



SMA SOLAR TECHNOLOGY AG
Analyst / Investor Presentation
Financial Results 2024

Presented by Barbara Gregor, CFO, Jürgen Reinert, CEO & Olaf Heyden, CTRO/COO

March 27, 2025

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Review FY 2024



Sales

€1,530m

FY 2023:
€1,904m

Free-Cash-Flow

€-184m

FY 2023:
€+57m

EBITDA

€-16m

FY 2023:
€311m

Order backlog

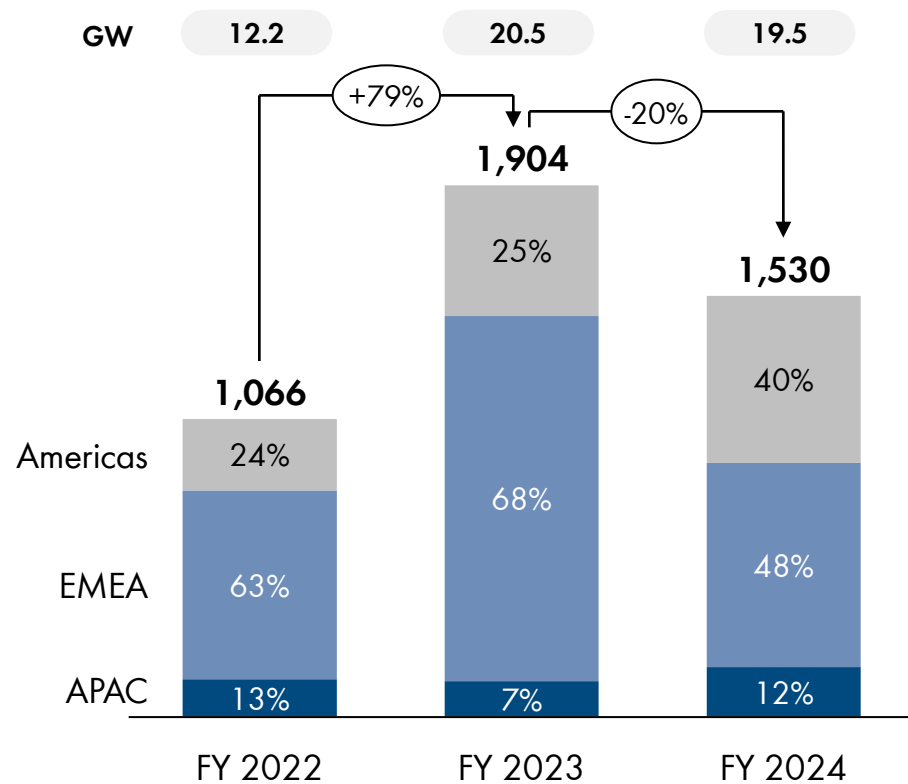
€1,356m

FY 2023:
€1,705m

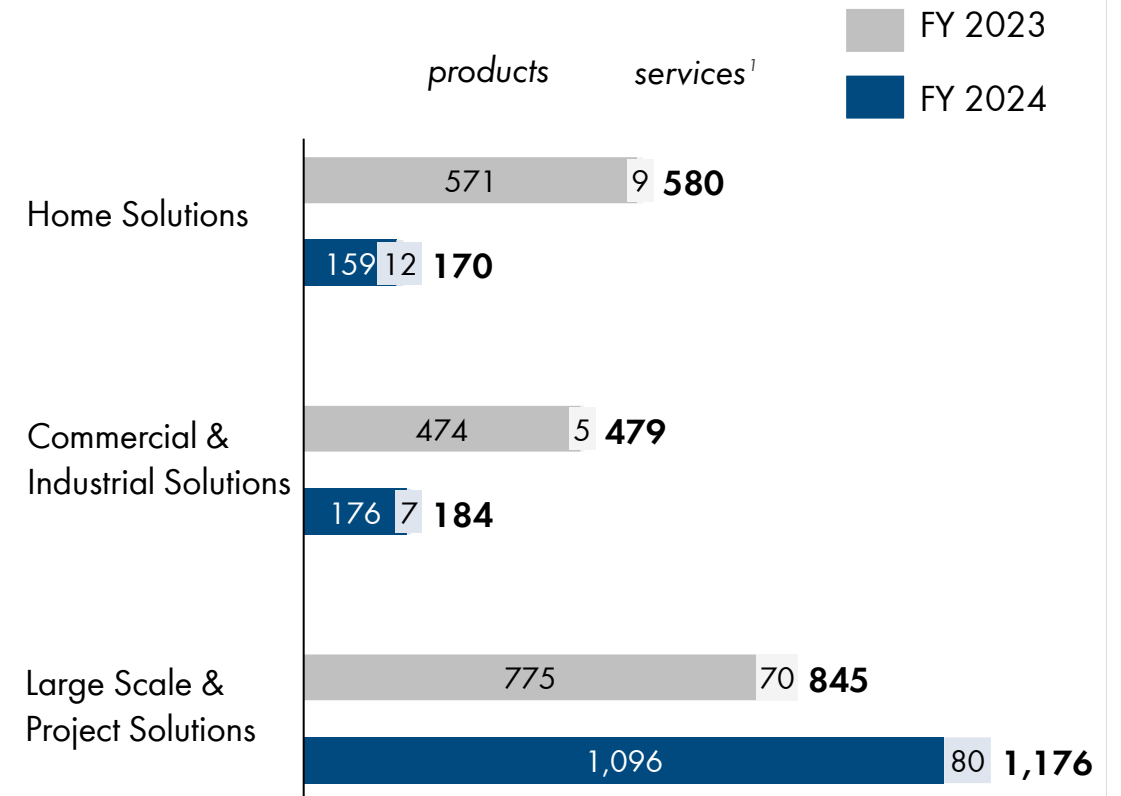
Sales below prior year level with strong revenue growth in Large Scale segment as expected



