



Alfen 2024 Q1 trading update

Webcast

21 May 2024



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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 free cash flow guidance is based on management estimates resulting from Alfen's pursuit of its strategy. Alfen can provide no assurances that the guidance will be realised and the actual results for 2024 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.

More details on Alfen's 2023 performance can be found in the 2023 annual report and the 2023 results press release, published together with this presentation. A more comprehensive discussion of the risk factors affecting Alfen's business as well as reconciliation of EBITDA with adjusted EBITDA can be found in Alfen's annual report 2023 which can be found on Alfen's website, www.alfen.com.

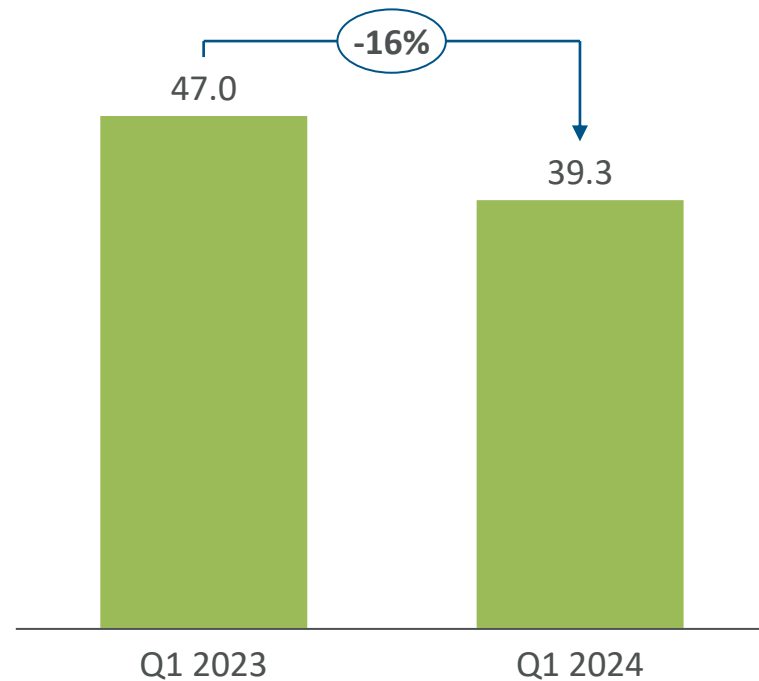
Alfen's highlights of Q1 2024

- > **Q1 2024 revenue amounted to €116.8m, a 3% growth** versus Q1 2023 (€113.2m), driven by Smart Grid Solutions (+32%) versus Energy Storage (-8%) and EV Charging (-16%).
- > **Gross margin stable at 32.0%** compared with 32.1% in Q1 2023. Note: this gross margin excludes the one-off €5m costs related to the Liander Pacto substations moisture issue. As a result, this is also excluded from the adjusted EBITDA.
- > **Adjusted EBITDA declined 25% to €9.6m (8.2% of revenue)** from €12.7m in Q1 2023 (11.2% of revenue) as a result of lower revenue in Energy Storage.
- > **Revenue backloaded towards H2 2024** driven by ramp-up in substation production, demand for AFIR-compliant EV chargers and timing of energy storage projects.
- > **Alfen has found an interim CFO: Onno Krap will join Alfen per May 21st 2024.**
- > **Alfen has extended its Executive Committee with Bart Kempen (COO) and Anne van Nood (CHRO).**
- > **Alfen reconfirms its 2024 full-year revenue, EBITDA margin and FCF outlook.** Alfen also reconfirms its growth ambitions for Smart Grid Solutions and EV Charging, but Energy Storage will likely be less than 40% revenue growth due to rapid decline in battery prices.

Segmental review | EV charging equipment

Revenue and other income

(€ million)

