previously written off are credited against the same line item.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. The Company’s approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its obligations when they become due, avoiding unacceptable losses or damages to the Company’s reputation. The Company monitors its liquidity risk on an ongoing basis. Alfen has a committed revolving credit facility up to €50 million in place to manage liquidity. Management believes the current capital structure of the Group will safeguard the Group's ability to continue as a going concern.

The liquidity planning considers the maturity of the financial assets (e.g. accounts receivable and other financial assets) and projected cash flows from operations. Due to the higher relative share of revenue within energy storage in conjunction with the increasing size of projects in this business line, the use of cash and cash equivalents is strongly dependent on down payments received from customers, with a negative working capital effect. A significant slow-down in energy storage order intake will therefore negatively affect cashflow. The Company manages this exposure by end-to-end alignment between the payment schedules within our sales contracts on the one hand and procurement contracts on the other hand.

The tables below analyses the Company’s financial liabilities on their contractual maturities for all non-derivative financial liabilities for which the contractual maturities are essential for an understanding of the timing of the cash flows.

Note
4

Capital management

The Company’s objectives when managing capital is to safeguard the Company’s ability to continue as a going concern and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain the Company’s capital structure, the Company may adjust its dividend policy, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the gearing ratio and closely monitors the Company's (future) performance in relation to the financial covenant with the bank.

This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the balance sheet) less cash and cash equivalents.

Total capital is calculated as ‘equity’ as shown in the balance sheet plus net debt. The gearing ratios at 31 December 2025 and 31 December 2024 were as follows:

In EUR '000	31 December 2025	31 December 2024
Borrowings (note 25)	47,372	49,750
Plus: bank overdrafts	—	—
Less: cash and cash equivalents (note 23)	(26,673)	(17,068)
Net debt (cash)	20,699	32,682
Total equity	152,765	152,235
Total capital	173,464	184,917
Gearing ratio	14%	21%

The gearing ratio decreased during 2025 due to optimised working capital.

In EUR '000	31 December 2025				
	Less than 3 months	3 months to 1 year	Between 1 and 5 years	Over 5 years	Total
Trade and other payables (excluding deferred revenue)	96,661	531	—	—	97,192
Borrowings	598	1,756	4,225	41	6,620
Factoring Alfen Elkamo	1,742	—	—	—	1,742
Lease liabilities	1,242	3,698	14,727	19,598	39,265
Total non-derivatives	100,243	5,985	18,952	19,639	144,819

In EUR '000	31 December 2024				
	Less than 3 months	3 months to 1 year	Between 1 and 5 years	Over 5 years	Total
Trade and other payables (excluding deferred revenue)	141,806	459	—	—	142,265
Borrowings	755	1,849	6,676	104	9,384
Factoring Alfen Elkamo	1,305	—	—	—	1,305
Lease liabilities	1,785	4,348	14,785	32,257	53,175
Total non-derivatives	145,651	6,656	21,461	32,361	206,129

Market risk

Foreign exchange risk

The Company mainly operates in the European Union, in which the Euro is the basis currency (see Note 22 and 27 for further details). The currency risk is limited and largely concerns positions and (future) transactions in Euro's. Management has determined, based on a risk assessment, that these currency risks do not need to be hedged.

The Company's net exposure at 31 December 2025 to other foreign exchange movements is €15 thousand in case foreign currency exchange rates are increasing with 1% and is mainly concentrated in the following currency: USD (i.e. procurement) and GBP (i.e. sales).

Price risk

The Company incurs price risks on the purchase of (raw) materials and subcontracting for the difference between the market price at the time of the purchase and during the actual performance. For purchases related to larger projects, the Company's policy aims to use indexation clauses in its sales contracts.

If indexation is impossible, prices and conditions are negotiated with existing (key) suppliers to minimise price risk.

In addition, the Company controls price risk by using framework purchase agreements, tender procedures and other high valued information sources. The Company evaluates the concentration risk with respect to prices as low.

In case the costs of raw materials and consumables and costs of outsourced work and other external costs prices increase with 1%, the impact on profit before tax is €3.1 million.

Interest rate risk

The Company is exposed to interest rate risks on its borrowings. Management has determined, based on a risk assessment, that the interest rate risks on its borrowings do not need to be hedged.

In case the Company’s interest rate increases with 1%, the impact on profit before tax is €0.1 million.

The table below sets out an analysis of net cash/ (debt) and the movements in net cash/(debt) for each of the periods presented.

In EUR '000	Cash and bank overdrafts	Borrowings	Factoring Alfen Elkamo	Lease liabilities	Net cash/ (debt)
Net cash/(debt) - 1 January 2024	(4,329)	(36,697)	(974)	(13,099)	(55,099)
Net cash flows	21,397	28,048	(317)	6,768	55,957
New leases and remeasurements	—	—	—	(31,491)	(31,491)
Other changes	—	(4)	—	(2,045)	(2,049)
Net cash/(debt) - 31 December 2024	17,068	(8,653)	(1,291)	(39,806)	(32,681)
Net cash flows	9,605	2,273	(433)	7,066	18,510
New leases and remeasurements	—	—	—	(4,223)	(4,223)
Other changes	—	(3)	—	(2,302)	(2,305)
Net cash/(debt) - 31 December 2025	26,673	(6,383)	(1,724)	(39,265)	(20,699)

Other changes comprise a non-cash movement and relates to effective interest accounting on borrowings and lease liabilities.

Note 5

Fair value estimation

The Company has no financial assets and liabilities measured at fair value.

At 31 December 2025 and 31 December 2024 the carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximated their fair values due to the short-term maturities of these assets and liabilities.

The fair values of the long-term debt are not materially different from the carrying amounts as the interest rate risk is a floating rate plus spread where the spread equals the current market spread.

Note 6

Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reported periods. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Development costs

- The capitalised development costs are based on management judgements taken into account:
- it is technically feasible to complete the product or system so that it will be available for use;
 - management intends to complete the product or system and use or sell it;
 - there is an ability to use or sell the product or system;
 - it can be demonstrated how the product or system will generate probable future economic benefits;

- adequate technical, financial and other resources to complete the development and to use or sell the product or system are available; and
- the expenditure attributable to the product or system during its development can be reliably measured.

In determining the development costs to be capitalised, the Company estimates the expected future economic benefits of the respective product or system that is the result of a development project. Furthermore management estimates the useful life of such product or system.

The carrying amount of capitalised development costs is €32.0 and €26.6 million at 31 December 2025 and 31 December 2024, respectively. The Company estimates the useful life of the development costs to be at 5 years based on the expected lifetime of such assets. However, the actual useful life may be shorter or longer than 5 years, depending on innovations, market developments and competitor actions.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and intangibles not yet put in use are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. Further details about impairment testing are included in Note 17.

Estimates in contract work

The Company recognises revenue and costs for projects in Smart Grid Solutions and Energy Storage Systems over time - i.e. before delivered to the customers’ premises - in the income statement using the cost-to-cost method. Under this method, actual costs are compared with the total estimated costs to measure progress towards complete satisfaction of the performance obligation.

To measure the progress toward complete satisfaction of the performance obligation, the Company has a robust process and system for cost estimating, forecasting and revenue and costs

reporting. The system also requires a consistent forecast of the project profitability, including variance analyses of forecasted profitability compared to budget and earlier assessment dates. Estimates are an inherent part of this assessment and actual future outcome may deviate from the estimated outcome, specifically for major and complex contracts. However, historical experience has shown that estimates in total are sufficiently reliable.

Moisture provision

In 2024, the Company recognised a provision for the Smart Grid Solutions business line related to the moisture issue in our transformer substations. The provision is based on the expected costs to be incurred to resolve the moisture issue and is updated according to the best estimate at year-end 2025. The estimate is based on the following assumptions:

- The ratio of stations in the field that are expected to be impacted by water ingress vs. stations in the field that are waterproof;
- The expected costs to be incurred per type of in-field repair to resolve the moisture issue;
- The time period needed to fully remediate the problem;
- The discount rate used.

The ratio of stations in the field that are expected to be impacted by water ingress vs. stations in the field that are waterproof is the assumption that is the most critical input for the provision given the impact on the costs to be incurred.

This approach differs from that employed in the preceding year, during which it was presumed that all substations delivered within a specified period necessitated repair, whether such repair was conducted in the field or within the facility. In contrast, the current methodology is predicated exclusively upon in-field repairs for a designated subset of substations, determined according to an assumed failure rate. This shift in assumptions was mainly driven by new and more extensive (external) field data and ongoing conversations with our customers about the possible solutions to solve the moisture issue.

Further details with regards to the provision is included in Note 26.

**Note
7** **Segment information**

Operating segments

The Company is engaged in the business of developing, producing and selling various products, systems and services related to the electricity grid. There is a strong interrelationship between our three product groups - i.e. Smart Grid Solutions, EV charging and Energy Storage Systems.

IFRS 8 requires disclosures of segment information in alignment with internal management reporting to the Chief Operating Decision Maker ('CODM'). Alfen's CEO is considered the CODM, who is ultimately responsible for reviewing and assessing the performance of the three separately identified product groups.

The CODM monitors the performance of the three product groups, despite the split in revenue and gross margin, solely on an aggregated basis for resource allocation and overall performance measurement. All financial segment information can therefore be found in the consolidated financial statements.

Entity wide disclosures

Geographic information

The following table is summarising (i) revenue and other income and (ii) non-current assets, excluding financial instruments and deferred tax assets, attributable to the Company's countries of domicile.

In EUR '000		
Revenue	2025	2024
The Netherlands	400,650	454,218
Finland	24,413	22,559
Belgium	10,561	10,866
Total	435,624	487,643

Non-current assets	31 December 2025	31 December 2024
The Netherlands	101,473	106,034
Finland	4,499	4,057
Belgium	947	812
Total	106,919	110,903

Revenue and other income by region based on the destination of products and location of projects is presented in Note 8.

