



Alfen 2021 Q3 trading update

Webcast

11 November 2021



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, 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, improvements, 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 outlook estimates are management estimates resulting from Alfen's pursuit of its strategy. Alfen can provide no assurances that the estimated future revenues will be realised and the actual revenue for the financial year 2021 could differ materially. The expected revenues have 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 projects, which may materially differ from the success rates for any future 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 2020 which can be found on Alfen's website, www.alfen.com.

The reported data in this webcast have not been audited.

Highlights

Q3 2021 revenues of €60.6m, a 21% growth versus Q3 2020 (€49.9m)

Gross margin at 36.9%, slightly lower compared to 37.2% in Q3 2020, but an increase of 50bps compared to 36.4% over the first half-year of 2021

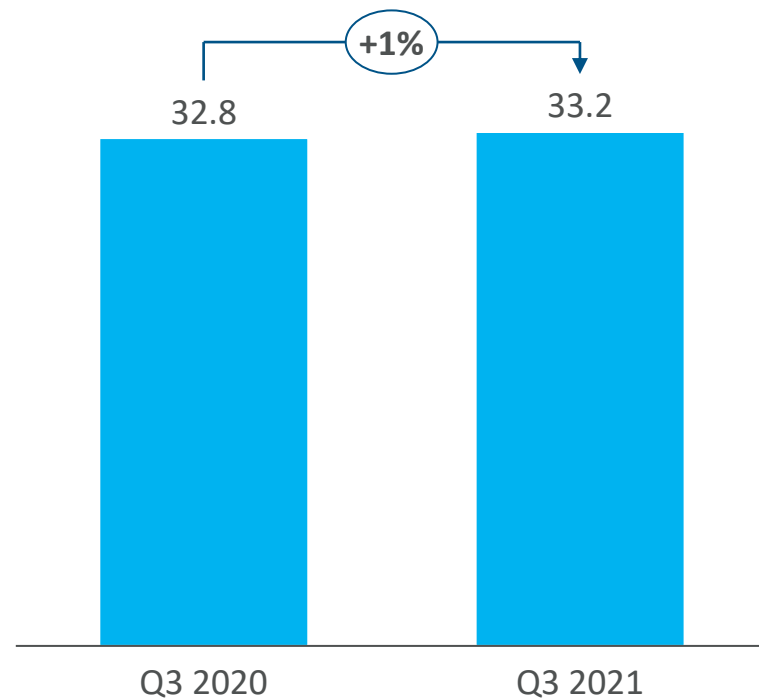
Adjusted EBITDA of €9.7m (16.0% of revenues), a 28% growth compared with Q3 2020 (€7.5m, 15.1% of revenues)

Alfen reconfirms its 2021 full-year revenue guidance of €225-250m

Segmental review | Smart grid solutions

Revenues and other income

(€ million)

