Alfen 2025 H1 2025 trading update

Webcast

21 August 2025

Disclaimer

This communication may include forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms such as guidance, expects, aims, expected, step up, announced, continued, incremental, on track, accelerating, ongoing, innovation, drives, growth, optimising, new, to develop, further, strengthening, implementing, well positioned, roll-out, expanding, improve, promising, to offer, more, to be or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Alfen N.V. (Alfen)’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Alfen’s business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements reflect the current views of Alfen and assumptions based on information currently available to Alfen. Forward-looking statements speak only as of the date they are made, and Alfen does not assume any obligation to update such statements, except as required by law.

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

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

The reported data in this webcast have not been audited.

1 H1 2025 highlights

2 H1 2025 business line view

3 H1 2025 financials

4 Outlook 2025 & 2026-2027

Alfen’s highlights of H1 2025

- **H1 2025 revenue was €211.5m, representing a 13.9% reduction compared to H1 2024 (€245.7m).** This was driven mainly by lower revenues in Energy Storage Systems (ESS) and EV Charging (EVC)
- **Gross margin was €61.6m (29.1% of revenue) compared with €54.9m (22.3% of revenue) in H1 2024.** Please note that 2024 gross margin was impacted by one-off provisions.
- **Adjusted EBITDA was €13.0m, compared to €13.5m in H1 2024.** Adjusted EBITDA as a share of revenue improved from 5.5% to 6.1% as a result of cost-saving measures
- **Cost measures are yielding results** with personnel costs decreasing by 9.8% and other OPEX falling by 18.3%
- **Alfen reiterates its 2025 guidance as communicated at the end of Q1 and moderates its mid-term ambition,** as the continued challenging market conditions of H1 2025 are expected to persist in the coming period, also impacting 2026
- **Michael Colijn will take up the position of CEO, effective 1 October 2025**. He brings extensive leadership experience in the smart energy and mobility sectors

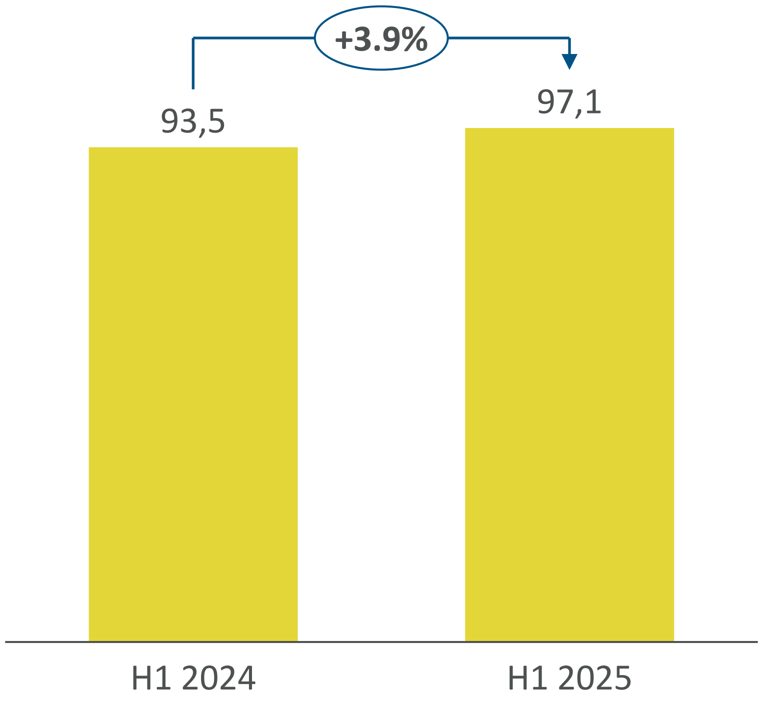
Michael Colijn will take up the position of CEO, effective 1 October 2025, succeeding Marco Roeleveld

- **As announced end of July, Michael Colijn will succeed Marco Roeleveld as Chief Executive Officer (CEO) and chairman of the Management Board**, effective 1 October 2025
- **The appointment of Michael Colijn ensures a careful and timely succession following Marco Roeleveld's decision to retire early**
- **Colijn brings a strong background in leadership within the energy and technology sectors**, with extensive relevant expertise as former CEO of Heliox – a market leader in smart energy management solutions and fast-charging systems for public transport, e-trucks and port equipment