Major customers

There are two customers who individually account for more than 10% of the Company's consolidated revenue. The total amount for these customers is €151.4 million (2024: €118.6 million).

**Note
8** **Revenue**

The Company derives the following revenues and other income per business line:

In EUR '000	2025	2024
Smart grid solutions	189,132	210,615
Energy storage systems	125,643	123,697
EV charging	120,849	153,331
Total	435,624	487,643

Revenue from Smart Grid Solutions and Energy Storage Systems generated by entities domiciled in the Netherlands and Belgium, and relating to customer-specific projects amounting to €162.6 million and €10.6 million, respectively, is recognised over time using the cost-to-cost method.

Overall gross margin for the group amounted to 28.7% (2024: 23.7%). Smart Grid Solutions contributed to this with a gross margin of 24.6% (2024: 15.5%), Energy Storage Systems with 22.0% (2024: 27.8%) and EV charging with 42.0% (2024: 31.5%).

Revenue from Smart Grid Solutions relating to standardised substations of €117.2 million, which are following a modular design approach that became effective in 2025, revenue generated by Alfen Elkamo of €24.4 million, and the Company's EV charging revenue of €120.8 million is considered to be point-in-time revenue.

The group's revenue and other income disaggregated by region based on the destination of products and location of projects is as follows:

In EUR '000	2025	2024
The Netherlands	275,868	263,685
Other European Union countries	155,778	216,890
Rest of Europe	3,954	6,742
Outside Europe	24	327
Total	435,624	487,643

Personnel expenses

The personnel expenses can be divided into the following cost categories:

In EUR '000	2025	2024
Salaries and wages	63,577	71,219
Social security contributions	10,029	11,288
Pension contributions (DC)	6,682	7,896
Hire indirect personnel	3,472	6,520
Capitalised personnel expense	(9,942)	(9,864)
Total	73,818	87,059

The average number of FTE's are:

	2025	2024
Direct Employees	443	462
Indirect Employees	516	581
Total	959	1,043

As per 31 December 2025, a total of 122 FTE's (2024: 121) were employed outside the Netherlands.

Dutch pensions

The Company has a defined contribution scheme and a defined benefit scheme. The defined benefit plan is a multi-employer (industry) pension plan, based on average salary pay, for which insufficient information is available to account for as a defined benefit plan. Therefore, the Company accounts for this pension plan as a defined contribution plan. The pension schemes are financed through monthly contributions to the pension providers, being the insurance companies and the industry pension fund (PME). The contribution with the industry pension fund is calculated using a maximum annual gross salary level and a premium of approximately 28% for 2025.

The base premium for 2026 is set at approximately 28%. Total expected contributions for 2026 amount to €6.1 million.

The Company applies the liability approach for all pension schemes. The premium payable during the financial year is charged to the income statement and is classified as costs of personnel.

Alfen has approximately 830 active participants in the industry pension plan, which has 180,000 active participants in the total plan. The industry pension fund has a surplus and the coverage ratio per 31 December 2025 is 125.3%. The Company does not have any commitments for additional contributions in case of a deficit of the pension fund, other than paying increased future premiums. If applicable, the industry-wide pension fund applies an annual indexation for the pension fund.

Aside from the premium payables, the Company does not have any additional obligations in respect to the pension schemes.

Finnish pensions

Alfen Elkamo has a defined contribution scheme, in which the pension contribution is predetermined and based on the gross salary of the individual employee.

The annual net contribution for 2025 is 18% (2024: 18%). The pension contributions are paid on a monthly basis to the pension fund. The expected net contribution for 2026 amounts to €0.7 million. The premium payable during the financial year is charged to the income statement and is classified as costs of personnel.

Aside from premium payables, Alfen Elkamo does not have any additional obligations in respect to the pension schemes.

Key management compensation

Key management includes Directors and ExCom members, having authority and responsibility for planning, directing and controlling the activities of the Company.

In EUR '000	2025	2024
Salaries and wages	1,736	2,050
Short-term incentive plan(s)	436	54
Social security contributions	88	79
Pension costs	99	103
Share-based payments	266	144
Severance	575	238
Other	98	66
Total	3,298	2,734

Key management collectively hold nil Ordinary Shares (2024: 107,242) in the share capital of the Company.

In addition, key management collectively hold conditional rights subject to certain performance conditions, granted under the long-term incentive plan for the Management Board and ExCom members, to receive 71,760 (at 100% realisation based on the LTIP 2023-2025) Ordinary Shares. Reference is made to Note 11 for further details.

Note 10 Other operating costs

The operating costs can be divided into the following cost categories, presented in the table below. The decrease in other general expenses is primarily caused by costs that relate to the strategy validation and right-sizing program included in 2024, as well as our realised cost saving initiatives in 2025.

In EUR '000	2025	2024
Housing expenses	3,057	3,554
Other personnel expenses	4,053	4,396
Development expenses	1,419	1,518
Other general expenses	17,145	23,073
Total	25,674	32,541

Note 11 Share-based payments

Share award plans

Long-term incentive plan – Key employees

The Management Board of Alfen recognises the importance of its key employees to the future success of the Company. Therefore, on 4 October 2018, a long-term incentive plan ('LTIP Key employees') was introduced for a number of designated employees within the group of the Company.

The following unvested grants, comprising of Ordinary Shares in the Company, have been made under this plan:

Grant date	Number of Awards Granted	Exercise price
1 January 2022	9,747	Nil
1 January 2023	14,806	Nil
1 January 2024	17,189	Nil
1 January 2025	54,861	Nil

The conditional rights to receive existing Ordinary Shares granted will be exercisable in exchange for Ordinary Shares on the day that is four years after the grant date, on the condition that the relevant employee of Alfen continues to be employed by the Company on this date (subject to certain arrangements for exceptional circumstances, such as death of the employee). Besides the aforementioned service vesting condition no other vesting conditions are applicable for the LTIP Key employees.

Long-term incentive plan – Board of Directors and ExCom members

As part of the remuneration policy adopted by the general meeting of shareholders on 7 April 2022, which has been subsequently amended and adopted by the general meeting of shareholders on 9 April 2024, a long-term incentive plan for the Management Board as well as ExCom members is applicable in order to increase the alignment with shareholder's interest.

The following unvested grants, comprising of Ordinary Shares in the Company, have been made under this plan:

Grant date	Number of Awards Granted *	Exercise price
25 April 2023	5,310	Nil
14 May 2024	13,882	Nil
28 June 2024	9,010	Nil
12 May 2025	72,111	Nil
17 June 2025	53,568	Nil

* At 100% realisation of the applicable performance conditions. The actual number of Awards that will vest can range between nil (at 0% realisation) up to 6,638 (at 125% realisation) and 222,857 (at 150% realisation) for grants made in 2023 and 2024-2025, respectively.

The conditional rights to acquire existing Ordinary Shares granted will be exercisable in exchange for Ordinary Shares on the day that is three years after inception of the service and performance period, subject to continued employment as a member of the Board of Directors and certain non-market based performance vesting conditions.

The service and performance period are starting on the 1st of January of the applicable financial year, in which the grant has been made. Besides the aforementioned service and performance vesting conditions there is one additional condition in place, which is a two year holding period after vesting date.

Summary of changes in outstanding shares

Changes in outstanding shares for the period:

	LTIP Key employees	LTIP Board of Directors and ExCom
Balance – 1 January 2024	58,299	13,023
Granted	17,189	22,892
Performance adjustment	—	(964)
Forfeited	(12,645)	(1,375)
Exercised	(33,098)	(4,893)
Transferred	—	—
Expired	—	—
Balance – 31 December 2024	29,745	28,683
Granted	54,861	125,679
Performance adjustment	—	(1,496)
Forfeited	(1,747)	(80,385)
Exercised	(5,614)	(2,217)
Transferred	—	—
Expired	—	—
Balance – 31 December 2025	77,245	70,264

None of the outstanding shares are exercisable at 31 December 2025.

Fair value measurement

The Company used the Black & Scholes model to determine the fair value of the share-based payments plans at grant date. The market price of the Company's Ordinary Shares for the different plans at grant date was:

Share award Plans	Grant date	Grant date fair value
Long-term Incentive Plan - Key employees	1 January 2022	€88.25
Long-term Incentive Plan - Key employees	1 January 2023	€84.20
Long-term Incentive Plan - Key employees	1 January 2024	€60.28
Long-term Incentive Plan - Key employees	1 January 2025	€12.03
Long-term Incentive Plan - Board of Directors	25 April 2023	€74.70
Long-term Incentive Plan - Board of Directors and ExCom	14 May 2024	€42.72
Long-term Incentive Plan - Board of Directors and ExCom	28 June 2024	€17.26
Long-term Incentive Plan - Board of Directors and ExCom	12 May 2025	€16.82
Long-term Incentive Plan - Board of Directors and ExCom	17 June 2025	€10.53

The present value for expected dividend over the vesting period for all plans is nil, because the Company has currently no intention to distribute dividends in the foreseeable future in order to be able to further invest in the growth of the Company. Consequently and in conjunction with an exercise price of nil, both the expected volatility and risk-free-rate have no impact on the fair value determination at grant date.

