

The SMA logo is located in the top right corner. It consists of the letters 'SMA' in white, bold, sans-serif font, set against a blue rectangular background with a red and white curved design element at the bottom.

SMA

Quarterly Statement

January to September 2025 | SMA Solar Technology AG

SMA Solar Technology AG at a glance

SMA Group		Q1 – Q3 2025	Q1 – Q3 2024	Change	Full Year 2024
Sales	€ million	1,134.7	1,059.7	7.1%	1,530.0
Export ratio	%	80.1	75.9		78.8
Inverter output sold	MW	13,610	13,049	4.3%	19,524
Capital expenditure ¹	€ million	94.6	81.5	16.1%	119.8
Depreciation	€ million	106.3	37.5	183.5%	77.1
EBITDA	€ million	–16.9	83.5	>100%	–16.0
EBITDA margin	%	–1.5	7.9		–1.0
Net income	€ million	–144.5	34.7	>100%	–117.7
Earnings per share ²	€	–4.16	1.00	>100%	–3.39
Employees ³		3,718	4,510	–17.6%	4,282
in Germany		2,789	3,254	–14.3%	3,174
abroad		929	1,256	–26.0%	1,108

SMA Group		2025/09/30	2024/12/31	Change
Total assets	€ million	1,390.0	1,541.2	–9.8%
Equity	€ million	402.2	553.3	–27.3%
Equity ratio	in %	28.9	35.9	
Net working capital ⁴	€ million	251.6	473.0	–46.8%
Net working capital ratio ⁵	in %	15.7	30.9	
Net cash ⁶	€ million	180.4	84.2	114.3%

¹ Investments including additions of rights of use in accordance with IFRS 16

² Converted to 34,700,000 shares

³ Reporting date; including trainees and learners; excluding temporary employees

⁴ Inventories and trade receivables minus trade payables and liabilities from advanced payments received for orders

⁵ Relating to the last twelve months (LTM)

⁶ Total cash minus interest-bearing financial liabilities to banks

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ECONOMIC REPORT

Results of operations

Sales and earnings

Level of sales in line with expectations

The SMA Group's sales from January to September 2025 amounted to €1,134.7 million and were thus slightly above the previous year's level (Q1–Q3 2024: €1,059.7 million). In the reporting period, inverter output sold amounted to 13,610 MW (Q1–Q3 2024: 13,049 MW).

The Large Scale & Project Solutions division significantly improved sales year on year. As a result, operating earnings before interest and taxes (EBIT) increased accordingly. Business at the Home & Business Solutions division declined year on year.

The SMA Group has an international structure and generates sales across global markets. In the reporting period, the company generated 46.4% of external sales in the Europe, Middle East and Africa (EMEA) region, 40.2% in the North and South American (Americas) region and 13.4% in the Asia-Pacific (APAC) region, calculated before sales deductions (Q1–Q3 2024: 50.4% in EMEA, 40.5% in the Americas, 9.1% in APAC). The main markets for SMA in the reporting period were Germany, the US, the UK and Australia.

The Large Scale & Project Solutions division made the largest contribution to sales in the reporting period, at 84.0% (Q1–Q3 2024: 72.1%), while the Home & Business Solutions division generated 16.0% (Q1–Q3 2024: 27.9%).

As of September 30, 2025, the SMA Group had an order backlog of €1,281.7 million, which has decreased in line with the overall situation (September 30, 2024: €1,438.3 million). Most of the order backlog was attributable to the Large Scale & Project Solutions division. At €950.0 million, three quarters of this was from product business (September 30, 2024: €1,098.7 million). The order backlog in the service business amounted to €331.7 million (September 30, 2024: €339.6 million), primarily arising from extended warranties against payment over a period of five to ten years.

Earnings before interest, taxes, depreciation and amortization (EBITDA¹) amounted to €118.6 million prior to the special effects outlined below (Q1–Q3 2024: €64.4 million). During the reporting period, EBITDA fell to –€16.9 million (EBITDA margin: –1.5%; Q1–Q3 2024: €83.5 million; 7.9%), due to the lower sales volume, the resulting lower fixed cost depression in the Home & Business Solutions division, impairment losses and scrappage on inventories of €121.4 million as part of impairment tests and allocations to provisions for purchase commitments amounting to €24.6 million. Furthermore, impairment on receivables in the US amounting to €7.5 million had a negative impact on earnings. The following sections contain explanations regarding the sales and earnings trends witnessed in the divisions. In addition, the result includes further positive special effects totaling €18.0 million. This includes a compensation payment received from a claims settlement in the high seven figures, reversals

¹ For the definition of the above key figure, we refer to the Financial Glossary contained in the 2024 Annual Report

of provisions for legal disputes in connection with the settlement of an O&M contract in North America in the mid-seven figures and the sale of coneve GmbH for an amount in the low seven figures. The previous year was positively influenced by the sale of shares in elaxon GmbH, amounting to €19.1 million.

Due to the reduced sales level and the revised market growth expectations in the Home & Business Solutions division, impairment of €36.2 million on capitalized development projects and €29.2 million on machinery and production equipment were also recorded, with EBIT for the reporting period falling to –€123.2 million as a result (Q1–Q3 2024: €46.0 million). This equates to an EBIT margin of –10.9% (Q1–Q3 2024: 4.3%). Net income amounted to –€144.5 million (Q1–Q3 2024: €34.7 million). Earnings per share thus came to –€4.16 (Q1–Q3 2024: €1.00).