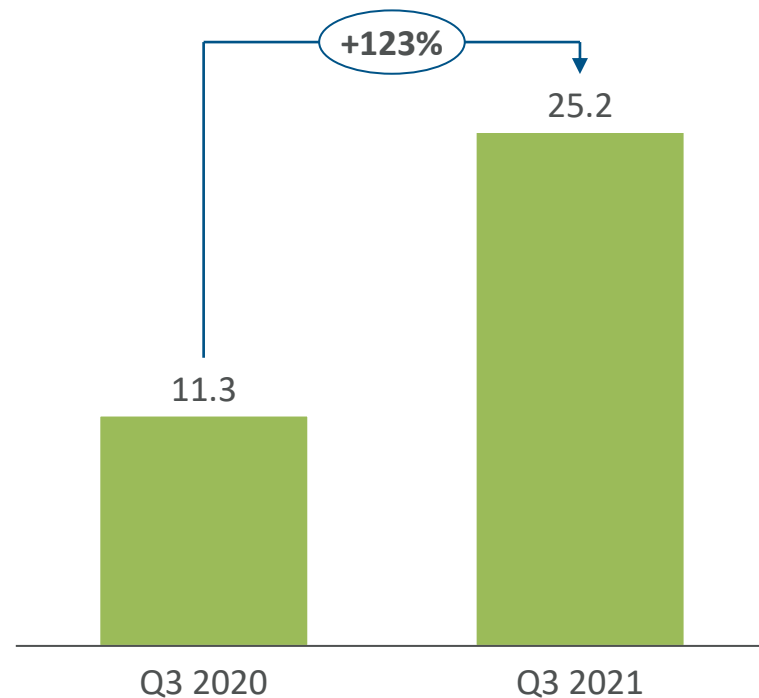


- In the Smart grid solutions business line, Q3 revenues were €33.2m (+1% from €32.8m in Q3 2020).
- Alfen continued to supply transformer substations to grid operators and smart grid solutions to, for instance, renewable projects, greenhouses and industrial customers.
- Revenue growth was partly offset by some project delays in the industrial segment, which has been the result of customer schedule delays as well as grid operator planning challenges to establish grid connections.

Segmental review | EV charging equipment

Revenues and other income

(€ million)

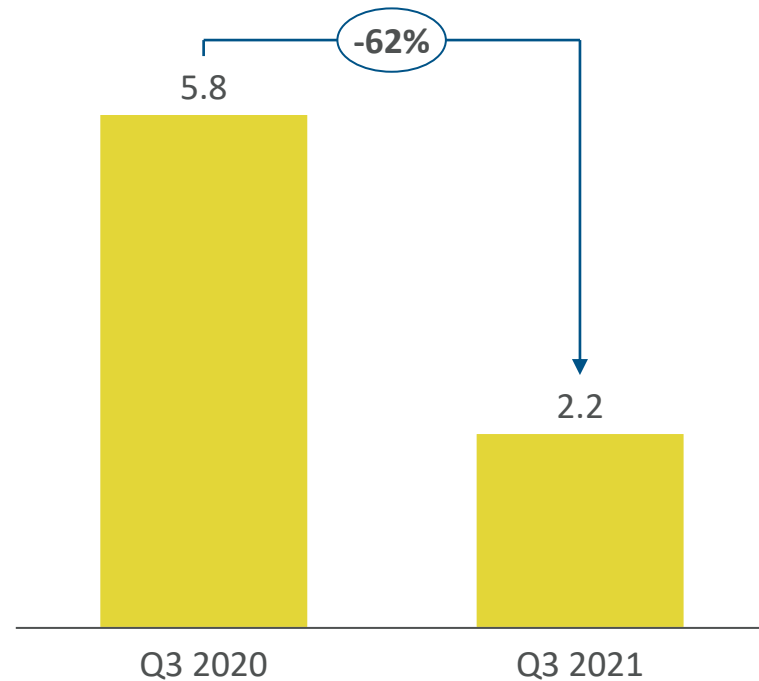


- In the EV charging equipment business line, Q3 revenues more than doubled to €25.2m (+123% from €11.3m in Q3 2020).
- Alfen benefitted from its strong international market position as the penetration of Electric Vehicles in new car sales keeps growing across Europe.
- More and more car OEM's have committed to electrification of their portfolios and are rapidly increasing and diversifying EV supply in the market. This together with the ongoing incentives for EVs across Europe is driving the growing demand for EV charge points at home, at businesses and in public locations.
- From a supply chain perspective, a high demand for components, especially electrical ones, continued to put pressure on the supply chain throughout the world. Alfen continued to closely manage its supply chain and has been able to mitigate the delivery challenges up to this point.

Segmental review | Energy storage systems

Revenues and other income

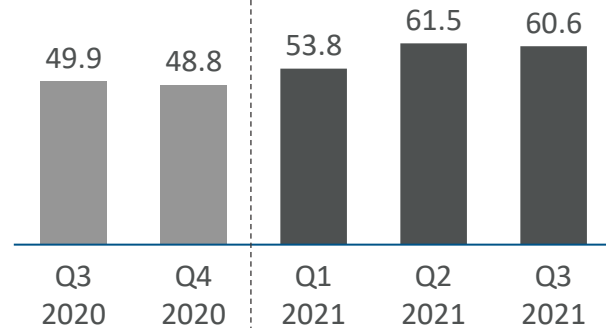
(€ million)