Business line view | Smart grid solutions

Revenues and other income

(€ million)



- **Revenue increased by 3.9% from €93.5m in H1 2024 to €97.1 in H1 2025**
- **Grid operators drove 65% of revenue in H1 2025** and private domain clients drove 35% of revenue
- **Alfen produced 1,628 substations in H1 2025** (H1 2024: 1,548), of which 1,273 were produced in the Netherlands and 355 in Finland
- **Gross margin increased from 13.1% in H1 2024 to 22.4% in H1 2025.** Adjusted for one-off costs, gross margin decreased from 26.5% in H1 2024 to 22.4% in H1 2025. This decline is primarily due to increased component costs in response to the moisture issue and a relative higher share of revenue coming from grid companies versus private customers in H1 2025 compared to H1 2024.
- **Highlighted commercial win:** Alfen to carry out medium-voltage (MV) installation activities for Belectric's Eekerpolder 200 MWp solar park
- **Innovations**: Pacto, Diabolo and Altro stations are now certified for SF_6-free components. The usage of SF_6 is prohibited by European regulation in new MV equipment as of January 2026

SGS | Alfen does not see a significant change in market circumstances for this year and going into 2026

Requirements to scale continue to hamper execution speed

- Obtaining necessary permits, incl. nitrogen emission permits
- Availability transmission grid capacity
- Availability of land to place substation
- Delivery of components by supply chain partners
- Installation capacity

Alfen commentary

Public domain – Grid operators

- Alfen does not see short term improvements in execution constraints by grid operators as a results of labour shortages and permitting delays
- We expect this situation to continue into 2026

Private domain – Renewables, Fast charging, industry and greenhouses

- We continue to see a delay in demand for projects as a result of grid congestion

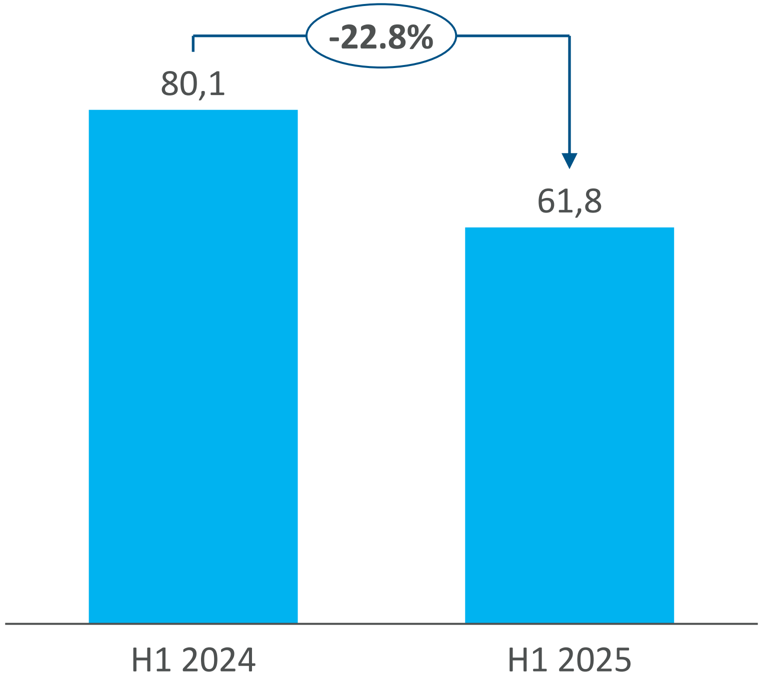
Public domain – New business

- Alfen expects to accelerate the roll-out of transport distribution stations
- Margin profile is in line with our projects in the private domain

Business Line View | EV charging equipment

Revenues and other income

(€ million)