Sales and earnings per division

Home & Business Solutions division: sales and earnings down sharply due to the demand situation and competitive pressure

In a process starting on May 1, 2025, the former Home Solution and Commercial & Industrial Solutions business segments were merged to form the new **Home & Business Solutions (HBS) division**. This consolidation measure is part of a company-wide restructuring initiative with a new management model that is intended to harmonize operational structures, enhance the integration of technological development across both divisions and foster comprehensive market growth.

The merger utilizes synergies resulting from structural overlaps – particularly in product platforms, production processes, the consolidation of business processes and the virtually identical distribution channel comprising distributors and installers. The approach to end customers

retains certain differentiating features. While homeowners and commercial customers have different requirements and communication needs, internal management is uniform across the HBS division.

The integration process was initiated in May 2025 and is currently at an advanced stage. It is expected to be completed during the current fiscal year.

As part of the integration measures, existing solutions for homeowners and businesses will be refined and more distinctly interlinked with each other. The SMA Home Energy Solution and SMA Commercial Energy Solution are increasingly based on the common ennexOS technology platform, enabling economies of scale in development, production and service. Both solutions combine powerful hardware, including inverters, wall boxes and batteries with intelligent energy management and digital services such as apps and software – each tailored to the specific requirements of the target groups.

Another advantage of this internal consolidation lies in the standardization of central business processes, allowing customers to benefit from uniform processes in areas such as ordering, delivery, service and support. This harmonization helps to improve service quality, reduce response times and ensure a consistent customer experience across all solutions.

Standardizing these processes is a central component of the new management model and also supports the goal of harmonizing operational structures and realizing economies of scale across the entire value chain, regardless of the specific solution used by a customer.

Within the division, the Home Solutions market segment addresses homeowners worldwide and offers holistic solutions for the generation, storage and use of solar power – including e-mobility (electric vehicles) and heating – under the name SMA Home Energy Solution. The Sunny Boy and Sunny Tripower PV inverters supply households with solar power and feed surplus energy into the utility grid. In combination with the SMA Home Storage system, the Sunny Boy Smart Energy and Sunny Tripower Smart Energy hybrid inverters enable flexible, non-time-dependent use of self-generated solar power. The PV-optimized SMA eCharger is

part of the SMA Home Energy Solution for charging electric vehicles. This is complemented by the Sunny Portal powered by ennexOS platform, which is the digital cornerstone linking all system components and enabling seamless integrated energy. Customized apps for end customers and installers, accessories, warranties, spare parts, repowering services and digital energy services complete the range. In the division's Business Solutions market segment, the focus is on global markets for commercial PV systems with and without energy management, battery storage systems and electric vehicle charging solutions.

The SMA Commercial Energy Solution combines integrated hardware, software, tools and services to enable energy-intensive industries, commercial enterprises and the real estate industry to independently generate, store and sell solar power. This solution allows for transparent and cost-efficient management of energy flows, as well as efficient and sustainable charging and management of electric vehicle fleets.

The solar power generation and integrated energy product range encompasses a wide array of system solutions for commercial and industrial applications. For solar power generation alone, SMA offers the three-phase PV inverters from the Sunny Tripower product family with capacities ranging from roughly 3 kW to 125 kW. Meanwhile, the hybrid inverters in the Sunny Tripower Smart Energy series cover the growing demand for combined PV and storage applications. The SMA Commercial Storage Solution with the Sunny Tripower Storage X battery inverter and the SMA Commercial Storage system enables commercial enterprises to improve their energy efficiency and reduce their dependence on conventional energy sources. Stand-alone applications with the Sunny Island X battery inverters enable a reliable supply, even without connecting to the utility grid. With the SMA EV Charger Business, commercial charging infrastructure for single-point or multi-point charging stations can be implemented quickly and easily. Solutions for charging management and billing of electric vehicle fleets on the basis of the ennexOS platform have been implemented together with coneve GmbH. The product offering is completed by comprehensive energy management solutions for commercial integrated energy based on the SMA Data Manager M, as well as wide-ranging services and digital offerings throughout the product life cycle, from planning to commissioning and operation, right through to repowering and expansion of the systems.

In the first nine months of 2025, external sales in the Home & Business Solutions division fell by 38.7% to €181.3 million (Q1–Q3 2024: €295.7 million) due to persistently weak demand combined with significant competitive pressure. The division's share of the SMA Group's total sales was 16.0% (Q1–Q3 2024: 27.9%). The EMEA region achieved 81.4% (Q1–Q3 2024: 84.5%) of gross sales, the Americas region 13.2% (Q1–Q3 2024: 10.2%) and the APAC region 5.4% (Q1–Q3 2024: 5.3%).

EBIT deteriorated year on year to –€322.1 million (Q1–Q3 2024: –€123.8 million) due to the price-related and volume-related sales decline, as well as additions to impairment and scrappage on inventories amounting to €121.4 million as a result of recoverability no longer being assured. Furthermore, the division's earnings were negatively impacted by additions to provisions for purchase commitments totaling €24.6 million, impairment on machinery and production equipment amounting to €29.2 million and impairment on capitalized development projects in the amount of €36.2 million. In relation to external sales, the EBIT margin was –177.7% (Q1–Q3 2024: –41.9%).