Sales per region (in € million)



Sales by segment (in € million)



1. Services include commissioning, extended warranties, service and maintenance contracts, operational management, remote system monitoring and digital energy services.

FY 2024 profitability driven by strong performance in LSPS and one-time-effects from restructuring and transformation program



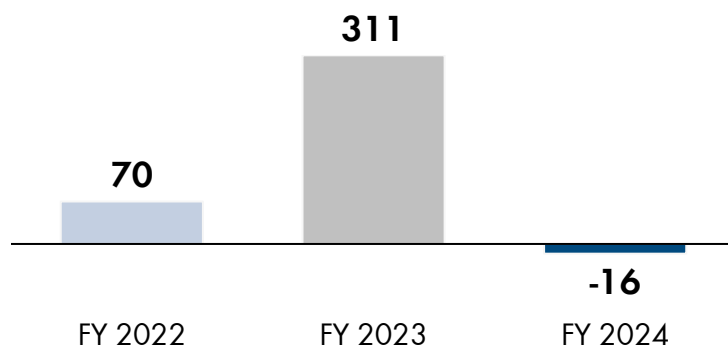
EBITDA (in € million)

Margin

7%

16%

-1%



One-Offs

+28¹

+6²

+19³

2024 Restructuring & Year-end one-offs

-183⁴

Depreciation/Amortization

38

42

77



EBIT by Segment (in € million)