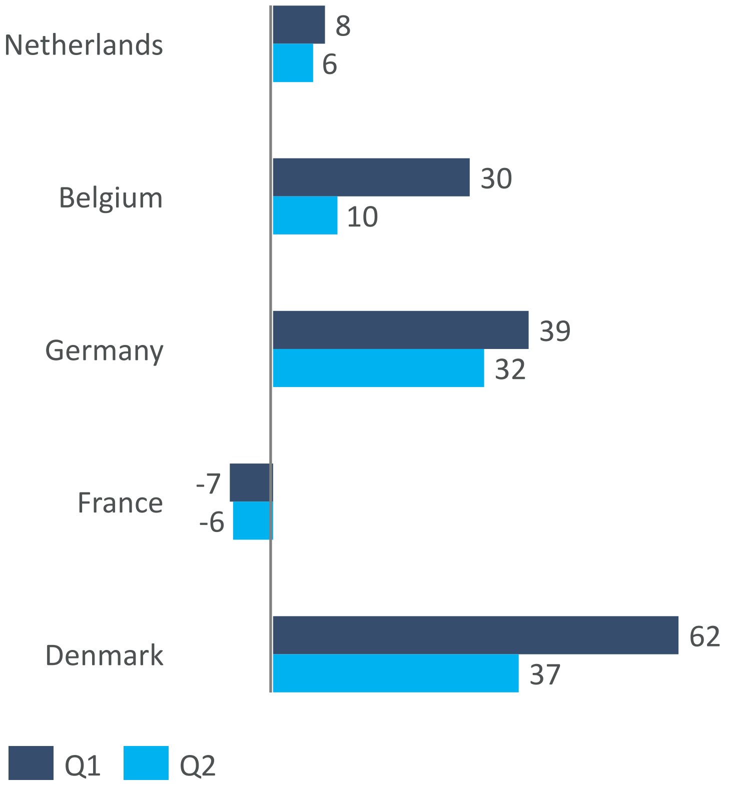


- **Revenue decreased by 22.8% from €80.1m in H1 2024 to €61.8m in H1 2025**
- **A total of 61,254 charge points were produced in H1 2025,** which is a 23.7% decrease compared to H1 2024
- **Gross margin increased to 42.9% compared to 33.9% in H1 2024.** Adjusted gross margin stands at 44.1% compared to 38.4% in H1 2024. These higher gross margins can mainly be attributed to cost-saving measures
- **Highlighted commercial win**: Together with the Belgium wholesaler Cebeo, we will roll out 520 charge points in parking garages and the public space in Belgium
- **Innovations**:
  - Development of new Plus chargers is on schedule for launch in Q4 2025
  - Alfen has been working on the development of the Eve Install App which will help installers to significantly reduce time required for installation and configuration

EVC | BEV market grows y-o-y but growth slowed down since flexible CO2 announcement in March 2025

BEV registrations in EU countries

In [%] y-o-y compared to same period last year



Translation to EV markets from Alfen

NL – Minor improvement in BEV registrations but stronger PHEV sales. **Alfen sees a slow-moving public segment due to hampering installations as well as increased competition in home segment**

BE – Strong BEV momentum overshadowed by strong decline in PHEV registrations. **Alfen sees less traction in the home- and public segment compared to H1 2024**

GER – Strong market momentum observed in BEV and PHEV registrations as well as positive incentive developments. **Alfen does not yet see this translation in its EV charging order book**

FR – Muted in both BEV and PHEV registrations in 2025YTD. However, the re-opening of the social leasing scheme can boost the BEV market from September. **Alfen continues to see strong traction**

DK – Strong market momentum fueled by BEV registrations. **In 2025, Alfen rapidly strengthened its market position through its partner Norlys and is now benefiting from the market momentum**

The amendment of the European Alternative Fuels Infrastructure regulation (AFIR) is now officially published which will apply from 8 January 2026.