Share-based payment expenses

Share-based payment expenses recognised as other operating costs in the statement of comprehensive income:

In EUR '000	2025	2024
Long-term Incentive Plan - Key employees	491	319
Long-term Incentive Plan - Board of Directors and ExCom	266	144
Total	757	463

Note
12

Finance income and costs

In EUR '000	2025	2024
Finance costs		
Interest expenses related to lease liabilities	(2,302)	(2,045)
Unwind of discount on provisions	737	—
Other interest expenses	(1,029)	(3,017)
Total finance costs	(2,594)	(5,062)
Finance income		
Other interest income	28	34
Total finance income	28	34
Net finance income/ (costs)	(2,566)	(5,028)

Note
13

Income tax expense

This note provides an analysis of the Company's income tax expense, showing how the tax expense is affected by non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

In EUR '000	2025	2024
Current tax:		
Current tax on profits for the year	(1,077)	2,700
Adjustments for previous years	(78)	(488)
Total current tax expense	(1,155)	2,212
Deferred income tax:		
Income tax on continuing operations	450	6,298
Adjustments for previous years	411	—
Total deferred tax (expense) benefit	861	6,298
Total income tax expense	(294)	8,510

The tax on the Company's profit before tax differs from the statutory amount that would arise using the tax rate applicable to profits of the entity. The reconciliation of the effective tax rate is as follows:

In EUR '000	2025	2024
Result from continuing operations	(189)	(27,014)
Total income tax	(294)	8,510
Profit (loss) before income tax	105	(35,524)
Tax calculated based on Dutch tax rate	25.8%	25.8%
Tax effects of:		
- adjustments for previous years	73.7%	(1.4%)
- effect of tax rates in other countries	(47.1%)	(0.1%)
- effect of tax incentives	0.0%	0.0%
- non-taxable expenses	239.8%	(0.3%)
- change in tax rates	0.0%	0.0%
- other differences	(12.2%)	—%
Effective tax rate	280.0%	24.0%
Applicable tax rate	25.8%	25.8%

Effect of tax incentives

To drive innovation, Dutch corporate income tax law provides a specific tax incentive scheme known as the Innovation Box facility. Based on this facility, qualified income associated with R&D activities is subject to an effective tax rate of 9% as compared to the Dutch statutory rate of 25.8%.

In financial year 2021, Alfen concluded an agreement with the Dutch tax authorities, in which the application of the innovation box benefit is determined in alignment with Dutch corporate income tax law. This agreement applies for the years 2019 through 2024 assuming facts and circumstances do not change. In December 2024, Alfen reached an agreement with the Dutch tax authorities to extend the existing innovation box ruling with 5 years for the period 2025 - 2029.

The total tax effect of applying the innovation box is 0% for financial year 2025 as a result of the (taxable) loss realised.

Non-taxable expenses

Non-taxable items are mainly related to non-deductible share-based payment expenses relating to the Long-term incentive plans.

Note
14

Earnings per share

	2025	2024
Weighted average number of ordinary shares in issue (x1)	21,683,091	21,738,454
Net result attributable to shareholders	(188,674)	(27,025,927)
Basic earnings per share	(0.01)	(1.24)
Allowing for dilution, the earnings per share are as follows:		
Weighted average number of ordinary shares in issue (x1)	21,733,103	21,765,984
Net result attributable to shareholders	(188,674)	(27,025,927)
Diluted earnings per share	(0.01)	(1.24)

The calculation of the diluted earnings per share assumes the exercise of equity-settled share-based payments.

Note
15

Remuneration of the Management Board and Supervisory Board

Management Board

The following statement shows how the remuneration policy was applied in practice during the reporting period.

	M. Colijn - CEO *		M. Roeleveld - CEO **		O. Krap - CFO		M. Lesh - CCO ***	
In EUR '000	2025	2024	2025	2024	2025	2024	2025	2024
Salaries and wages	112	—	488	475	366	—	183	357
Short-term incentive plan	30	—	112	—	84	—	—	—
Social security contributions	6	—	20	16	18	—	10	18
Pension contributions (DC)	5	—	24	27	24	—	8	19
Share-based payments	—	—	128	42	117	—	(48)	35
Severance	—	—	—	—	—	—	275	—
Other	11	—	23	7	16	—	2	16
Total	164	—	795	567	625	—	430	445

* M. Colijn commenced the position of non-statutory director on 1 October 2025 and was appointed as a member of the Management Board (statutair bestuurder) effective 1 November 2025. Remuneration is included as of 1 October 2025.

** Expiry term as member of the Management Board (statutair bestuurder) 1 November 2025 and expiry management agreement 31 December 2025. Remuneration is included up to 31 December 2025.

*** Expiry term as member of the Management Board (statutair bestuurder) 11 March 2025 and expiry management agreement 30 September 2025.

The following table sets out the shareholdings of the Management Board.

	Number of Ordinary Shares
M. Colijn - CEO	—
O. Krap - CFO	—

The following table sets out the grant made under the long-term incentive plan for the Management Board.

Number of Awards Granted *	2025	2024
M. Colijn - CEO **	—	—
M. Roeleveld - CEO ***	41,206	7,993
O. Krap - CFO	30,905	—
M. Lesh - CCO ****	—	5,949

* At 100% realisation of the applicable performance conditions. The actual number of Awards that will vest can range between 0% realisation and 150% realisation.

** Appointed as a member of the Management Board effective 1 November 2025.

*** Left the Company as statutory director as per 1 November 2025.

**** Left the Company as statutory director as per 11 March 2025.

The number of Awards granted to the Management Board are subject to certain performance conditions as described in Note 11.

No other options have been awarded to the Management Board, nor any loans, advances or guarantees.

Supervisory Board

The total remuneration of the members of the Supervisory Board is shown below:

In EUR '000	2025	2024
H. ten Hove	60	60
W.W.M. Ackermans	47	47
J. van der Vlist	47	47
M. Anhalt	59	45
Total	213	199

No options have been awarded to the Supervisory Board, nor any loans, advances or guarantees.

Note
16

Property, plant and equipment

Property, plant and equipment can be divided into:

In EUR '000	31 December 2025	31 December 2024
Property, plant and equipment - Owned	40,690	45,720
Property, plant and equipment - Right-of-Use	33,716	38,260
Total net book value	74,406	83,980

The movement in property, plant and equipment during the years was as follows:

Owned assets

In EUR '000	Buildings	Furniture, fittings and equipment	Assets under construction	Total
At 1 January 2024				
Cost	18,936	31,888	6,138	56,962
Accumulated impairments and depreciation	(4,483)	(12,726)	—	(17,209)
Net book value	14,453	19,162	6,138	39,753
Year ended 31 December 2024				
Opening net book value	14,453	19,162	6,138	39,753
Additions	57	6,429	7,309	13,795
Reclassification assets under construction	10,729	2,536	(13,265)	—
Disposal	(444)	(221)	—	(665)
Depreciation for the year	(1,221)	(6,422)	—	(7,643)
Impairments for the year	—	—	—	—
Depreciation of disposal	254	225	—	480
Consolidation and deconsolidation	—	—	—	—
Closing net book value	23,828	21,709	182	45,720
At 1 January 2025				
Cost	29,278	40,632	182	70,092
Accumulated impairments and depreciation	(5,450)	(18,923)	—	(24,372)
Closing net book value	23,828	21,709	182	45,720
Year ended 31 December 2025				
Opening net book value	23,828	21,709	182	45,720
Additions	888	2,355	294	3,537
Internal transfer to intangible assets	—	(298)	—	(298)
Reclassification assets under construction	332	104	(436)	—
Disposal	—	(330)	—	(330)
Depreciation for the year	(1,528)	(6,537)	—	(8,065)
Depreciation of internal transfer	—	119	—	119
Impairment for the year	—	—	—	—
Depreciation of disposal	—	7	—	7
Consolidation and deconsolidation	—	—	—	—
Closing net book value	23,520	17,129	40	40,690
At 31 December 2025				
Cost	30,498	42,463	40	73,001
Accumulated impairments and depreciation	(6,978)	(25,334)	—	(32,311)
Closing net book value	23,520	17,129	40	40,690

Right-of-use assets

In EUR '000	Land & buildings	Manufacturing equipment	Cars	Total
At 1 January 2024				
Cost	14,123	1,970	9,469	25,562
Accumulated impairments and depreciation	(6,081)	(1,032)	(5,652)	(12,765)
Net book value	8,042	938	3,817	12,797
Year ended 31 December 2024				
Opening net book value	8,042	938	3,817	12,797
Additions	26,954	2,654	1,883	31,491
Disposal	(268)	(15)	—	(283)
Depreciation for the year	(3,282)	(457)	(1,811)	(5,550)
Impairment for the year	(478)	—	—	(478)
Depreciation of disposal	268	15	—	283
Consolidation and deconsolidation	—	—	—	—
Closing net book value	31,236	3,135	3,889	38,260
At 1 January 2025				
Cost	40,809	4,609	11,352	56,770
Accumulated impairments and depreciation	(9,573)	(1,474)	(7,463)	(18,510)
Closing net book value	31,236	3,135	3,889	38,260
Year ended 31 December 2025				
Opening net book value	31,236	3,135	3,889	38,260
Additions	2,106	2	2,115	4,223
Disposal	(667)	—	544	(123)
Depreciation for the year	(2,848)	(477)	(1,921)	(5,246)
Impairment for the year	(3,784)	—	—	(3,784)
Depreciation of disposal	667	—	(281)	386
Consolidation and deconsolidation	—	—	—	—
Closing net book value	26,710	2,660	4,346	33,716
At 31 December 2024				
Cost	42,248	4,611	14,011	60,870
Accumulated impairments and depreciation	(15,538)	(1,951)	(9,665)	(27,154)
Closing net book value	26,710	2,660	4,346	33,716

At 31 December 2025, the net carrying amount of leased equipment held under finance lease was €59 thousand (31 December 2024: €118 thousand). As a result of strategic choices, an impairment loss on land and buildings of €3.7 million was recognised during 2025.