Sales and earnings in the Large Scale & Project Solutions division significantly increased

The **Large Scale & Project Solutions division** provides products and solutions worldwide for solar, storage and hydrogen projects on a power plant scale. Grid stability and grid reliability are becoming increasingly important as the energy mix transitions from conventional energies to renewables. The Large Scale & Project Solutions division is addressing these challenges with grid-forming solutions in combination with large-scale storage systems. These systems enable numerous additional services, such as energy arbitrage, black starts, frequency control and virtual inertia. The complete solutions, including turnkey medium-voltage stations, provide grid service and monitoring functions. In the field of PV power plants, they are based on central inverters from the Sunny Central product family and the Sunny Highpower PEAK 3 string inverter. The battery inverters from the Sunny Central Storage product family are used in the field of storage projects, and the SMA Electrolyzer Converter is used in the field

of hydrogen projects. The division also provides consulting services in connection with grid simulations, system design and repowering, as well as market-based optimization of hybrid power plants and comprehensive after-sales service offers in the operating phase. The subsidiary SMA Altenso GmbH carries out activities in the field of hydrogen applications and the system integration of large battery storage systems to stabilize the grid frequency and to compensate for fluctuating power feed-in from renewable energy sources. Customers in the direct sales segment of the Large Scale & Project Solutions division include electric utility companies, independent power producers, project developers and institutional investors, EPCs, system integrators and grid operators as well as energy-intensive industries, particularly those involved in hydrogen applications.

External sales in the Large Scale & Project Solutions division increased by 24.8% to €953.4 million in the first nine months of 2025 (Q1–Q3 2024: €764.0 million). The Large Scale & Project Solutions division's contribution to total SMA Group sales was 84.0% (Q1–Q3 2024: 72.1%). The Large Scale & Project Solutions division thus accounted for the largest share of the SMA Group's total sales. The Americas region contributed 45.9% (Q1–Q3 2024: 52.7%) of gross sales, the EMEA region 39.0% (Q1–Q3 2024: 36.6%) and the APAC region 15.1% (Q1–Q3 2024: 10.7%).

Operating earnings before interest and taxes (EBIT) improved to €199.7 million (Q1–Q3 2024: €154.4 million) due to the high level of sales and the associated fixed cost degression. Factors that contributed to this included the increase in revenue, especially in the field of battery storage projects; the profitable product mix; and a reversal of provisions for legal disputes in connection with the settlement of an O&M contract in North America in the mid-seven figures. In relation to external sales, the EBIT margin was 20.9% from January to September 2025 (Q1–Q3 2024: 20.2%). This was offset by impairment on receivables in the US amounting to €7.5 million due to a customer's insolvency filing.

Development of significant income statement items

Sales and profitability down year on year

Cost of sales increased by 14.6% year on year to €1,048.5 million (Q1–Q3 2024: €798.9 million). At 7.6% (Q1–Q3 2024: 24.6%), the gross margin in the reporting period was significantly below the previous year's level, declining in particular due to the change in the product mix, lower sales and the resulting low capacity utilization in the Home & Business Solutions division, as well as write-downs and scrapping of inventories of €121.4 million.

Personnel costs included in cost of sales fell by 9.4% to €118.2 million in the reporting period (Q1–Q3 2024: €130.5 million). This is due to reduced staff levels resulting from the transformation and restructuring program. Material costs included in cost of sales amounted to €776.7 million (Q1–Q3 2024: €587.0 million).

From January to September 2025, depreciation and amortization included in the cost of sales amounted to €100.6 million (Q1–Q3 2024: €32.6 million). This includes scheduled depreciation on capitalized development projects of €10.3 million (Q1–Q3 2024: €12.7 million), as well as write-downs on property, plant and equipment and intangible assets amounting to €65.4 million. Other costs increased slightly to €53.0 million (Q1–Q3 2024: €48.8 million).

Selling expenses fell to €87.1 million (Q1–Q3 2024: €104.8 million), due primarily to the decline in other expenses, particularly marketing and interim management costs as well as personnel costs. In the reporting period, the cost of sales ratio was 7.7% (Q1–Q3 2024: 9.9%).

Research and development expenses, excluding capitalized development projects, amounted to €67.5 million in the first nine months of 2025 (Q1–Q3 2024: €70.6 million). In relation to sales, the research and development cost ratio was thus 5.9% (Q1–Q3 2024: 6.7%). Total research and development expenses, including capitalized development costs, came to €92.0 million (Q1–Q3 2024: €103.9 million). Development costs amounting to €24.5 million were capitalized in the reporting period (Q1–Q3 2024: €33.3 million).

General administrative expenses rose to a total of €69.7 million between January and September 2025 (Q1–Q3 2024: €66.3 million) due to higher expenses for operating services arising from the restructuring program. The ratio of administrative expenses to sales was 6.1% (Q1–Q3 2024: 6.3%).

The balance of other operating income and expenses resulted in a positive effect on earnings of €14.8 million in the reporting period (Q1–Q3 2024: €26.9 million). The positive result is attributable primarily to a compensation payment received in connection with a claim, amounting to a sum in the high seven figures. This balance also comprises expenses and revenue from the rental of own buildings and for financial assets measured at fair value through profit or loss, as well as expenses from the recognition of and income from the reversal of specific valuation allowances on receivables. The sale of coneve GmbH also contributed an amount in the low seven figures to income. The previous year was influenced mainly by the sale of shares in elexon GmbH, amounting to €19.1 million.

In addition, expenses of €33.0 million (Q1–Q3 2024: €18.6 million) and income of €27.1 million (Q1–Q3 2024: €10.2 million) relating to foreign currency valuation and hedging are included. The high amounts result from recent price fluctuations, particularly between the euro and the US dollar.