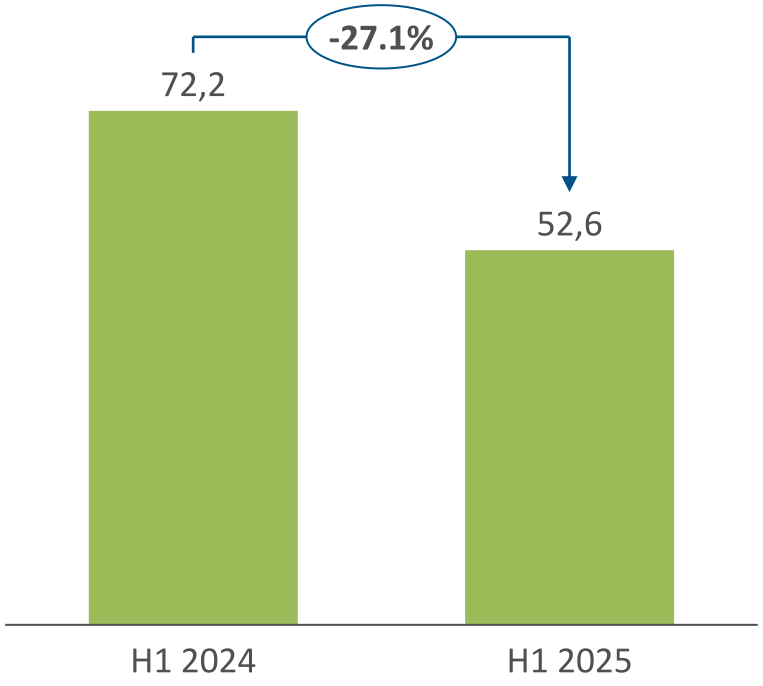
Alfen's product portfolio is ready to accommodate the new requirements

Source: ACEA BEV registrations (July 2025)

Business Line View | Energy storage systems

Revenues and other income

(€ million)

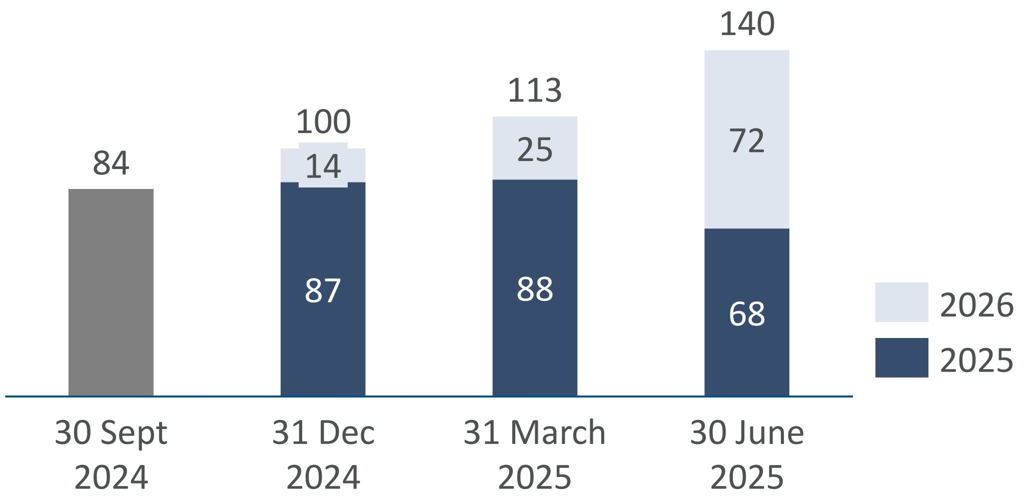


- **Revenue decreased by 27.1% from €72.2m in H1 2024 to €52.6m in H1 2025**
- **Gross margin increased from 21.6% in H1 2024 to 27.4% in H1 2025.** These unusually high margins are expected to normalise again in H2
- **Highlighted commercial win:** Alfen will deliver a 20MW/40MWh battery energy storage system for E-Connection. This system will be co-located with a wind hub and is part of the 150kV private grid at Neeltje Jans in the south-west of the Netherlands
- **Innovations**: Alfen introduced a new 20-foot containerised solution for our stationary storage system TheBattery Elements. This increases energy density and reduces land acquisition costs for customers

ESS | Backlog and pipeline continue to grow in healthy manner while pricing (€ per MWh) continues to decline

Energy storage backlog as of 30 June 2025

(€ million)



Remarks

I Deals closed in H2 2025, will not meaningfully contribute to 2025 revenue

II Backlog 2025 covers this year's revenue outlook (€105-118m)