Intangible assets and goodwill

The movement in intangible assets and goodwill during the years was as follows:

In EUR '000	Goodwill	Customer related intangibles	Development costs	Software	Total
At 1 January 2024					
Cost	127	3,302	47,407	—	50,836
Accumulated impairments and amortisation	—	(2,691)	(19,524)	—	(22,215)
Net book value	127	611	27,883	—	28,621
Year ended 31 December 2024					
Opening net book value	127	611	27,883	—	28,621
Additions	—	—	10,771	—	10,771
Acquisitions	—	—	—	—	—
Disposals	—	—	(7,637)	—	(7,637)
Amortisation for the year	—	(407)	(4,660)	—	(5,067)
Impairment for the year	—	—	(7,402)	—	(7,402)
Depreciation of disposals	—	—	7,637	—	7,637
Consolidation and deconsolidation	—	—	—	—	—
Closing net book value	127	204	26,592	—	26,923
At 1 January 2025					
Cost	127	3,302	58,178	—	61,607
Accumulated impairments and amortisation	—	(3,098)	(31,586)	—	(34,684)
Net book value	127	204	26,592	—	26,923
Year ended 31 December 2025					
Opening net book value	127	204	26,592	—	26,923
Additions	—	—	10,208	240	10,448
Acquisitions	—	—	—	—	—
Internal transfer from PP&E	—	—	—	327	327
Disposals	—	—	—	—	—
Amortisation for the year	—	(204)	(4,776)	(86)	(5,066)
Impairment for the year	—	—	—	—	—
Depreciation of internal transfer from PP&E	—	—	—	(119)	(119)
Depreciation of disposals	—	—	—	—	—
Consolidation and deconsolidation	—	—	—	—	—
Closing net book value	127	—	32,024	362	32,513
At 31 December 2025					
Cost	127	3,302	68,386	567	72,382
Accumulated impairments and amortisation	—	(3,302)	(36,362)	(205)	(39,869)
Net book value	127	—	32,024	362	32,513

Goodwill

Goodwill is completely allocated to the cash-generating unit (hereinafter: 'CGU') Alfen Elkamo.

The recoverable amount of this CGU was determined on the higher of the value-in-use calculation or fair value less costs of disposal. The valuation uses future cash flows, based on the financial budgets and forecasts of the CGU over a period of 5 years and a terminal growth rate thereafter.

The key assumptions used in the estimation of value in use were as follows:

- Revenue growth rate: based on actual experience and an analysis of expected market growth within the energy transition sector.
- Discount rate: based on the historical industry average weighted-average cost of capital, by using the capital asset pricing model ("CAPM"). The applied discount rate for 2025 was 16.6% (2024: 16.4%).
- Residual value: based on a terminal growth rate of 2.0% (2024: 2.0%).

Considering the limited amount of Goodwill, the Company's impairment exposure is not significant and therefore no sensitivity analysis is included.

Customer related intangibles

Customer related intangibles comprise the customer list and order backlog related to the acquisition of Alfen Elkamo as at 1 July 2018 and are amortised over a period of 7 years and 0.5 year, respectively. Consequently, the remaining amortisation period for the customer list and for the order backlog is nil.

Development costs

Additions to intangible fixed assets relate to development projects for new products or systems or development projects for new features to existing products and systems for amongst others; Smart Grid Solutions, EV Charging and Energy Storage Systems.

The closing net book value amounts to €32.0 million for the year ended 31 December 2025 (2024: €26.6 million) and includes €8.4 million (2024: €16.3 million) of development projects still in progress.

Total costs for R&D, including amortisation of the capitalised development costs amount to €25.6 and €24.7 million for the years ended 31 December 2025 and 31 December 2024, respectively.

Note 18 Deferred tax balances

The balance comprises temporary differences attributable to:

In EUR '000		
Deferred tax assets	31 December 2025	31 December 2024
Property, plant and equipment	—	—
Carry forward losses	6,016	5,603
Interest carry forwards	154	—
Goodwill	—	39
Lease liabilities	1,429	407
Total	7,599	6,049
Of which:		
Current (< 1 year)	154	1,539
Non-current (> 1 year)	7,445	4,510
Deferred tax liabilities	31 December 2025	31 December 2024
Property, plant and equipment	—	—
Intangible assets	8,190	6,851
Total	8,190	6,851
Of which:		
Current (< 1 year)	1,738	1,125
Non-current (> 1 year)	6,452	5,726
Net deferred tax assets	59	—
Net deferred tax liabilities	651	802

Note 19 Other financial assets

Other financial assets comprise of long-term deposits paid to international payroll service providers of €0.3 million (2024: €0.4 million).

Note 20 Inventories

In EUR '000	31 December 2025	31 December 2024
Raw materials and components	81,692	101,533
Total	81,692	101,533

During 2025 inventories amounting to €3.8 million (2024: €10.9 million) are written down. This write-off consist of:

- a provision on obsolete inventory for EV charging of €1.8 million that is based on a thorough analysis of all inventories of components combined with the most actual sales run rates and updated information on regulations. Although these specific components are still used in Alfen's products, an analysis with updated run rates indicated that it is unlikely that these components will be fully consumed;
- the remaining part of the write down is related to our regular inventory write down policy.

Note 21 Financial instruments by category

In EUR '000	31 December 2025	31 December 2024
Assets	Financial assets at amortised cost	Financial assets at amortised cost
Other financial assets	315	386
Trade and other receivables	57,192	90,027
Cash and cash equivalents	26,673	17,068
Total	84,180	107,481

	31 December 2025	31 December 2024
Liabilities	Financial liabilities at amortised cost	Financial liabilities at amortised cost
Borrowings	47,373	49,749
Trade and other payables	24,059	69,147
Total	71,432	118,896

Trade and other receivables

In EUR '000	31 December 2025	31 December 2024
Trade receivables	56,872	89,038
Less: loss allowance	(1,266)	(711)
Trade receivables – net	55,606	88,327
Amounts due from customers for contract work	20,985	22,367
Other taxes	920	1,297
Other receivables and prepayments	18,526	16,861
Total	96,037	128,852
Less non-current portion:	—	—
Current portion	96,037	128,852

The fair value of the receivables approximates the carrying amounts. No breakdown of the fair values of trade and other receivables and the non-current portion of the receivables has been included as the differences between the carrying amounts and the fair values are insignificant.

Information about the Company's exposure to credit and market risks, and impairment losses for trade and other receivables and amounts due from customers for contract work is included in Note 3. The carrying amounts of the Company's trade and other receivables are denominated in the following currencies:

In EUR '000	31 December 2025	31 December 2024
Currency		
EURO	95,730	127,894
GBP	262	944
USD	45	14

Transfer of trade receivables

In order to manage seasonality, Alfen Elkamo sold its trade receivables with recourse to a bank for cash proceeds - i.e. factoring. These trade receivables have not been derecognised from the statement of financial position, because Alfen Elkamo retains substantially all of the risks and rewards - i.e. primarily credit risk.

The amount received on the transfer of trade receivables has been recognised as a factoring liability under short-term borrowings (see Note 25). The arrangement with the bank is such that the customers remit cash directly to the bank.

The receivables are considered to be held within a held-to-collect business model consistent with the Group's continuing recognition of the receivables.

The following information shows the carrying amount of trade receivables at the reporting date that have been transferred but not derecognised and the associated liabilities.

In EUR '000	31 December 2025	31 December 2024
Carrying amount of trade receivables transferred to a bank	2,154	1,613
Carrying amount of associated liabilities	(1,724)	(1,291)

Contract assets and liabilities

The net balance sheet position for contract work is as follows:

In EUR '000	31 December 2025	31 December 2024
Amounts due from customers for contract work	20,985	22,367
Amounts due to customers for contract work	(47,202)	(46,661)
Total	(26,217)	(24,294)

Amounts due from customers for contract work concern the Company's right to consideration for work completed but not invoiced at 31 December 2025, for both the Smart Grid Solutions and Energy Storage Systems business lines. Amounts due from customers for contract work will be transferred to trade receivables when the Company's right to consideration is unconditional. This usually occurs when the Company issues an invoice to the customer.

Amounts due to customers for contract work concern received prepayments for performance obligations, which are not yet realised at year-end, of which €4.2 million relates to performance obligations that will be satisfied in 12 months after the reporting period. This non-current portion primarily consists of performance guarantees sold to customers in Energy Storage Systems. The amount of €46.6 million recognised in the amounts due to customers for contract work at the beginning of the reporting period has been recognised as revenue for the period ended 31 December 2025.

Both amounts due from customers and amounts due to customers have a remaining term of less than one year, except for €4.2 million related to performance obligations that will be satisfied in 12 months after the reporting period.

The amount of revenue recognised in the period ended 31 December 2025 from performance obligations satisfied (or partly satisfied) in prior reporting period is € nil.

No information is provided about remaining performance obligations at 31 December 2025 that have an original expected duration of one year or less, as allowed by IFRS 15.

Note
23

Cash and cash equivalents

In EUR '000	31 December 2025	31 December 2024
Cash and cash equivalents	26,673	17,068
Total	26,673	17,068

The cash and cash equivalents are freely disposable to the Company, except for an amount of €692 thousand on so called G-accounts. The Company holds a group credit facility covering all entities in the Netherlands, for which the amounts are subject to offsetting. Please refer to the table below for the financial assets subject to offsetting.