Financial position

Gross cash flow reflects operating income prior to commitment of funds. Compared with the previous year, it increased between January and September 2025 to €145.2 million (Q1–Q3 2024: €53.4 million).

In the first nine months of the reporting year, net cash flow from operating activities amounted to €149.1 million (Q1–Q3 2024: –€166.8 million). Reconciliation of the arbitration proceedings relating to customer claims for the settlement of a long-term contract for operations management and maintenance services led to utilization of the provisions set aside for this purpose and an outflow of funds in the low eight figures.

At €387.4 million, inventories were well below the level recorded at the end of the previous year (December 31, 2024: €563.6 million). This figure included non-cash changes in impairment and scrapping recognized in profit or loss totaling €121.4 million, relating largely to the Home & Business Solutions division. The balance of accounts receivable decreased by €5.5 million compared with the end of the previous year. Together with the increase in the balance of accounts payable by €50.4 million and a fall of €10.6 million in liabilities from advance payments received, this led to a marked decrease in net working capital compared with the end of the previous year (September 30, 2025: €251.6 million; December 31, 2024: €473.0 million).

At 15.7%, the net-working-capital-ratio² in relation to sales over the past 12 months was significantly lower than the figure at the end of the previous year (December 31, 2024: 30.9%). It was thus below the range of 16% to 19% targeted by the Managing Board (previously 23% to 27%).

² For the definition of the above key figure, we refer to the Financial Glossary included in the 2024 Annual Report

In the reporting period, cash flows from investing activities amounted to –€34.6 million, down from –€11.0 million in the previous year. This includes the proceeds from the sale of shares in conevea GmbH in September 2025 – a sum in the low seven figures. The balance of cash inflows and outflows from financial investments was €0.0 million (Q1–Q3 2024: €42.5 million). The outflow of funds for capital expenditure on property, plant and equipment and intangible assets amounted to €38.1 million in the reporting period (Q1–Q3 2024: €72.1 million). At €24.5 million (Q1–Q3 2024: €33.3 million), a significant proportion of the capital expenditure was attributable to capitalized development projects.

Cash flow from financing activities amounted to –€87.7 million in the 2025 reporting period (Q1–Q3 2024: €120.5 million) and is mainly due to the partial reversal of the available credit line (revolving credit facility, or RCF).

The total credit volume available is €380.0 million. Of this amount, €220.0 million is available for use in the form of cash and cash equivalents and €160.0 million in the form of guarantees. As of September 30, 2025, a total of €70.0 million was utilized in the form of loans and €118.3 million in the form of guarantees. The remaining RCF credit line thus amounted to €150.0 million for further cash utilization and €41.7 million for guarantees. Guarantees amounting to €0.08 million were utilized from other banks. Further existing credit lines and guarantee commitments totaled €15.2 million. This also includes the repayment of liabilities under leases amounting to €13.0 million.

As of September 30, 2025, cash and cash equivalents totaling €219.7 million (December 31, 2024: €195.8 million) included cash in hand, bank balances and short-term deposits with an original term to maturity of less than three months. Together with the liquid assets deposited as collateral as of the reporting date, and after the deduction of interest-bearing financial liabilities to financial institutions, they constitute the net cash item. This item increased to €180.4 million as of September 30, 2025 (December 31, 2024: €84.2 million). Total cash came to €250.7 million (December 31, 2024: €229.4 million).

Investment analysis

Investments in property, plant and equipment (including additions of rights of use under IFRS 16) and intangible assets amounted to €94.6 million from January to September 2025 (Q1–Q3 2024: €81.5 million). This equates to an investment ratio in relation to sales of 8.3% compared with 7.7% in the first nine months of the previous year.

A total of €12.9 million was invested in property, plant and equipment (Q1–Q3 2024: €38.1 million). The investment ratio for property, plant and equipment was 1.1% in the first nine months of the 2025 fiscal year (Q1–Q3 2024: 3.6%). Additions to rights of use under leases amounted to €56.5 million (Q1–Q3 2024: €9.4 million). At €50.0 million, the majority of this amount was attributable to the addition of the new production hall at Sandershäuser Berg, which was taken over in January 2025. Depreciation of property, plant and equipment, including depreciation of rights of use under leases, amounted to €58.8 million (Q1–Q3 2024: €23.8 million). This includes impairment losses of €29.2 million on machinery and production equipment for which the recoverable amount was less than the book value.

Investments in intangible assets amounted to €25.2 million (Q1–Q3 2024: €34.0 million). These related largely to development projects. Depreciation and amortization of intangible assets, including impairment on capitalized development projects, totaled €47.5 million due to reduced earnings prospects and were thus significantly above the previous year's figure of €13.7 million.

Net assets

Total assets decreased by 9.8% to €1,390.0 million as of September 30, 2025 (December 31, 2024: €1,541.2 million). At €464.8 million, non-current assets were above the level at the end of 2024 (December 31, 2024: €478.8 million). Significant additions related to rights of use under leases, while impairment losses on property, plant and equipment and intangible assets had an offsetting effect.