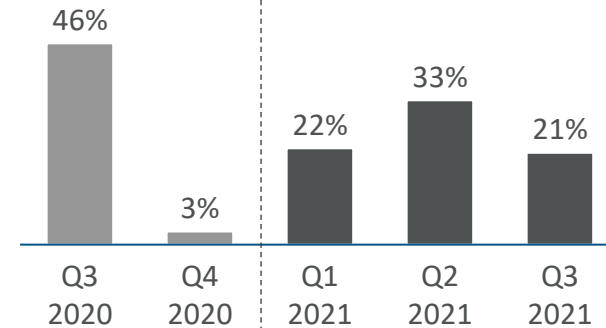
- In the Energy storage systems business line, Q3 revenues were €2.2m (-62% from €5.8m in Q3 2020).
- The decrease in revenues is a result of COVID-19 headwinds in 2020 combined with ongoing decision-making delays across the sector resulting in longer lead-times to secure new orders and generate revenue.
- Nevertheless, Alfen's projects pipeline of qualified leads at the end of the third quarter has more than tripled compared to the same period last year and Alfen remains convinced of the long-term market opportunity.

Group financials

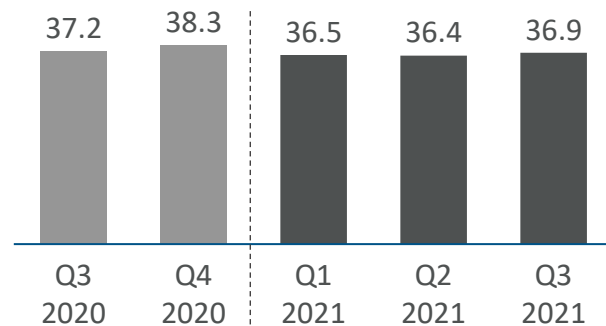
Revenues (€ million)



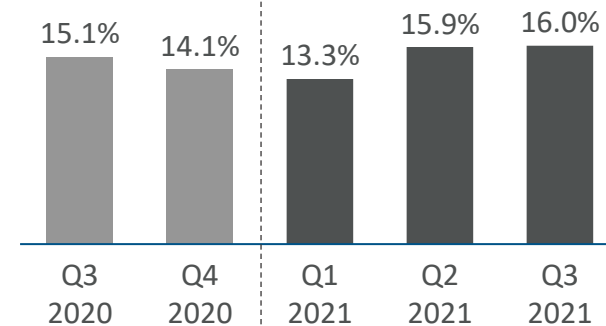
Y-o-y revenue growth (%)



Gross margin (%)



Adjusted EBITDA (%)

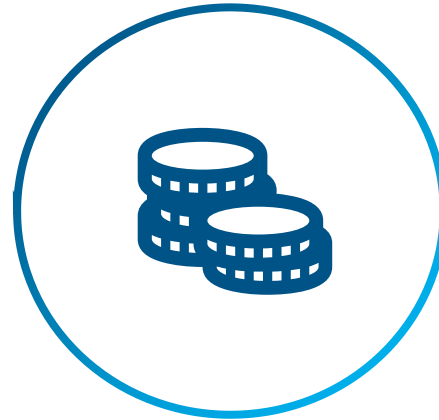


- Q3 2021 revenues have grown with 21% to €60.6m versus €49.9m in Q3 2020.
- Gross margin in Q3 2021 was 36.9%. Although this was slightly lower than the 37.2% gross margin in Q3 2020, it increased 50bps compared to the 36.4% gross margin of the first half-year of 2021. The differences are related to product mix effects.
- Adjusted EBITDA was €9.7m (16.0% of revenues), compared with €7.5m (15.1% of revenues) in Q3 2020.
- Despite a slightly lower gross margin, the adjusted EBITDA increased because of operational leverage.

Outlook



Alfen still expects **supply chain pressure to continue** from Q4 well into 2022. This may result in some adverse impact.



Alfen continues to anticipate strong market developments for all its business lines and as such, continues to **further invest in its organisation, facilities and innovations** for the future.



Alfen reconfirms its **2021 full-year revenue guidance of €225-250m.**



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