In EUR '000					
As at 31 December 2025	(a) Gross amounts of recognised financial assets	(b) Gross amounts of recognised financial liabilities set off in the statement of financial position	(c) Net amounts of financial assets presented in the statement of financial position	(d) Related amounts not set off in the statement of financial position	(e) Net amount
Cash and cash equivalents	23,213	—	23,213	—	23,213
Total	23,213	—	23,213	—	23,213

As at 31 December 2024	(a) Gross amounts of recognised financial assets	(b) Gross amounts of recognised financial liabilities set off in the statement of financial position	(c) Net amounts of financial assets presented in the statement of financial position	(d) Related amounts not set off in the statement of financial position	(e) Net amount
Cash and cash equivalents	42,572	(28,160)	14,412	—	14,412
Total	42,572	(28,160)	14,412	—	14,412

Note
24

Equity

Share capital

Share capital at 31 December 2025 of €2,175,000 (2024: €2,175,000) is divided into 21,750,000 ordinary shares (2024: 21,750,000), fully paid-up, with a par value of €0.1 each (2024: €0.1). Total shares authorised comprise of 40,000,000 ordinary shares (2024: 40,000,000).

The outstanding ordinary shares of 21,750,000 includes 7,019 treasury shares as per 31 December 2025 (2024: 11,159).

Share premium

The share premium reserve relates to contribution on issued shares in excess of the nominal value of the shares (above par value).

Retained earnings

The retained earnings of €102.7 million are restricted due to a legal reserve of €32.0 million (2024: €26.6 million) which is not available for distribution.

Result for the year

The proposal to the General Meeting is that the loss of €0.2 million will be recognised in retained earnings.

Note
25

Borrowings

In EUR '000	31 December 2025	31 December 2024
Borrowings	6,383	8,653
Factoring Alfén Elkamo	1,724	1,291
Lease liabilities	39,265	39,805
Total	47,372	49,749

The repayment obligations as per 31 December 2025 are as follows:

In EUR '000	31 December 2025	Repayment obligation in 2026	Remaining term > 1 year and <5 year	Remaining term >5years
Borrowings	6,383	2,148	4,195	40
Factoring Alfén Elkamo	1,724	1,724	—	—
Lease liabilities	39,265	4,940	14,727	19,598
Total	47,372	8,812	18,922	19,638

The fair values of the long-term debt are not materially different from the carrying amounts as the interest rate risk is a floating rate plus spread where the spread equals the current market spread.

Alfen N.V. holds a group credit facility agreement for all entities located in the Netherlands. In 2025, Alfen reached an agreement with its bank to extend the existing agreement by one year, until October 2027. At the end of the financial reporting period, the credit facility consists of:

- (i) a mortgage loan with a duration of 15 years and a principal amount of €900 thousand used for the purchase of the building located at the Vlotbrugweg Almere;
- (ii) two loans with each a principal amount of €875 thousand and a duration of 10 years used for the refurbishment of the buildings located at the Hefbrugweg and Vlotbrugweg Almere;
- (iii) a mortgage loan with a duration of 5 years and a principal amount of €10 million used for the purchase of the building located at the Damsluisweg Almere.
- (iv) a (re)committed revolving credit facility ("RCF") up to €50 million (2024: €100 million) and a separate (re)committed facility of €80 million (2024: €80 million) for bank guarantees. At 31 December 2025 the bank guarantee facility was used for an amount of €33.5 million. In 2025, Alfen reached an agreement with its bank to extend the existing financing agreement by one year, until October 2027.

The 2025 interest rate is 8.5% (2024: 7.3%).

The bank has first ranked mortgages on the real estate owned by the Company with a carrying amount of €16.5 million per 31 December 2025. The real estate has an economic value of €13.9 million.

The following securities have been issued:

- a first ranked mortgage of €1.8 million for land and buildings on the Hefbrugweg 28, 1332 AP Almere cadastral known as section M number 70, Almere;
- a first ranked mortgage of €900 thousand for land and buildings on the Vlotbrugweg 24, 1332 AJ Almere, cadastral known as section M number 60, Almere;
- a second mortgage right on the abovementioned buildings of €1.7 million;
- a first ranked mortgage of €10 million for land and buildings on the Damsluisweg 70, 1332 EJ Almere

cadastral known as section M number 1524 and 1589 Almere;

- a first pledge for
 - all current and future equipment of the Company;
 - all current and future inventory of the Company;
 - all current and future rights and receivables whether or not resulting from current and future relationships, including the rights from insurance agreements.
- a mandatory redemption clause in case the Company decides to sell its interest in Alfen Elkamo, which is capped at the proceeds from selling the interest.

Other specific conditions related to the mortgage loan, with a principal amount of €10 million, used for the purchase of the building located at the Damsluisweg Almere are:

- a negative pledge and the “pari passu”;
- comply with a Net Debt to Adjusted EBITDA Ratio that shall not exceed 3.00:1.00, except for a period of six months after an acquisition, during which period the ratio shall not exceed 3.50:1.00. This covenant was met at 31 December 2025.

Other specific conditions related to the (re)committed RCF are:

- a negative pledge and the “pari passu”;
- comply with a Net Debt to Adjusted EBITDA Ratio that shall not exceed 3.00:1.00. This covenant was met at 31 December 2025.

Alfen Elkamo Oy Ab holds a separate working capital credit facility up to €1.5 million (2024: €1.5 million) for which a solvency-covenant of 25% is applicable. This solvency-covenant was met at 31 December 2025.

Note 26

Provisions

In EUR '000	Jubilee	Restructuring	Warranty	Moisture	Total
Balance – 1 January 2025	45	876	3,953	12,714	17,588
Additions made during the period	—	—	1,552	—	1,552
Amounts used during the period	(4)	(876)	(2,241)	(987)	(4,108)
Unused amounts reversed during the period	—	—	—	(4,098)	(4,098)
Amounts transferred to other liabilities	—	—	—	—	—
Changes in discount rate	—	—	60	(797)	(737)
Balance – 31 December 2025	41	—	3,324	6,833	10,198
Of which:					
Current (< 1 year)	14	—	1,999	1,626	3,639
Non-current (> 1 year)	27	—	1,325	5,207	6,559

Restructuring provision

A restructuring provision has been recognised during 2024, as Alfen committed to a plan to restructure the Dutch business in alignment with the strategy validation and right sizing engagement. This resulted in a 15% reduction of jobs. During 2025, the provision is completely utilised.

Jubilee provision

The jubilee provision is calculated based on the discounted value of future jubilee payments to the Company’s employees. The calculation includes estimated remaining employment terms and a discount rate of 5%.

Warranty provision

From 2024 onwards, a general warranty provision is recognised for our EVC business unit, as from that point we have gathered sufficient data over the last years to make a reliable estimate of the expected outflows. The provision is recognised based on the expected future outflow that is needed in respect of products sold which are still under the warranty at the end of the reporting period. The expected future outflow is based on historical data. The estimated future outflows are discounted at a discount rate of 5%.

Moisture provision

The moisture provision is a warranty provision that is recognised for our SGS business unit. The provision is recognised based on the estimated costs to cover the potential impact of the substation moisture issue within our Smart Grid Solutions business line. The estimated future outflows are discounted at a discount rate of 5%.

The reversal of the unused amount during the period is related to updated assumptions in the calculation of the provision. The approach differs from that employed in the preceding year, during which it was presumed that all substations delivered within a specified period necessitated repair, whether such repair was conducted in the field or within the facility. In contrast, the current methodology is predicated exclusively upon in-field repairs for a designated subset of substations, determined according to an assumed failure rate. This shift in assumptions was mainly driven by new and more extensive (external) field data and ongoing conversations with our customers about the possible solutions to solve the moisture issue.

Note 27

Trade and other payables

In EUR '000	31 December 2025	31 December 2024
Trade payables	24,059	69,147
Amounts due to customers for contract work	47,202	46,661
Other taxes	13,046	10,218
Other liabilities	17,108	13,685
Other liabilities - Signed severance agreements	—	2,554
Total	101,415	142,265

All current liabilities fall due in less than one year, except for the amounts due to customers for contract work of which €4.2 million relates to performance obligations that will be satisfied in 12 months after the reporting period.

The fair value of the current liabilities approximates the carrying amount.

The carrying amounts of the Company’s trade and other payables are denominated in the following currencies:

In EUR '000		
Currency	31 December 2025	31 December 2024
EURO	99,574	141,603
USD	761	281
GBP	948	367
SEK	128	14
CHF	5	—

Note 28

Leases

The Company leases several assets, which can be combined into the asset classes: (i) Land & Buildings, (ii) Manufacturing equipment, (iii) Office equipment and (iv) Company cars. These contracts are typically entered into for a period between 3 and 10 years, but some leases may include renewal and/or termination options.

The Company leases Office equipment (e.g. printers). These leases are considered low-value leases for which the Company has elected not to recognise right-of-use assets and lease liabilities.

Right-of-use assets

Right-of-use assets relate to leases that do not meet the definition of investment property are presented as property, plant and equipment, which are separately disclosed in Note 16. The Company has no right-of-use assets that meet the definition of investment property.

Amounts recognised in the statement of comprehensive income and cash flows

Besides the interest expenses related to lease liabilities and depreciation charges on right-of-use assets as disclosed in Note 12 and Note 16, respectively, the Company recognised within the statement of comprehensive income €0.4 million (2024: €0.4 million) relating to leases of low value leases and short-term leases.

Total cash outflow for leases in 2025 was €7.3 million (2024: €6.8 million).

Extension and termination options

The Company has several contracts within asset class Land & Buildings and Manufacturing equipment that include renewal and termination options or a combination of both. At 31 December 2025, all renewal options are included in the measurement of the lease liabilities. Consequently, no termination options are included.

Note 29

Contingencies and commitments

Bank guarantees

Bank guarantees amounting to €33.5 million are outstanding at 31 December 2025 (2024: €13.3 million) with different end dates in financial year 2026 and further.

Fiscal unity

The Company forms a fiscal unity with Alfen B.V., Alfen ICU B.V. Alfen International B.V. and Alfen Projects B.V. for corporate income tax (CIT). For value-added tax (VAT) purposes the fiscal unity consists of Alfen N.V., Alfen B.V., Alfen ICU B.V. and Alfen Projects B.V. Pursuant to the Collection of State Taxes Act, the Company, along with the subsidiary that is part of the fiscal entity, is wholly and severally liable for taxation payable by the fiscal unity.