Net working capital³ decreased significantly compared with the end of the previous year to €251.6 million (December 31, 2024: €473.0 million). This took the net working capital ratio in relation to sales over the past twelve months to 15.7%. Compared with December 31, 2024, accounts receivable decreased by 2.5% to €211.4 million at the end of the third quarter of 2025 (December 31, 2024: €216.9 million). Days sales outstanding came to 48.7 days, thus lower than at the end of the previous year (December 31, 2024: 59.0 days). Inventories decreased to €387.4 million (December 31, 2024: €563.6 million). The sales trend at the Home & Business Solutions division in the 2025 fiscal year and the subdued expectations for subsequent years led to an impairment loss and scrapping on inventories of €121.4 million.

Total provisions decreased significantly to €200.0 million in the reporting period (December 31, 2024: €231.5 million) mainly due to the use of personnel provisions under the restructuring program and settlement agreements concluded to resolve legal disputes. Provisions for anticipated losses due to purchase commitments rose to €33.6 million (December 31, 2024: €15.6 million). At €197.4 million, trade payables, particularly those relating to the Large Scale & Project Solutions segment, were significantly higher than at the end of 2024 (December 31, 2024: €147.1 million). The share of trade credit in total assets amounted to

14.2% and was therefore also up on the comparative figure at the end of the previous year (December 31, 2024: 9.5%). In the first nine months of the 2025 fiscal year, the SMA Group reduced utilization of the credit line by €75.0 million. As of September 30, 2025, the liabilities from this drawdown amounted to €70.0 million.

The Group's equity capital base also fell to €402.2 million (December 31, 2024: €553.3 million). The SMA Group has an equity ratio of 28.9% (December 31, 2024: 35.9%).

³ For the definition of the above key figure, we refer to the Financial Glossary included in the 2024 Annual Report

FORECAST REPORT

Preamble

The Managing Board's forecasts include all factors with a likelihood of impacting business performance that were known at the time this report was prepared. Not only general market indicators but also industry- and company-specific circumstances are factored into the forecasts. All assessments cover a period of one year.

The general economic situation

Global economy in a state of flux, with persistent risks limiting its prospects

Despite a global economic slowdown, the International Monetary Fund (IMF) is expecting the global economy to grow by 3.2% (July forecast: 3.0%) in 2025, after a figure of 3.3% in 2024 (World Economic Outlook, October 2025). The reasons behind this slight improvement include a reduction in the impact of US tariffs, more advantageous financial conditions, fiscal policy in Europe and China and capital expenditure on artificial intelligence. The IMF envisages risk in trade wars and protectionism, as well as high national debt and ongoing geopolitical tensions. It is forecasting growth of 3.1% in 2026.

According to the IMF, US economic growth is expected to fall from 2.8% in 2024 to 2.0%. This significant slowdown is due to factors including trade barriers and tariffs alongside political uncertainty and a weak labor market.

This year's forecast for the eurozone is for growth of 1.2% (2024: 0.9%). Rising real wages and a recovery in consumer spending are having a positive impact. However, considerable uncertainty and trade tensions are inhibiting the economy.

Germany is expected to grow slightly again this year by 0.2% (2024: -0.5%), although exports are still under pressure as a result of global trade conflicts and growth in industry remains weak.

China's economy is expected to grow by 5.2% (2024: 5.3%), aided by a government stimulus package and stable domestic demand. However, any escalation in the trade war with the US could curb this forecast significantly.

Following on from global inflation averaging 5.8% in 2024, the IMF predicts that inflation will fall to 4.2% this year and 3.7% in 2026, with marked differences between countries. In addition, uncertainty prompted by trade conflicts, increased tariffs and political instability could increase inflation further.

Future general economic conditions in the photovoltaics sector

Solar energy becoming the most important source of energy⁴

The experts at the International Energy Agency (IEA) emphasize the major role of solar energy in mitigating the impact of the climate crisis. In their study entitled Net Zero by 2050 – A Roadmap for the Global Energy Sector, they explain that by 2050, the global energy supply will need to be based largely on renewables, with solar energy as the single largest source of supply. The IEA's World Energy Outlook 2024 revealed that demand for electricity was growing at a faster pace than overall energy demand. This demand is being driven by the electrification of transportation and cooling, as well as the use of artificial intelligence and data centers. However, according to the report, AI deployment is leading not only to greater demand but also to advances in efficiency. For example, the report states that AI can improve energy management by enabling electricity grids to be optimized, innovation cycles to be made shorter, and supply and demand to be managed more efficiently.

According to Bloomberg New Energy Finance's New Energy Outlook 2024, global CO₂ emissions will need to drop significantly in all sectors from 2024 onward to realize the goal of global climate neutrality by 2050. In the electricity sector, CO₂ emissions will need to be reduced by 93%, which goes hand in hand with a tripling of renewable generation capacities by 2035 and a further doubling by 2040. Global investment in climate-friendly technologies for power generation and storage, as well as in complementary technologies, such as electric vehicles and utility grids, will need to increase from around \$1.7 trillion today to well over \$5 trillion per year.

Along with climate change targets, further decreases in the costs for renewable energy are contributing to the anticipated rapid growth of solar and wind energy. The experts at Bloomberg New Energy Finance believe that newly installed wind or PV power plants are already the most cost-effective form of electricity generation in almost all major markets. These markets currently account for about 77% of global GDP and 91% of total power generation. China, in particular, is driving this development to a significant extent, as illustrated by the very high installation figures for PV systems over the past few years.

In addition to the gradually decreasing levelized cost of electricity from PV systems, their decentralized and local generation can be combined very effectively with battery storage systems. The combination of photovoltaics and storage systems is therefore particularly attractive for private, commercial and industrial consumers.