Alfen commentary

- Alfen has a healthy mix of project sizes in its backlog and pipeline
- Lower energy storage cost improve project economics for our customers

Alfen observes a price decline for energy storage systems per MWh in the range of 10% to 20% compared to the end of 2024

Consistent over-supply in the market

Price changes in raw materials used for batteries

Technology advancements (e.g., density increases)

Note: project pricing is dependent on Alfen's scope of work, system size and duration

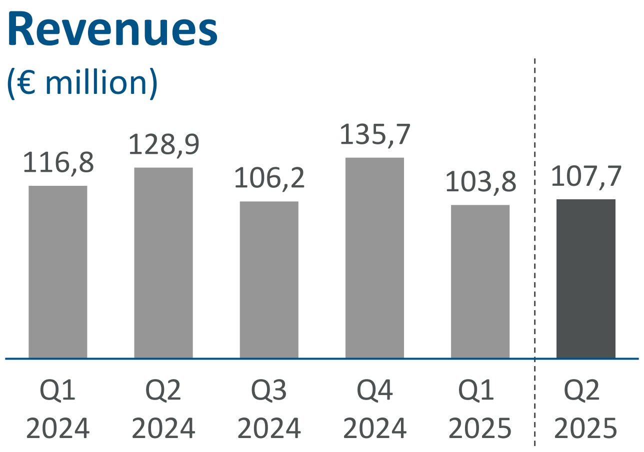
Source: Alfen internal data

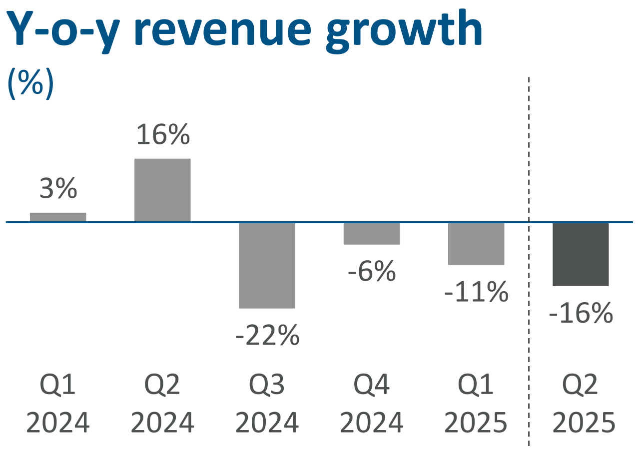
Construction of our earlier announced BESS project Flevobess has started - to be operational in October 2025

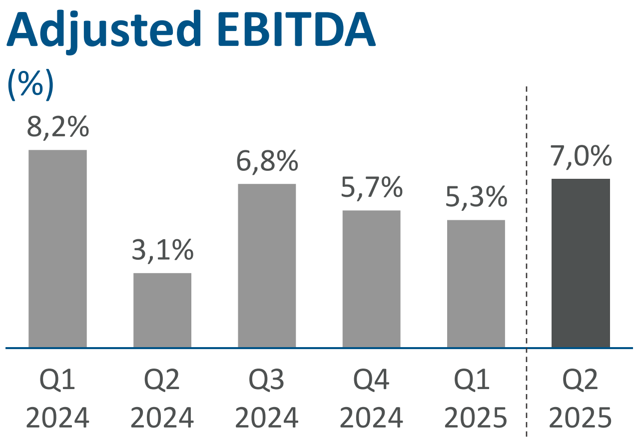
- In January Alfen announced the signature of the agreement with FlevoBESS to build one of Netherlands first large-scale 4 hour BESS
- This 31.6MW/126.4MWh Energy Storage System can provide 220,000 households for 4 hours with electricity
- Construction has started and the system will be operational in October 2025

Photo: Omroep Flevoland

Financials | Group financials







- **Revenue in Q2 amounted to €107.7m,** a 16% decline compared to Q2 2024. Mainly driven by relatively high revenue in Q2 2024 for ESS and EV charging
- **Adjusted gross margin was 30.1% in Q2 2025,** compared to 26.1% in Q2 2024. This improvement was due to cost-saving measures
- **Adjusted EBITDA was 7.0% in Q2 2025**, compared to 3.1% in Q2 2024