Off balance sheet commitments

Alfen has a long term supply agreement for 5Gwh of batteries in place for the period 2023 - 2032. If this commitment is not met at the end of the contract, a penalty of 5% of the unused volume becomes payable in the subsequent year.

Alfen places batteries on the EU market as an importer, which imposes extended producer responsibility requirements. These include the collection, treatment and recycling of batteries at end-of-life. Due to the early stage of regulatory implementation and insufficient reliable data on expected return volumes and related costs, no provision and/or contingent asset is recognised for these obligations.

Joint and several liabilities

Alfen N.V. has assumed joint and several liabilities in accordance with article 403 Part 9 of Book 2 of The Dutch Civil Code with respect to its subsidiaries Alfen B.V. and Alfen ICU B.V.

Litigations and claims

A customer filed a claim against the company related to a delivered project. At this point, management has not identified a probable legal or constructive obligation and therefore no provision has been recorded.

Note
30

Related party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control, jointly control or significantly influence the Company are considered a related party. In addition, statutory and supervisory directors and close relatives are regarded as related parties.

Intercompany transactions are carried out at arm's length.

The following transactions were carried out with related parties:

- Key management compensation (Note 9);
- Share-based payments (Note 11);
- Remuneration of the Management Board and Supervisory Board (Note 15).

Note
31

Events after reporting period

Together with the publication of this Annual Report, Alfen announces a transformation of the organisation and its capabilities to align with its strategic update. Whilst maintaining headcount, a reduction of staff is anticipated in some areas. Therefore, a restructuring provision will be taken in 2026 of approximately €4.5 million, which is expected to be incurred during 2026.

As the decision and announcement occurred after the reporting period and formalisation has not yet been finalised, this is a non-adjusting event under IAS 10. Accordingly, no adjustments have been made to the financial statements for the year ended 31 December 2025.

Company financial statements

Alfen N.V.
Amsterdam, the Netherlands

Company financial statements
for the year ended 31 December 2025

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Company balance sheet

In EUR '000	Note	31 December 2025	31 December 2024
(before appropriation of profit)			
Assets			
Non-current assets			
Property, plant and equipment	4	1,136	927
Investments in subsidiaries	5	111,159	111,474
Deferred tax assets	6	6,170	5,603
		118,465	118,004
Current assets			
Receivables	7	22,708	4,001
Cash and cash equivalents	8	14,057	41,949
		36,765	45,950
Total assets		155,229	163,954
Equity and liabilities			
Shareholders' equity	9		
Share capital		2,175	2,175
Share premium		48,078	48,116
Legal and statutory reserves		32,024	26,593
Retained earnings		70,677	102,365
Result for the year		(189)	(27,014)
		152,765	152,235
Provisions	5	1,345	1,972
Non-current liabilities	10	271	328
Current liabilities	11	862	9,422
Total equity and liabilities		155,229	163,954

Company income statement

In EUR '000	Note	2025	2024
Depreciation on property, plant and equipment	4	(69)	(69)
General expenses		48	89
Operating profit (loss)		(21)	20
Finance income		—	—
Finance expenses		—	—
Finance income (costs) - net		—	—
Profit (loss) before income tax		(21)	20
Income tax benefit (expense)		3	(8)
Share of net profit of investments in subsidiaries	5	(171)	(27,026)
Profit (loss) for the period after income tax		(189)	(27,014)

Notes to the Company financial statements

Note 1

General information

The Company financial statements are part of the consolidated financial statements of Alfen N.V. (hereafter: the Company).

Note 2

Basis of preparation

The Company financial statements of Alfen N.V. have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

In case no other policies are mentioned, refer to the accounting policies as described in the accounting policies in the consolidated financial statements of this Annual Report. For an appropriate interpretation, the company financial statements of Alfen N.V. should be read in conjunction with the consolidated financial statements.

All amounts have been rounded to the nearest thousand, unless otherwise indicated. The balance sheet and income statement include references. These refer to the notes.
The company prepared its consolidated financial statements in accordance with the IFRS Accounting Standards as adopted in the European Union (hereafter: IFRS Accounting Standards).

Note 3

Financial fixed assets

Investments in consolidated subsidiaries

Consolidated subsidiaries are all entities (including intermediate subsidiaries) over which the Company has control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are recognised from the date on which control is transferred to the company or its intermediate holding entities. They are derecognised from the date control ceases.

Investments in consolidated subsidiaries are measured at net asset value. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. In case of a negative net equity value of a subsidiary, the negative value is initially deducted from loans due from the respective subsidiary, if any, and subsequently, when and only when the parent company is liable for the underlying obligations, accounted for as a provision for loss making subsidiaries.

Note 4

Property, plant and equipment

Property, plant and equipment concerns solely owned assets. The movement in property, plant and equipment during the year was as follows:

In EUR '000	Buildings
At 1 January 2024	
Cost	1,468
Accumulated impairments and depreciation	(486)
Net book value	982
Movements in book value	
Additions	14
Disposals	—
Depreciation for the year	(69)
Depreciation of disposals	—
Closing net book value	(55)
At 31 December 2024	
Cost	1,482
Accumulated impairments and depreciation	(555)
Closing net book value	927
At 1 January 2025	
Cost	1,482
Accumulated impairments and depreciation	(555)
Net book value	927
Movements in book value	
Additions	278
Disposals	—
Depreciation for the year	(69)
Depreciation of disposals	—
Closing net book value	209
At 31 December 2025	
Cost	1,760
Accumulated impairments and depreciation	(624)
Closing net book value	1,136

Note
5

Investments in subsidiaries

The movement in subsidiaries during the years was as follows:

In EUR '000	Investment in subsidiaries
At 1 January 2024	
Investment in subsidiaries	138,342
Movements in book value	
Investments	319
Share of profit in participations	(27,026)
Negative equity adjustments / (reversals)	(161)
Capital contribution	—
Dividend received	—
Total	(26,868)
At 31 December 2024	
Investment in subsidiaries	111,474
At 1 January 2025	
Investment in subsidiaries	111,474
Movements in book value	
Investments	483
Share of profit in participations	(171)
Negative equity adjustments / (reversals)	(627)
Capital contribution	—
Dividend received	—
Total	(315)
At 31 December 2025	
Investment in subsidiaries	111,159

The negative equity adjustment / reversal of €627 thousand (2024: €161 thousand) from the provision for loss making subsidiaries is related to the positive result of Alfen International B.V.

The Company is wholly and severally liable for the loans of Alfen International B.V. Consequently, a provision for loss making subsidiaries of €1,344 thousand (2024: €1,972 thousand) is recognised related to the negative equity value of Alfen International B.V.

The share in the equity of the subsidiaries was as follows:

	Share in Issued share capital 31 December 2025
Alfen B.V., Almere	100%
Alfen ICU B.V., Almere	100%
Alfen International B.V., Almere	100%
Alfen Projects B.V., Almere	100%
Alfen België BV, Gent	100%
Alfen Elkamo Oy Ab, Pietarsaari	100%

Note
6

Deferred tax assets

In EUR '000	31 December 2025	31 December 2024
Deferred tax assets		
Carry forward losses	6,016	5,603
Interest carry forwards	154	—
Total	6,170	5,603
Of which:		
Current (< 1 year)	154	1,500
Non-current (> 1 year)	6,016	4,103

Note
7

Receivables

In EUR '000	31 December 2025	31 December 2024
Due from affiliated companies	22,076	—
Corporate income tax	631	3,904
Other receivables	—	97
Total	22,707	4,001

Receivables all have a remaining term to maturity of less than one year, unless stated otherwise. The fair value of the receivables approximates the carrying amount. No breakdown of the fair values of the receivables has been included as the differences between the carrying amounts and the fair values are insignificant.

The receivables due from affiliated companies bear no interest. With respect to repayment and securities nothing has been agreed.

Note
8

Cash and cash equivalents

In EUR '000	31 December 2025	31 December 2024
Cash and cash equivalents	14,057	41,949
Total	14,057	41,949

The cash and cash equivalents are subject to offsetting as described in Note 13 of the consolidated financial statements.

Note
9

Shareholders' equity

Share capital

Share capital at 31 December 2025 of €2,175,000 (2024: €2,175,000) is divided into 21,750,000 ordinary shares (2024: 21,750,000), fully paid-up, with a par value of €0.1 each (2024: €0.1). Total shares authorised comprise of 40,000,000 ordinary shares (2024: 40,000,000).

The outstanding ordinary shares of 21,750,000 includes 7,019 treasury shares as per 31 December 2025 (2024: 11,159).

In EUR '000	Share capital	Share premium	Legal and statutory reserves	Retained earnings	Result for the year	Total equity
Balance – 1 January 2024	2,175	48,943	27,883	70,928	29,684	179,613
Issuance of ordinary shares, net of tax	—	—	—	—	—	—
Purchase of treasury shares	—	(827)	—	—	—	(827)
Share-based payment transactions	—	—	—	463	—	463
Dividend	—	—	—	—	—	—
Allocation of prior result	—	—	—	29,684	(29,684)	—
Additions	—	—	(1,290)	1,290	—	—
Profit (loss) for the period	—	—	—	—	(27,014)	(27,014)
Balance – 31 December 2024	2,175	48,116	26,593	102,365	(27,014)	152,235
Issuance of ordinary shares, net of tax	—	—	—	—	—	—
Purchase of treasury shares	—	(38)	—	—	—	(38)
Share-based payment transactions	—	—	—	757	—	757
Dividend	—	—	—	—	—	—
Allocation of prior result	—	—	—	(27,014)	27,014	—
Additions	—	—	5,431	(5,431)	—	—
Profit (loss) for the period	—	—	—	—	(189)	(189)
Balance – 31 December 2025	2,175	48,078	32,024	70,677	(189)	152,765

Share premium

The share premium reserve relates to contribution on issued shares in excess of the nominal value of the shares (above par value).