Global PV installations up year on year

The Managing Board of SMA Solar Technology AG anticipates growth in newly installed PV power worldwide of approximately 530 to 570 GW in 2025 as a whole (2024: 531 GW). The Managing Board estimates that global investments in PV and storage system technology, including batteries, will reach a level similar to the previous year in 2025 as a whole, ranging between €28 and €30 billion (2024: €28.8 billion). Due to pull-forward effects in China (by far the largest PV market), global new installations will turn out to have been much higher in the first half of the year than the second. The effect in China can be attributed to the mid-year change in feed-in tariff policy.

In many countries, particularly the US, Australia, Germany, the UK, Italy, and an increasing number of European states, battery storage systems are becoming increasingly important because, together with renewable energies, they further enhance independence from

⁴ Source: DNV "Energy Transition Outlook 2023"

traditional energy sources. Self-consumption of solar power is a particularly attractive option for both private and commercial operators of these systems. In large-scale PV power plants, battery storage systems are increasingly used for grid services, for example.

The expected market development is subject to deliveries remaining essentially undisrupted.

Stagnating demand in the small residential system segment

In the field of small residential systems, the Managing Board of SMA Solar Technology AG expects capital expenditure on PV and storage system technology, including battery storage systems, of €8.4 billion to €9.4 billion in 2025 (2024: €9.8 billion). Storage systems will make up roughly half of this figure. The anticipated market development assumes positive seasonal effects for the core markets in Europe and North America over the summer period (daylight saving time) and an upturn in overall demand over the course of the second half of the year.

The lower capital expenditure is being accompanied by reduced installation of new PV capacity, which is currently estimated to be 35 GW to 40 GW in 2025 (2024: 40.2 GW). Other countries will not be able to compensate for the expected decline in the Germany/Austria/Switzerland region. Due to the funding situation and following the high growth rates witnessed in these countries in recent years, the reluctance to invest is palpable and based on the huge increases in electricity prices prompted by the war in Ukraine.

The Managing Board estimates the potential of energy management solutions in this segment to be €1.4 billion to €1.8 billion (2024: €1.5 billion). Energy management includes offerings that promise to increase self-consumption and integrate transportation and heating solutions into one holistic photovoltaic energy system, and the platform-based connection of a private PV system operator to the energy market.

Slight decline in commercial systems segment in EMEA

In the field of commercial systems, the Managing Board of SMA Solar Technology AG expects a decline in investments in PV and storage system technology, including battery storage systems, to between approximately €6.2 billion and €7.2 billion in 2025 (2024: €7.3 billion). Battery storage systems account for approximately a quarter of the capital expenditure. These investments will flow into the installation of new photovoltaic capacity amounting to between 139 GW and 154 GW (2024: 165.9 GW). The most important markets will be China, India, Japan, Germany, France, Italy and the US. Over the course of the year, stable development is expected for the European markets as a whole. The Chinese market was characterized by considerable pull-forward effects in the first half of the year; this means that significantly lower expansion is expected for the second half of the year. If this proves not to be the case, or if it occurs only to a limited extent, a growing global market for commercial systems can be expected in 2025. These trends apply in equal measure to the large-scale PV power plant segment.

The energy management business field is experiencing positive growth in the area of commercial systems. The Managing Board of SMA Solar Technology AG estimates investments of €1.2 billion to €1.6 billion in this field (2024: €1.1 billion).

Investments in large-scale PV power plant segment to increase

Large-scale PV systems and PV power plants form the largest market segment. The Managing Board of SMA Solar Technology AG estimates investments in PV and storage system technology of €13.8 billion to €14.8 billion in this segment (2024: €12.1 billion). At the same time, new PV power plants with a capacity of 355 GW to 380 GW are to be installed (2024: 325 GW).

Battery storage power plants, which are used independently of PV systems as a means of temporarily storing electricity to stabilize grids and participate in the energy market, constitute a major engine of growth in the US, Australia, Germany and an increasing number of European countries. Moreover, installing combined PV storage power plants offers additional growth potential for supplying energy independently of fossil energy carriers. The anticipated installation of storage system technology for these two applications is estimated at 90 GW to 100 GW worldwide.

Overall statement from the Managing Board on expected development of the SMA Group

Restructuring and transformation program expanded due to sustained market weakness in the Home & Business Solutions division

On September 1, 2025, the Managing Board of SMA adjusted its sales and earnings guidance for the current fiscal year. This was due to the sales performance expected for the Home & Business Solutions division in 2025 and the subsequent fiscal years, which has significantly deteriorated further over the course of the third quarter. As a result, additional impairment losses on divisional assets are expected, such as inventory write-downs, extraordinary depreciation of capitalized development projects and property, plant and equipment, such as production equipment. Additional provisions have also been set aside for restructuring.

In addition to one-time effects amounting to €44.5 million in the second quarter of 2025, the Managing Board is anticipating additional non-recurring expenses likely to range between €170 million and €220 million for 2025 as a whole⁵. Of that figure, €158.5 million fell within the third quarter.

As a result of the above one-time effects, the Managing Board is forecasting EBITDA between –€80 million and –€30 million (previously: €70 million to €80 million; actual figure for 2024: –€16.0 million). Sales are expected to range between €1,450 million and €1,500 million (previously: €1,500 million to €1,550 million; actual figure for 2024: €1,530.0 million).