FY 2023
FY 2024

Home Solutions

-151

148

Commercial & Industrial Solutions

-164

23

Large Scale & Project Solutions

104

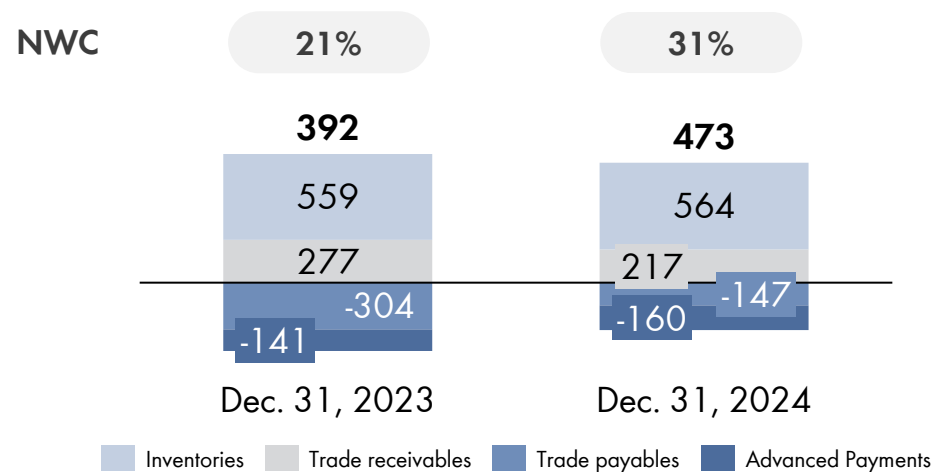
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1. FY 2022 profitability includes positive one-time other income from fees earned related to a late order cancellation from a customer in Q1 (€5 m) and from the sale of property in Q3 (€ 23m).
 2. FY 2023 profitability includes positive one-time other income from fees earned related to a late order cancellations from customers (€6m).
 3. FY 2024 profitability includes positive one-time effect in other income from sale of elxon shares (19m€).
 4. FY 2024 profitability includes negative effects of 183 m€ mainly inventory devaluations (113 m€), provisions for severance (33m€) & purchase obligations (16 m€).

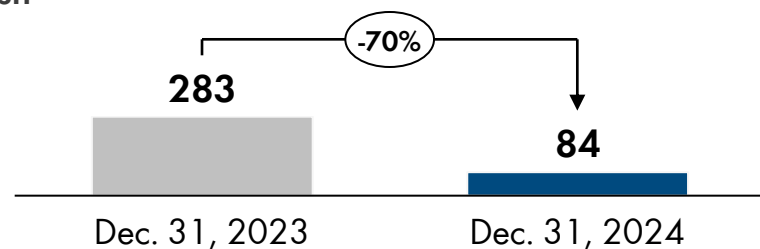
As a result of increased Net Working Capital, Net Cash decreased in FY 2024



NWC | Net Cash (in € million)



Net Cash



Group Balance Sheet (in € million)

	2023/12/31	2024/12/31	Change
Non-current assets	428	479	12%
Working capital	837	781	-7%
Other assets¹	74	53	-29%
Total cash	283	229	-19%
Shareholder's equity	686	553	-19%
Provisions²	201	232	15%
Trade payables	304	147	-52%
Financial liabilities³	0	145	
Other liabilities^{2, 4}	431	464	8%
TOTAL	1,622	1,541	-5%

1. Other assets include financial receivables, income tax assets, value added tax receivables, other financial assets and assets held for sale
 2. Not interest-bearing
 3. w/o IFRS 16 Leases of €44.3m (2023: €25.4m)
 4. Other liabilities include advanced customer payments, deferred income from extended guarantees and service & maintenance contracts, personnel-related liabilities and customer bonuses

Negative Free Cash flow driven by negative operational performance, increase in inventories and Net Capex