Retained earnings

The retained earnings of €102.7 million are restricted due to a legal reserve of €32.0 million (2024: €26.6 million) which is not available for distribution.

Result for the year

The proposal to the General Meeting is that a loss of €0.2 million will be recognised in retained earnings.

Note
10

Non-current liabilities

In EUR '000	31 December 2025	31 December 2024
Borrowings	331	388
Total	331	388

The repayment obligation as per 31 December 2025 is as follows:

In EUR '000	31 December 2025	Repayment obligation in 2026	Remaining term > 1 year and <5 year	Remaining term >5years
Borrowings	331	60	240	31
Total	331	60	240	31

Repayments due within 12 months of the reporting date in the sum of €60 thousand (2024: €60 thousand) have been recognised as current liabilities.

Reference is made to Note 25 of the consolidated financial statements.

Note
11

Current liabilities

In EUR '000	31 December 2025	31 December 2024
Repayment obligation borrowings	60	60
Trade payables	50	50
Due to affiliated companies	—	8,715
Corporate income tax	—	—
Other taxes	96	96
Other liabilities and accrued expenses	655	501
Total	861	9,422

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the carrying amounts due to its short term character.

The payables due to affiliated companies bear no interest. With respect to repayment and securities nothing has been agreed. Reference is made to Note 27 of the consolidated financial statements.

Contingencies and commitments

Fiscal unity

The Company forms a fiscal unity with Alfen B.V., Alfen ICU B.V. Alfen International B.V. and Alfen Projects B.V. for corporate income tax (CIT). For value-added tax (VAT) purposes the fiscal unity consists of Alfen N.V., Alfen B.V., Alfen ICU B.V. and Alfen Projects B.V. Pursuant to the Collection of State Taxes Act, the Company, along with the subsidiary that is part of the fiscal entity, is wholly and severally liable for taxation payable by the fiscal unity.

Joint and several liabilities

Alfen N.V. has assumed joint and several liabilities in accordance with article 403 Part 9 of Book 2 of The Dutch Civil Code with respect to its subsidiaries Alfen B.V. and Alfen ICU B.V.

Litigations and claims

A customer filed a claim against the company related to a delivered project. At this point, management has not identified a probable legal or constructive obligation and therefore no provision has been recorded.

Audit fees

The following audit fees were expensed in the income statement in the reporting period:

In EUR '000	PricewaterhouseCoopers Accountants N.V.		Other network		Total network	
	2025	2024	2025	2024	2025	2024
Audit of the financial statements	290	297	—	—	290	297
Limited assurance procedures on the sustainability statements	—	220	—	—	—	220
Other audit procedures	—	—	5	5	5	5
Tax services	—	—	—	—	—	—
Other non-audit services	1	—	—	—	1	—
Total	291	517	5	5	296	522

These fees relate to the audit of the 2025 and 2024 financial statements, regardless of whether the work was performed during the financial year.

Average number of employees

During the year 2025, the average number of employees, based on full-time equivalents, was 5 (2024: 6). Of these employees no employees were employed outside the Netherlands (2024: 0).

Events after reporting date

Together with the publication of this Annual Report, Alfen announced a transformation of the organisation and its capabilities to align with its strategic update. Whilst maintaining headcount, a reduction of staff is anticipated in some areas. Therefore, a restructuring provision will be taken in 2026 of approximately €4.5 million, which is expected to be incurred during 2026.

As the decision and announcement occurred after the reporting date, this is a non-adjusting event under IAS 10. Accordingly, no adjustments have been made to the financial statements for the year ended 31 December 2025.

Authorisation of the financial statements

Almere, 10 February 2026
Alfen N.V.

Management Board,

Michael Colijn CEO	Onno Krap CFO
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Supervisory Board,

Henk ten Hove	Maria Anhalt	Willem Ackermans	Jeanine van der Vlist
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Other information



Alfen N.V.
Amsterdam, the Netherlands

Other information
for the year ended 31 December 2025

Other information

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Provision in the Articles of Association relating to profit appropriation

Article 34 in the articles of association include the following information concerning profit appropriation:

1. The Management Board, with the approval of the Supervisory Board, may decide that the profits realised during a financial year fully or partially be appropriated to increase and/or form reserves.
2. The profits remaining after application of Article 34.1 shall be put at the disposal of the General Meeting. The Management Board, with the approval of the Supervisory Board, shall make a proposal for that purpose. A proposal to pay a dividend shall be dealt with as a separate agenda item at the Annual General Meeting of Shareholders.
3. Distributions from the company's distributable reserves are made pursuant to a resolution of the Management Board, with the approval of the Supervisory Board.
4. Provided it appears from an interim statement of assets signed by the Management Board that the requirement mentioned in Article 34.7 concerning the position of the Company's assets has been fulfilled, the Management Board may, with the approval of the Supervisory Board, make one or more interim distributions to the holders of Shares.

5. The Management Board may, with the approval of the Supervisory Board, decide that a distribution on Shares shall not take place as a cash payment but as a payment in Shares, or decide that holders of Shares shall have the option to receive a distribution as a cash payment and/or as a payment in Shares, out of the profit and/or at the expense of reserves, provided that the Management Board is designated by the General Meeting pursuant to Articles 6.2. With the approval of the Supervisory Board, the Management Board shall determine the conditions applicable to the aforementioned choices.
6. The Company's policy on reserves and dividends shall be determined and can be amended by the Management Board, subject to the approval of the Supervisory Board. The adoption and thereafter each amendment of the policy on reserves and dividends shall be discussed and accounted for at the General Meeting of Shareholders under a separate agenda item.
7. Distributions may be made only insofar as the company's equity exceeds the amount of the paid in and called up part of the issued capital, increased by the reserves which must be kept by virtue of the law or these Articles of Association.

Independent auditor's report

We refer to the following page.

Independent auditor's report

To: the general meeting and the supervisory board of Alfen N.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion:

- the consolidated financial statements of Alfen N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2025 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Alfen N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2025 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of Alfen N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the following statements for 2025: the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2025;
- the company income statement for the year then ended; and
- the notes to the company financial statements, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Alfen N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Overview and context

Alfen N.V. is a public limited liability Company (N.V.) which main activity is to develop, manufacture and sell products, systems and services related to the electricity grid, including smart grid solutions, EV charging and energy storage systems. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

In note 6 of the consolidated financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the moisture provision, contract work and capitalisation of developments costs, we considered these matters as key audit matters as set out in the section 'Key audit matters' of this report.

Alfen N.V. assessed the possible effects of climate change on its financial position, refer to the report of the management board, section Sustainability statement. We discussed Alfen N.V.'s assessment and governance thereof with the management board and the audit committee and evaluated the potential impact on the financial position including underlying assumptions and estimates. The expected effects of climate change are not considered to impact the key audit matters.

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of Alfen N.V.

The outline of our audit approach was as follows:



Materiality

Overall materiality: €4.0 million

Audit scope

We conducted audit work in the Netherlands.

Audit coverage: 92% of consolidated revenue and 93% of consolidated total assets.

Key audit matters

- Moisture provision;
- Estimates in contract work; and
- Capitalisation of development costs.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€4.0 million (2024: €3.9 million)
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1% of total revenues and rounded the overall materiality downwards to €4.0 million.
Rationale for benchmark applied	We used total revenues as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that total revenues is the most relevant metric for the financial performance of the Company.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The materiality allocated to components was €3.8 million per component.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €200,000 (2024: €195,000) and reclasses above €2,000,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Alfen N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Alfen N.V.

We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole.

In setting the scope of our group audit we determined what audit work needed to be performed at group level or component level and whether involvement of component auditors was necessary. Based on this outcome, we subjected 3 components (Alfen N.V., Alfen B.V., Alfen ICU B.V.) to audits of their complete financial information to achieve appropriate coverage on financial line items in the consolidated financial statements.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	92%
Total assets	93%

None of the remaining components represented more than 6% of total group revenue or total group assets. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for group entities Alfen N.V., Alfen B.V. and Alfen ICU B.V. The group engagement team

performed the audit work on the group consolidation and the financial statement disclosures. By performing the procedures outlined above at the components we have been able to obtain sufficient and appropriate audit evidence on the Group’s financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of Alfen N.V. and its environment and the components of the internal control system. This included the management board’s risk assessment process, the management board’s process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board and audit committee exercised oversight, as well as the outcomes. We refer to subsection ‘Risk management and control systems’ of the report of the Management Board for management’s fraud risk assessment.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, and whistleblower procedures, among other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries with a selection of members of the management board and senior management to evaluate their fraud awareness, the Group internal control environment in relation to fraud, the ‘tone at the top’ and entity-level controls. As part of these procedures, we have requested the accounting and control manager to fill in our fraud questionnaire and discussed the outcomes of this questionnaire.