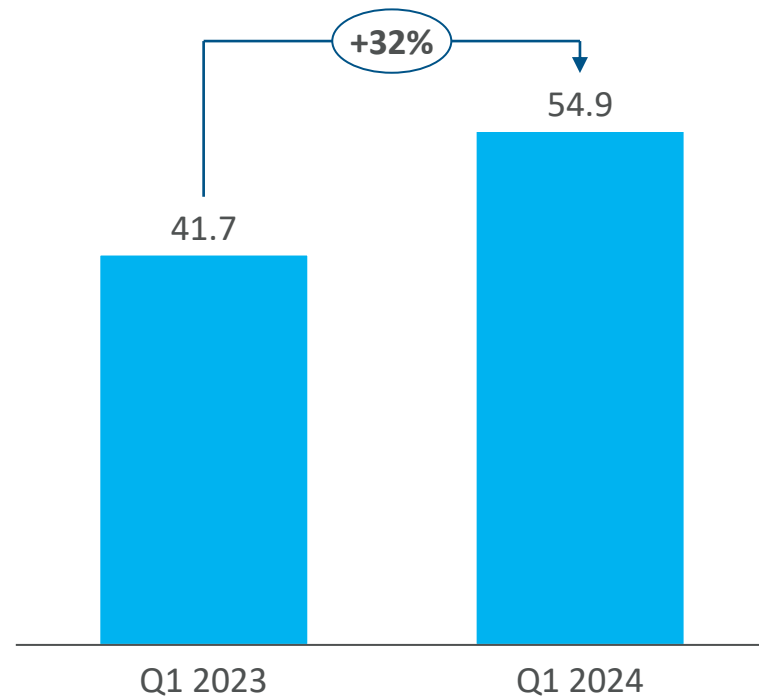


- In the EV Charging business line, Q1 revenue were €39.3m (-16% from €47.0m in Q1 2023). Alfen continues to see quarter-on-quarter improvement in revenue (2023 Q4 was €38.6m).
- In the first quarter, approximately 66% of revenue were generated from outside the Netherlands.
- In Q1 2024, Alfen produced approximately 37,700 charge points, a decline of 14% from Q1 2023 with approximately 43,800 charge points.
- In 2024 we expect to grow this business line by approximately 15%, partly driven by strong order intake for our new public charger (Twin 5 Plus) that is compliant with the new European AFIR regulation on payment transparency.

Segmental review | Smart grid solutions

Revenue and other income

(€ million)

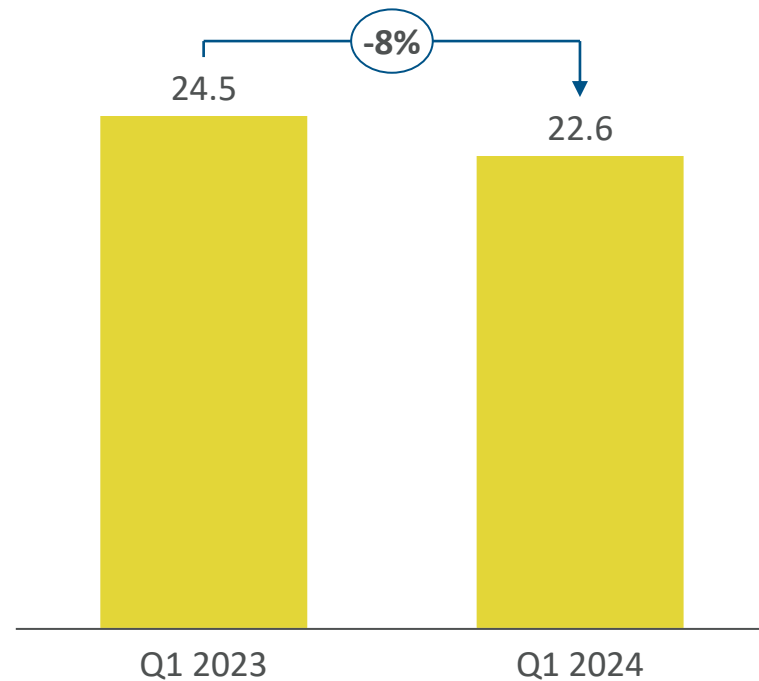


- In the Smart Grid Solutions business line, Q1 revenue were €54.9m (+32% from €41.7m in Q1 2023), with the grid operator businesses especially contributing to revenue growth.
- Alfen continues to see a long-term growth trend in smart grids solutions underpinned by electrification of society's energy needs.
- In Q1 2024, Alfen produced approximately 914 substations, a 18% increase compared with Q1 2023 with approximately 777 substations. The growth is driven by the acceleration of substation demand among grid operators.
- For Q2, Alfen expects one-off impact on SGS revenue due to the temporary production stop for Liander, but for the full year Alfen continues to expect roughly 20% revenue growth as Alfen can largely catch up on production in Q3 and Q4.