Owing to the persistently weak market development in the market segments for private and commercial systems, the Managing Board is also expanding the restructuring program that had already been initiated, particularly in the Home & Business Solutions division. The target for this program is to cut annual costs by a provisional figure of more than €100 million by the end of 2027.

The single most effective source of potential for savings is the optimization of research and development expenses, based on adjustments to the product range, greater use of the existing center of excellence in India and withdrawal from unprofitable markets. In addition, modifications are being made to the production strategy, with a lower real net output ratio for hardware and an upgrade to inhouse production capacity in Poland, as well as a more efficient service strategy with improved service times, reduced costs and adjusted prices. The Corporate Center is also to be downsized and operating expenditure cut further. These measures will result in the loss of an additional 300 full-time positions in Germany and 50 abroad by the end of 2026. The restructuring will enable the SMA Group to focus more on its core areas of expertise, such as cybersecurity, quality and sustainability, as well as integrated solutions in line with the highest standards.

⁵ Including negative one-time effects not affecting EBITDA of approximately €50 to €65 million

For the individual divisions, the Managing Board expects sales in the Large Scale & Project Solutions division to be slightly above the previous year's high level. Sales in the Home & Business Solutions division are expected to be much lower than in the previous year. EBITDA and EBIT will see a negative impact due to the one-time effects associated with the restructuring and transformation program in the 2025 fiscal year.

In 2025, capital expenditure (including capitalized development costs and lease investments) will be approximately €105 million and thus below the level of 2024 (actual figure for 2024: €119.8 million).

Including inventory write-downs in the current fiscal year, the Managing Board is anticipating net working capital of between 16% and 19% of sales at the end of the year. Thanks to strict cost discipline and improved working capital management, net cash is expected to be up significantly year on year as of December 31, 2025, at €150 million (2024: €84.2 million).

For details regarding risks, please refer to the Risks and Opportunities Report in the 2024 SMA Annual Report.

SMA Group guidance for 2025 at a glance

Key figure	Guidance 2025	Actual 2024
Sales in € million	1,450 to 1,500	1,530.0
Inverter output sold in GW	19 to 21	19.5
EBITDA in € million	–80 to –30	–16,0 ²
Capital expenditure in € million	approx. 105	119.8
Net working capital in % of sales	16 to 19 ¹	30.9
Net cash in € million	approx. 150	84.2
EBIT in € million	–190 to –140	–93,1 ²

¹ Including write-downs

² Including €19 million positive one-time effect from the sale of shares in elecon GmbH

The Managing Board of SMA Solar Technology AG forecasts the following performance for individual SMA divisions in the 2025 fiscal year:

Division guidance¹ for 2025 at a glance

Divisions	Sales	EBIT
Home & Business Solutions	Down significantly	Down slightly
Large Scale & Project Solutions	Up slightly	Up slightly

¹ Sales down significantly: <–6% – <–10%;
Sales up slightly: >–3% – <+3%;
EBIT down slightly: <–5% – >–10%;
EBIT up slightly: >+5% – <+10%

Consistent expansion of systems and solutions expertise

The Managing Board of SMA Solar Technology AG continues to see attractive growth prospects for the future in the SMA Group's addressable markets. Key drivers include fields offering great promise for the future, such as battery storage systems, e-mobility and digital energy services. It is also striving to position the company as one of the leading global systems and solutions providers with the restructuring and transformation program initiated in September 2024 and expanded in September 2025. The additional measures will further significantly reduce costs in the Home & Business Solutions Division and in the Corporate Center and increase efficiency in the long term.

Niestetal, November 3, 2025

SMA Solar Technology AG
The Managing Board

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Income statement SMA Group

in €'000	July – Sept. (Q3) 2025	July – Sept. (Q3) 2024	Jan. – Sept. (Q1 – Q3) 2025	Jan. – Sept. (Q1 – Q3) 2024
Sales	449,877	300,371	1,134,733	1,059,691
Cost of sales	488,288	237,148	1,048,536	798,903
Gross profit	–38,411	63,223	86,197	260,789
Selling expenses	27,326	33,619	87,104	104,845
Research and development expenses	23,465	21,683	67,532	70,605
General administrative expenses	22,755	23,724	69,652	66,302
Other operating income	20,163	16,702	73,138	54,334
Other operating expenses	12,411	11,098	58,258	27,401
Operating profit (EBIT)	–104,205	–10,198	–123,211	45,969
Financial income	839	–285	1,724	2,898
Financial expenses	4,541	4,130	12,329	7,704
Financial result	–3,702	–4,415	–10,605	–4,806
Profit before income taxes	–107,906	–14,613	–133,816	41,163
Income taxes	–5,758	–5,241	10,723	6,434
Net income	–102,148	–9,372	–144,539	34,729
of which attributable to shareholders of SMA AG	–102,148	–9,372	–144,539	34,729
Earnings per share, basic (in €)	–2.94	–0.27	–4.16	1.00
Earnings per share, diluted (in €)	–2.94	–0.27	–4.16	1.00
Number of ordinary shares (in thousands)	34,700	34,700	34,700	34,700

Statement of comprehensive income SMA Group

in €'000	July – Sept. (Q3) 2025	July – Sept. (Q3) 2024	Jan. – Sept. (Q1 – Q3) 2025	Jan. – Sept. (Q1 – Q3) 2024
Net income	–102,148	–9,372	–144,539	34,729
Unrealized gains (+)/losses (–) from currency translation of foreign subsidiaries	–1,103	–1,839	–6,550	–218
All items of other comprehensive income may be reclassified to profit or loss in subsequent periods	–1,103	–1,839	–6,550	–218
Overall result	–103,251	–11,211	–151,089	34,511
of which attributable to shareholders of SMA AG	–103,251	–11,211	–151,089	34,511