We asked members of the management board, the audit committee and the supervisory board whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these

factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risk	Our audit work and observations
The risk of management override of controls	Where relevant to our audit, we evaluated the design of the internal control measures that are intended to mitigate the risks of management override of controls. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties.
The management board is in a unique position to perpetrate fraud because of the management board’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:	We performed data analysis on journal entries based on specific risk criteria. Where we identified instances of unexpected journal entries or other risks through our data analysis, we performed additional audit procedures to address each risk.
<ul style="list-style-type: none">The appropriateness of journal entries and other adjustments made in the preparation of the financial statements.Estimates, including the judgement applied in the capitalisation of development costs, estimates applied in the recognition of the moisture provision and estimates in contract work.Significant transactions, if any, outside the normal course of business for the entity.	We did not identify any significant transactions outside the normal course of business.
We pay particular attention to tendencies due to possible bias of the management board.	We evaluated key estimates and judgements for bias by the management board of Alfen included, where relevant and possible, a retrospective review of prior year’s estimates related to important estimates of the management board. This encompassed the valuation of construction contracts, capitalisation of development costs, and estimates related to the moisture provision. We also refer to the key audit matters including our audit work and observations on these estimates.
	We considered the outcome of our other audit procedures and evaluated whether any findings or misstatements were indicative of fraud.
	Our procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

Identified fraud risk	Our audit work and observations
The risk of fraudulent financial reporting due to overstating the revenue	Where relevant to our audit, we evaluated the design and implementation of the internal control measures related to revenues and in the process for generating and processing journal entries related to revenues.
Alfen’s strategic objective is achieve sustainable growth through innovation in energy-related products and to realise future increases in revenue and profitability in order to enhance shareholder value.	We selected journal entries based on risk criteria and performed specific audit procedures for these entries.
Alfen communicated a revenue guidance to the market. Therefore, management might face pressure to adhere to this guidance and, in general, achieve results and increase market share, creating an incentive for management to overstate revenues.	We selected a sample of revenue transactions and reconciled these to the contracts or orders, the sales invoices, the shipping documents or site acceptance documentation and the payments.
	We also performed procedures regarding the estimates in the contract work, refer to the key audit matter on the contract work.
	Our procedures did not lead to specific indications of fraud or suspicions of fraud with respect to accuracy and occurrence of revenue.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern

As disclosed in section ‘Going concern’ in Note 2 of the consolidated financial statements the management board performed its assessment of the Company’s ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern (hereafter: going concern risks).

Our procedures to evaluate the management board’s going concern assessment included, amongst others:

- considering whether the management board’s going concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the management board regarding the management board’s most important assumptions underlying its going concern assessment;
- analysing the financial position as at balance sheet date in relation to the financial position as at prior year’s balance sheet date to assess whether events or circumstances exist that may lead to a going concern risk;
- evaluating the management board’s assessment for going concern for at least 12 months from the date of signing the financial statements which included budget, forecasted cash flows and debt covenant headroom, taken into account current developments in the industry and all relevant information of which we were aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity’s operations, including compliance with relevant covenants;
- performing inquiries of the management board as to its knowledge of going concern risks beyond the period of the management board’s assessment.

Our procedures did not result in outcomes contrary to the management board’s assumptions and judgements used in the application of the going concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

Key audit matter	Our audit work and observations
Moisture provision	We gained an understanding regarding smart grid solutions business line water ingress issues (moisture) of Alfen and evaluated the internal control procedures for recognizing the provision.
<i>Refer to note 6 and 26 of the consolidated financial statements</i>	
In 2024, the Company recognised a provision for the Smart Grid Solutions business line related to the moisture issue in our transformer substations. The provision is based on the expected costs to be incurred to resolve the moisture issue and is updated according to the best estimate at year-end 2025.	As part of our risk assessment procedures, we performed look-back procedures, taking into consideration the release in the moisture provision in 2025. No management bias was noted.
Consequently, a release of €4.1 million was recognized, resulting in a remaining provision of €6.8 million as of 31 December 2025.	We reconciled the calculation of the provision with the general ledger and verified mathematical accuracy.
The estimate is based on the following assumptions:	We reconciled the number of stations impacted by water ingress to the inspection reports conducted by impacted vendors and internal work plans.
<ul style="list-style-type: none"> The ratio of stations in the field that are expected to be impacted by water ingress vs. stations in the field that are waterproof; The expected costs to be incurred per type of infield repair to resolve the moisture issue; The time period needed to fully remediate the problem; The discount rate used. 	We reconciled the expected costs per category to invoices, quotes, proposals, and other supporting documentation.
The ratio of stations in the field that are expected to be impacted by water ingress vs. stations in the field that are waterproof is the assumption that is the most critical input for the provision given the impact on the costs to be incurred.	We discussed the technical issue, repairability and expected timelines of repairs with the Operations manager and the Management Board.
We consider the moisture provision a key audit matter due to the significance, related estimation uncertainty and the nature being outside the normal course of business.	We performed a sensitivity analysis to evaluate the sensitivity of the assumptions applied, including discount rate, cost levels and timing of cash outflows.
	We assessed the adequacy of the related disclosures.
	Our procedures did not result in material findings with respect to the moisture provision at 31 December 2025.

Key audit matter	Our audit work and observations
Estimates in contract work	We gained an understanding of Alfen’s contract work, including significant estimates made by the Management Board, such as those regarding the estimated total costs, the measurement of progress towards complete satisfaction of performance obligations and contract modifications. We determined that the estimated total costs is the most critical input to determine the measurement of progress towards complete satisfaction of the performance obligation.
<i>Refer to notes 6 and 22 of the consolidated financial statements</i>	
Contract assets and liabilities for projects in Smart Grid Solutions and Energy Storage Systems are recognised when the Group constructs an asset on the customer site or when the costs incurred are related to a product with no alternative use and for which the Group has an enforceable right to payment.	In addition, we gained an understanding of and evaluated Alfen’s internal controls and processes including IT-systems, relevant to the estimates in contract work. We evaluated how estimation uncertainty is addressed by the Management Board in their monthly detailed review of project progress.
For recognising contract work and identifying performance obligations satisfied over time, Alfen uses the costs incurred on the contract relative to the estimated total costs.	As part of our risk assessment procedures, we performed look-back procedures. No management bias was noted.
The estimated total costs are a critical estimate for Alfen for determining measurement towards complete satisfaction of the performance obligation, as well as for assessing the need for provision for loss-making contracts. These costs include materials used for production, hours needed for production, and transportation costs. Due to the magnitude, the most critical estimated total costs relate to the materials used for production and consequently satisfying its performance obligation.	We used our risk assessment procedures, understanding and assessment of the effectiveness of the internal controls to determine our audit approach. We primarily performed substantive testing procedures, based on efficiency considerations.
The contracts of the Group generally include client-specific and detailed technical descriptions and breakdowns of expected costs. The Management Board periodically monitors the financial and technical progress of the performance obligation by analysing project profitability and variance analyses of forecasted profitability compared to budget and earlier assessments.	We selected a sample of contracts to test the progress towards complete satisfaction of the performance obligation, based on qualitative factors, such as the risk profile and the stage of the project and quantitative factors, such as the revenue attributable to the performance obligation and the balance of the contract asset as at 31 December 2025. In our selections, we included energy storage systems projects and smart grid solutions projects with a high revenue amount during 2025 or with a higher estimation uncertainty.
The estimates in contract work are considered a key audit matter due to the estimate required from the Management Board to determine the estimated total costs.	We performed audit procedures on the accuracy of the costs incurred and contract values, which serve as the input for the Management Board’s measurement of the progress towards the completion of the contract.
	We performed audit procedures on the estimated total costs and challenged the Management Board’s estimates applied by comparing the inputs to supporting evidence. Furthermore, we performed subsequent testing procedures to assess whether events took place which impact the estimated total costs at balance sheet date.
	We assessed the adequacy of the related disclosures.
	Our procedures did not result in material findings with respect to the contract work at 31 December 2025.

Key audit matter	Our audit work and observations
Capitalisation of development costs	We gained an understanding of and evaluated Alfen’s process with regard to the capitalisation of development costs.
<i>Refer to notes 6 and 17 of the consolidated financial statements</i>	
The intangible assets of Alfen amount to €32.5 million of which €32 million relates to capitalised development costs for smart grid solutions, electric vehicle charging equipment and energy storage solutions.	As part of our risk assessment procedures, we performed look-back procedures. No management bias was noted.
During 2025, Alfen capitalised €10.2 million of development costs related to new products and systems or related to new features of existing products and systems.	We obtained a listing of all projects for which development costs were capitalised in the period. We selected several projects based on the amount of capitalised development costs and assessed that criteria for capitalisation of development costs were met.
The Management Board applies significant judgement regarding the determination on whether to capitalise development costs. The determination is highly dependent on the following, which is in line with IAS 38:	We discussed technical feasibility of the projects and the intention and ability of Alfen to sell the products and systems with the R&D value stream leads.
<ul style="list-style-type: none">the technical feasibility to complete the product or system so that it will be available for use;the Management Board’s intention to complete the product or system and use or sell it;the ability to use or sell the product or system;the probability that the product or system will generate probable future economic benefits;the availability of adequate technical, financial and other resources to complete the development; andthe reliability of the measurement of expenditures attributable to the product or system during its development.	We evaluated the reasonableness of future economic benefits and the Management Board’s intention to sell the products and systems by obtaining evidence such as forecasts.
	We assessed the effectiveness of controls related to registration of development hours and assessed the reasonability of the hourly rate used.
	Lastly, we challenged management's assessment whether there are any impairment triggers for capitalised development costs.
	We assessed the adequacy of the related disclosures.
	Our procedures did not result in material findings with respect to the capitalised development costs at 31 December 2025.
Given the level of judgement required from the Management Board to determine whether or not the capitalisation criteria are met, we considered this area to be a key audit matter.	

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor’s report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors’ report, excluding the sustainability statement, and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors’ report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of Alfen N.V. on 3 November 2018 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 11 March 2018. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 8 years.

European Single Electronic Format (ESEF)

Alfen N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Alfen N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N ‘Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument’ (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the entity’s financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures

responsive to those risks to provide a basis for our opinion, including:

- obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
- examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the

financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the Company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Utrecht, 10 February 2026

PricewaterhouseCoopers Accountants N.V.

A.C. Mulder RA

Colophon

Alfen Annual Report 2025

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