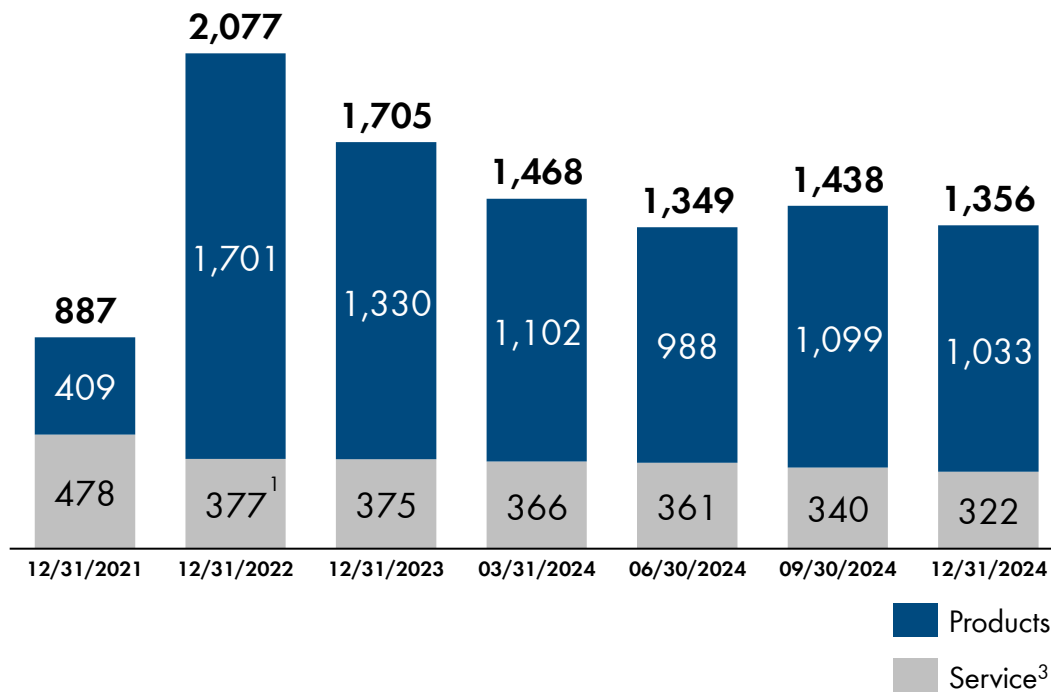
Cash Flow (in € million)

	FY 2023	FY 2024
Net Income	226	-118
Gross Cash Flow	333	111
Cash Flow from Operating Activities	141	-113
Net Capex	-84	-90
Cash inflow from divestments	0	18 ¹
Free Cash Flow²	57	-184

Product Order Backlog reflects market demand with Home and C&I soft and Large Scale remaining strong in 2024



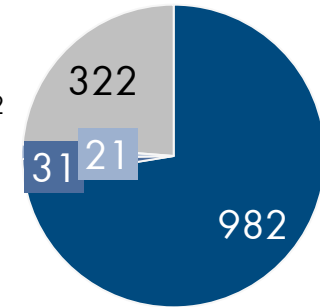
Order backlog development (in €m)



Order backlog by segment (in €m) and region (in %)

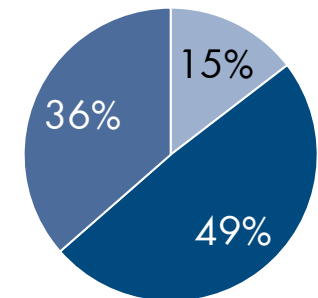
Total order backlog: €1,356 m (Dec. 31, 2024)

- Large Scale & Project Solutions²
- Commercial & Industrial Solutions²
- Home Solutions²
- Service³



Product order backlog by regions (in%)