Financials | Income statement H1 2025

In € million	H1 2025	H1 2024
Revenue and other income	**211.5**	**245.7**
Smart grids solutions	*97.1*	*93.5*
EV charging equipment	*61.8*	*80.1*
Energy storage systems	*52.6*	*72.2*
Gross margin	**61.6**	**54.9**
as % of revenues	*29.1*	*22.3*
Adjusted gross margin	**63.4**	**71.0**
as % of revenues	*30.0*	*28.9*
Personnel cost	(38.4)	(42.6)
Adjusted personnel costs	(37.8)	(41.7)
Other operating cost	(13.1)	(16.0)
Adjusted operating costs	(12.1)	(15.7)
EBITDA	**9.6**	**(3.8)**
as % of revenues	*4.5*	*(1.6%)*
Adjusted EBITDA	**13.0**	**13.5**
as % of revenues	*6.1*	*5.5*
Adjusted net profit	**1.4**	**1.9**

- **Revenue** decreased by 13.9% to €211.5m in H1 2025, from €245.7m in H1 2024
- **Gross margin** increased from 22.3% in H1 2024 to 29.1% in H1 2025. H1 2024 gross margin was significantly impacted by the warranty provision taken to cover the potential impact of the substation moisture issue
- **Adjusted gross margin** excluding one-off costs stands at €63.4m (30.0% of revenue), compared to €71.0m (28.9% of revenue) in H1 2024
- **Personnel costs** decreased by 9.8% to €38.4m compared to €42.6m in H1 2024 as a result of the organisational right-sizing programme implemented at the end of 2024. FTEs decreased from 1,053 as of 31 December 2024 to 946 as of 30 June 2025
- **Other operating expenses** decreased by 18.3% to €13.1m compared to €16.0m in H1 2024, driven by our cost-saving initiatives
- **Net loss** decreased from €11.1m in H1 2024 to €1.3m in H1 2025. Adjusted for one-off costs and special items after tax, adjusted net profit amounted to €1.4m (compared to €1.9m in H1 2024)

Financials | Balance sheet

In € million	30 June 2025	31 December 2024
Non-current assets	110.7	111.3
Current assets	228.0	251.5
Of which Cash and cash equivalents	*17.3*	*17.1*
Total assets	**338.7**	**362.8**
Non-current liabilities	57.1	60.4
Current liabilities	130.2	150.1
Equity	151.3	152.2
Total equity and liabilities	**338.7**	**362.8**

- **Non-current assets** decreased by €0.6m driven by depreciation and amortisation of €9.1m and partly offset by Capitalised development cost, New leases and remeasurements and Other CapEx of €4.8m, €2.2m and €1.5m, respectively
- **Current assets** decreased by €23.5m, of which €9.8m driven by Inventory position and related stock down payments as well as other working capital movements
- **Non-current liabilities** decreased with €3.3m mainly driven by redemption payment on our loans and lease payments
- **Current liabilities** decreased by €19.9m as a result of working capital movements, partly offset by and increase in short-term leases and factoring position
- **Cash flow from operating activities** was €10.8m positive in H1 2025, compared to €1.6m negative in H1 2024, partly driven by lower income tax paid

Financials | Working capital

In € million	30 June 2025	31 December 2024	Working Capital Movements
Inventories	86.7	101.5	(14.8)
Trade and other receivables	119.9	128.9	(9.0)
- of which: Amounts due from customers for contract work - mainly ESS	*24.0*	*22.4*	*1.6*
Current tax receivables	4.1	4.0	0.1
Trade and other payables	**(121.0)**	**(142.3)**	**21.3**
- of which: Amounts due to customers for contract work - mainly ESS	*(47.8)*	*(46.7)*	*(1.1)*
Current tax liabilities	--	(0.1)	0.1
Net working capital	**89.7**	**92.0**	**(2.3)**