Segmental review | Energy storage systems

Revenue and other income

(€ million)

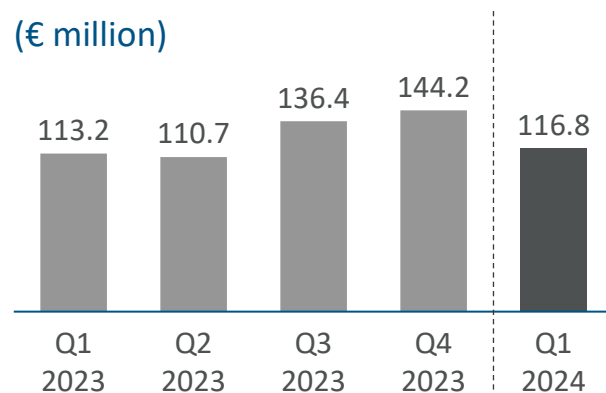


- In the Energy Storage Systems business line, Q1 revenue were €22.6m (-8% from €24.5m in Q1 2023).
- The prospect for this business line remains strong. In this quarter, the volatile revenue profile quarter-on-quarter is reflected as timing of revenue recognition milestones in a project plays a large role.
- Due to falling battery prices over the past couple of months and the volatile nature of revenue recognition, Alfen now expects less than 40% revenue growth.
- Alfen expects the rate of battery price decline to slow as it is coupled with the current slowdown in EV sales. At the same time, Alfen already sees a market response to lower battery prices and more projects in our qualified leads pipeline, for which Alfen is well positioned, especially with its modular TheBattery Elements solution.
- Based on the status of pending projects and deals that are close to being awarded, Alfen sees ESS revenue growth backloaded towards the second half of this year.

Group financials

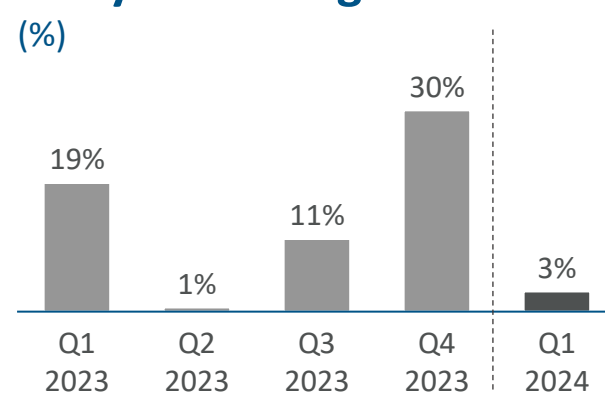
Revenue

(€ million)



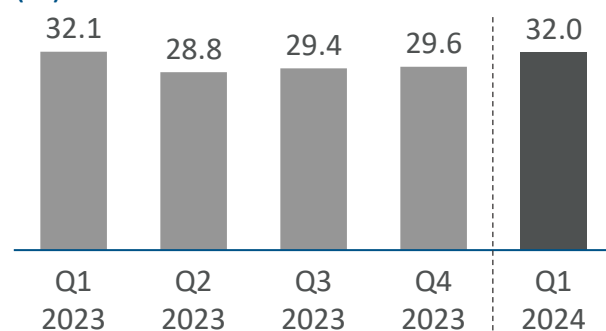
Y-o-y revenue growth

(%)



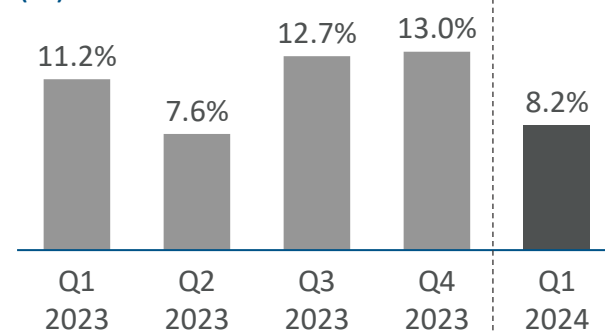
Gross margin

(%)



Adjusted EBITDA

(%)

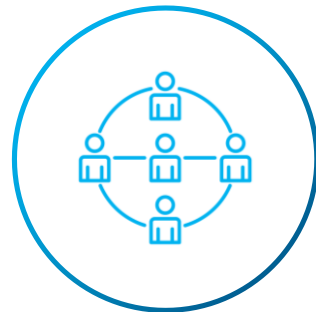


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- **Adjusted EBITDA declined 25% to €9.6m (8.2% of revenue)** from Q1 2023 €12.7m (11.2% of revenue), as a result of lower revenue in Energy Storage. This causes temporary operational deleverage.

Two ExCom highlights to point out



**Found an interim CFO:
Onno Krap**



**Executive Committee
extended with COO and CHRO**

Outlook

- The transition to a carbon-free energy system that is not dependent on fossil fuels keeps on building momentum across Europe.
- Alfen foresees long-term positive market developments for all of its business lines and it continues to invest in its organisation, production lines and innovations for the future.
- For 2024, Alfen reconfirms its full-year revenue outlook of €590-660m. Alfen also reconfirms its guidance on adjusted EBITDA (>11.3% of revenue) and free cash flow (positive).



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