- EMEA
- Americas
- APAC

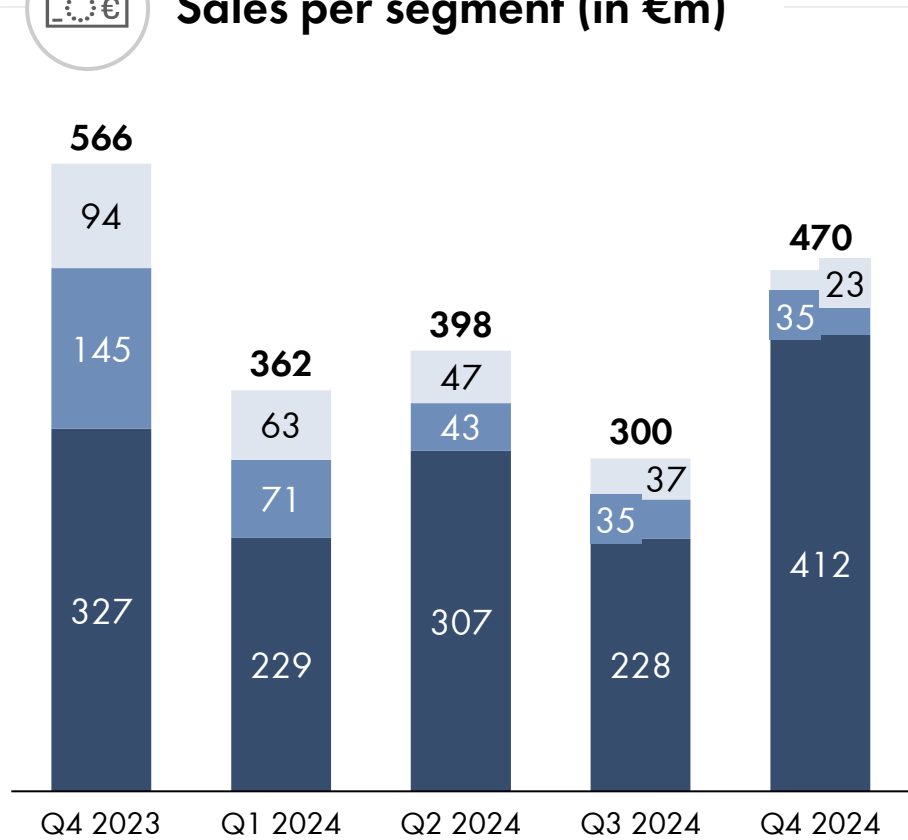


1. After full cancellation of orders related to the onerous O&M contract
 2. w/o „Service“
 3. Order backlog attributable to the former segment „Service“, which will be recognized over a period of 5 to 10 years

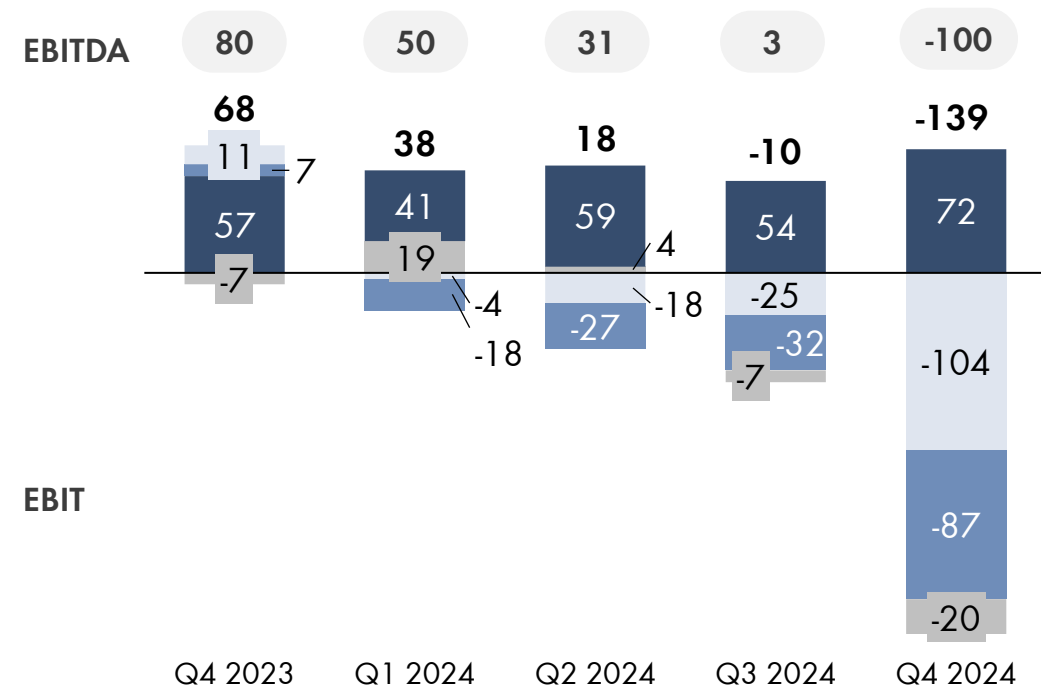
Q4 2024 in line with expectations, driven by sustained Large Scale performance, while Home and C&I affected by one-offs from restructuring



Sales per segment (in €m)



Profitability per segment (in €m)



Home Solutions Commercial & Industrial Solutions Large Scale & Project Solutions Reconciliation



Restructuring Program

Olaf Heyden, SMA's new Chief Transformation and Operating Officer



To lead the restructuring program to success, the Supervisory Board appointed Olaf Heyden to the Managing Board on a temporary basis.