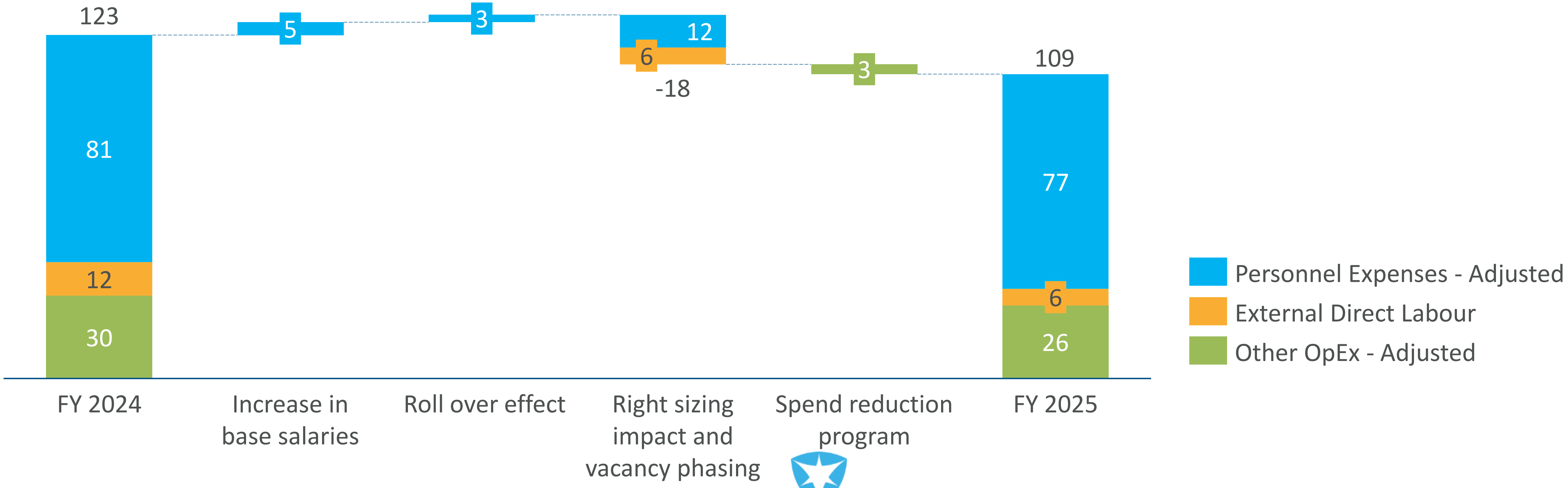
- **Working capital** decreased with €2.3m to €89.7m on 30 June 2025 compared to €92.0m on 31 December 2025. This decrease is mainly driven by a reduction in inventories
- **Overall inventory and strategic stock down payment were reduced** from €113.9m on 31 December 2024 to 104.1m on 30 June 2025

In € million	30 June 2025	31 December 2024
Inventories – on hand	86.7	101.5
Inventories – down payments	17.4	12.4
Total inventory, incl. down payments	**104.1**	**113.9**
Inventory by business line		
Smart Grid Solutions, including Elkamo	22.9	24.3
Energy Storage Systems	50.4	47.7
EV Charging equipment	30.8	41.9
Total inventory, incl. down payments	104.1	113.9

Financials | Cost savings have been successful: –12.8% net cost reduction expected for FY 2025

Expected impact cost savings in Personnel expenses, External direct labour costs and Other OPEX

(€ million)



Outlook | Alfen reiterates 2025 FY guidance

2025 FY guidance

Alfen revenue range	€430m-€480m
Smart Grid Solutions revenue	0% – 5% decline
EV Charging revenue	10% – 15% decline
Energy Storage Systems revenue	0 – 10% decline
EBITDA margin	5% – 8%
CAPEX as % of revenue	<4%

Outlook | Alfen moderates 2026 ambition due to persisting challenging markets

2026 ambition

	Former	*Updated*
Revenue growth adjusted due to market challenges carrying over into 2026	5% – 10% y-o-y	0% – 5%
Adjusted EBITDA margin as % of rev. adjusted due to less operational leverage due to lower revenue growth	“towards low double digits in 2027”	5% – 8%
Time horizon adjusted due to market uncertainty	2026-2027	2026

ALFEN

POWER TO ADAPT