Olaf Heyden will lead the ongoing restructuring program until mid 2026. In addition, he is responsible for Operations, Human Resources and Digitalization, as they are particularly relevant to the success of the needed changes to SMA's operating model.

During his career, he gained extensive C-level expertise in operations, services and restructuring programs, including at Deutsche Telekom AG, T-Systems and Diebold Nixdorf Inc. (formerly Wincor Nixdorf AG).

Guidelines for restructuring & transformation program defined



Cost & Cash-Efficiency

Development of measures to improve cost efficiency and reduce liquidity requirements



Flexibility

Increased flexibility in service provision for fast and efficient response to volume/mix fluctuations



E2E-Responsibility

Creation of an organizational structure and culture that enables take-over of P&L responsibility in the divisions



Future Readiness

Development and implementation of strategies & measures to ensure long-term competitiveness & sustainability of the company

Project ambition | Up to 200 €m EBIT improvement to be realized across four clusters; approx. 40% to be realized in 2025



EBIT improvement need (ambition for run-rate 2027)

In €m

150 - 200



Identified improvement need based on **EBIT benchmarks and forecast** for 2024

Revenue (Price and Volume)

- Additional revenue through **increased volume** and **price measures**

Material costs

- Renegotiate **supplier contracts** in process-driven negotiations
- Leverage supply markets to reallocate **material sourcing**

OPEX

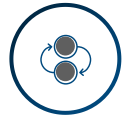
Exemplary measures

- Reduce spend for **ext. service providers**
- Reduce **indirect costs**, e.g., fleet, IT licenses and office supplies

Personnel costs

- Simplify structures e.g., **consolidate** Home & C&I to **one division**
- **Rightsize organization** to expected revenue levels

Operating model change | Establishment of a new operating model with full P&L responsibility in the divisions; go-live planned for May



Major changes

Steering

- Corporate center as strategic guide for long-term value creation, divisions for short-/mid-term results

Structure

- New setup with lean Corporate Center, Multi Shared Service Center, Global Competence Center, two divisions HBS & LS (incl. Altenso)

Sizing

- Global rightsizing to expected revenue for 2025+ and benchmarking across functions

Adaptability

- Decreasing fixed cost base and greater flexibility in reacting to market changes



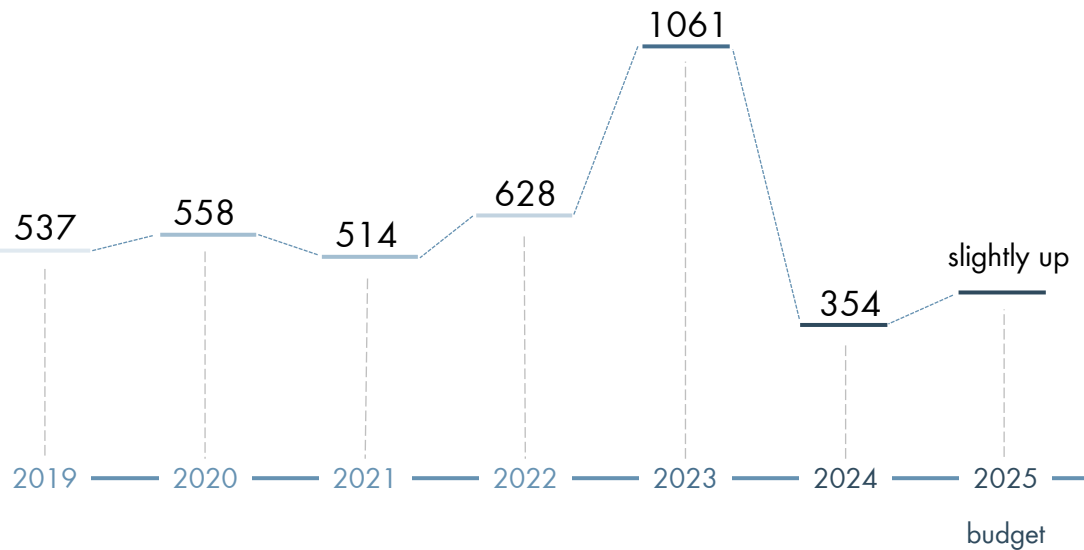
Transformation

Home & Business Solutions with consolidated organisation and clear focus to deliver on strategic initiatives



Business development

Sales in €m



- Overcapacity from 2023 still impacts sales
- Challenging market environment for HBS

Securing future success



Increasing **competitiveness & differentiation**



High priority to **portfolio, sales & service**



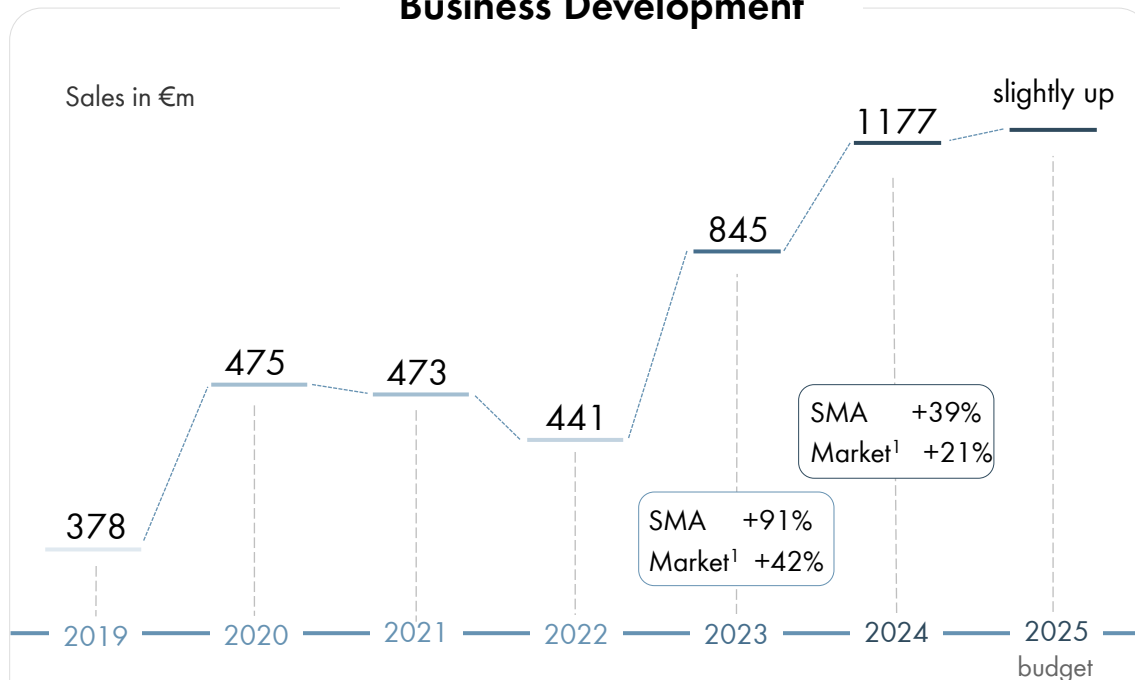
Cost reduction for **long-term profitability**

With a strong focus on competitiveness and becoming a true solutions provider, Home & Business Solutions will get back on track.

Large Scale & Projects Solutions delivers a strong track record and new offerings to a growing market



Business Development



- "SMA as reliable choice" (Partnership, product, delivery ...)
- Strategy 2025 in action (Grid stability as a differentiator)

Securing future success



Market dynamic demands **speed**



System demands **stability & flexibility**



Customers demand **flexibility**

With a strong focus on customer service, grid functionality and sustainability, Large Scale will continue its success story

SMA differentiates with a clear focus on relevant market demands



Cyber Security



SMA is being recognized for working according to the **highest standards**

Sustainability



SMA 's **sustainability efforts** are **recognized** internationally

Grid stability

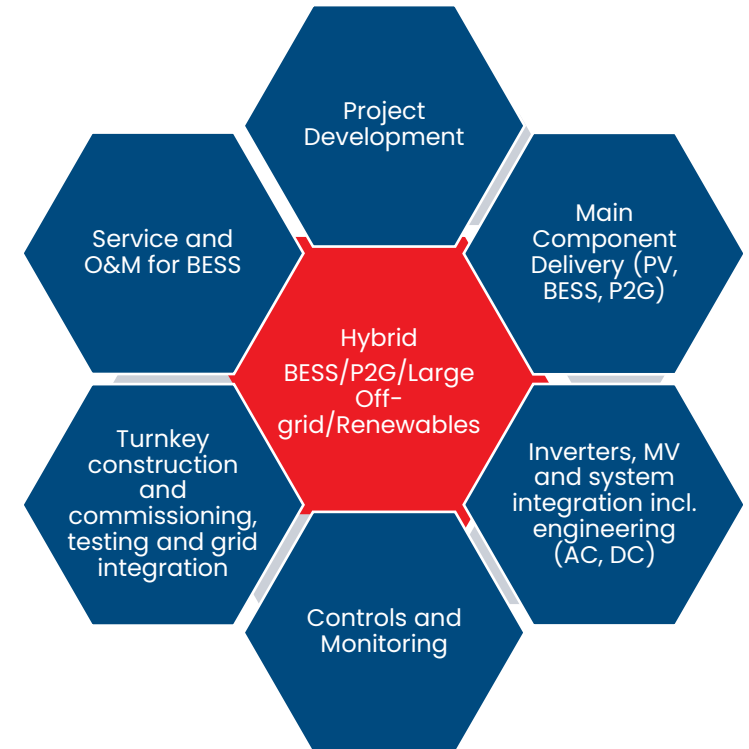


Grid functionality solutions in high demand – **Blackhillock**, Scotland

ALTENSO en route to becoming a key player of the energy transition



- Constant profitable growth, from early on
- From experimental phase to well thought-through business model with diversified portfolio (BESS, P2G, Off-Grid/Hybrid) and extended value chain proposition (project development, EPC)
- Ready to scale internationally



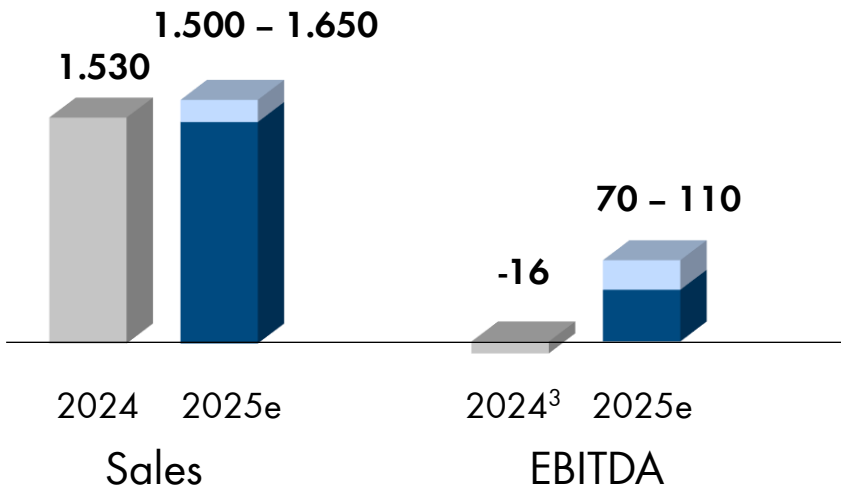


Outlook 2025

Sales and earnings guidance 2025 driven by market trends and restructuring and transformation program



Guidance 2025 (in €m)



2025

CapEx (incl. R&D & leasing)¹ approx. €115m

Depreciation / amortization² approx. €65m



Management comments

- Sales in the Large Scale & Projects division will continue to perform on a high level, driven by the existing high order backlog and sustained demand.
- Due to ongoing market challenges in HBS, SMA initiated a restructuring and transformation program in September 2024.
- The restructuring and transformation program will establish the basis for profitable growth going forward. First positive effects expected in 2025.



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