Balance sheet SMA Group

in €'000	2025/09/30	2024/12/31
ASSETS		
Intangible assets	94,519	120,578
Property, plant and equipment	271,021	265,316
Investment property	3,728	3,888
Other financial assets, non-current	11,934	10,331
Deferred tax assets	83,626	78,653
Non-current assets	464,828	478,766
Inventories	387,410	563,565
Trade receivables	211,377	216,905
Other financial assets, current (total)	63,437	46,725
Rent deposits and cash on hand pledged as collaterals	31,035	33,600
Remaining other financial assets, current	32,402	13,125
Income tax assets	4,800	4,928
Value added tax receivables	18,310	19,742
Other non-financial assets, current	20,142	14,763
Cash and cash equivalents	219,676	195,832
Current assets	925,152	1,062,460
Total assets	1,389,980	1,541,226

in €'000	2025/09/30	2024/12/31
LIABILITIES		
Share capital	34,700	34,700
Capital reserves	119,200	119,200
Retained earnings	248,327	399,416
SMA Solar Technology AG shareholders' equity	402,227	553,316
Provisions, non-current	96,024	103,489
Financial liabilities, non-current	82,846	41,058
Contract liabilities, non-current	132,235	138,106
Other non-financial liabilities, non-current	1,330	2,347
Deferred tax liabilities	4,535	3,517
Non-current liabilities	316,970	288,517
Provisions, current	104,004	128,002
Financial liabilities, current	82,213	155,171
Trade payables	197,419	147,066
Income tax liabilities	27,506	17,115
Contract liabilities (advances)	149,813	160,404
Other contract liabilities, current	59,814	59,959
Other financial liabilities, current	883	1,004
Other non-financial liabilities, current	49,131	30,672
Current liabilities	670,783	699,393
Total equity and liabilities	1,389,980	1,541,226

Statement of cash flows SMA Group

in €'000	Jan. – Sept. (Q1 – Q3) 2025	Jan. – Sept. (Q1 – Q3) 2024
Net income	–144,539	34,729
Income taxes	10,723	6,434
Financial result	10,605	4,806
Depreciation and amortization of property, plant and equipment and intangible assets	106,307	37,534
Change in provisions	–31,463	–29,496
Result from the disposal of assets	4,322	1,189
Change in non-cash expenses/revenue	199,310	6,503
Interest received	1,190	1,307
Interest paid	–5,047	–2,415
Income tax paid	–6,235	–7,209
Gross cash flow	145,173	53,382
Change in inventories	–25,541	–193,917
Change in trade receivables	–4,019	75,053
Change in trade payables	50,353	–91,729
Change in other net assets/other non-cash transaction	–16,828	–9,567
Cash flow from operating activities	149,138	–166,778

in €'000	Jan. – Sept. (Q1 – Q3) 2025	Jan. – Sept. (Q1 – Q3) 2024
Payments for investments in property, plant and equipment	–12,919	–38,091
Proceeds from the disposal of property, plant and equipment	12	23
Payments for investments in intangible assets	–25,208	–33,998
Cash inflow from the disposal of investments in subsidiaries net of cash	3,524	18,532
Proceeds from the disposal of securities and other financial assets	0	43,100
Payments for the acquisition of securities and other financial assets	0	–613
Cash flow from investing activities	–34,591	–11,047
Change in other financial liabilities	222	213
Payments for lease liabilities	–13,017	–8,092
Proceeds of financial liabilities	0	145,741
Redemption of financial liabilities	–74,952	–6
Dividends paid by SMA Solar Technology AG	0	–17,350
Cash flow from financing activities	–87,747	120,506
Net increase/decrease in cash and cash equivalents	26,800	–57,319
Changes due to exchange rate effects	–2,956	–320
Cash and cash equivalents as of January 1	195,832	219,383
Cash and cash equivalents as of September 30	219,676	161,742

Statement of changes in equity SMA Group

in €'000	Share capital	Capital reserves	Difference from currency translation	Other retained earnings	Consolidated shareholders' equity
Shareholders' equity as of January 1, 2024	34,700	119,200	1,694	530,588	686,182
Net income	0	0	0	34,729	34,729
Other comprehensive income after tax	0	0	-219	0	-219
Overall result	0	0	0	0	34,510
Dividend payments of SMA Solar Technology AG	0	0	0	17,350	17,350
Shareholders' equity as of September 30, 2024	34,700	119,200	1,475	547,967	703,342

in €'000	Share capital	Capital reserves	Difference from currency translation	Other retained earnings	Consolidated shareholders' equity
Shareholders' equity as of January 1, 2025	34,700	119,200	3,906	395,510	553,316
Net income	0	0	0	-144,539	-144,539
Other comprehensive income after tax	0	0	-6,550	0	-6,550
Overall result	0	0	0	0	-151,089
Dividend payments of SMA Solar Technology AG	0	0	0	0	0
Shareholders' equity as of September 30, 2025	34,700	119,200	-2,644	250,971	402,227

Financial ratios by segments and regions

The segments of the SMA Group are described individually in the “Results of operations” section. SMA’s segment structure has changed in comparison with the previous year. On May 1, 2025, the former business segments Home Solutions and Commercial & Industrial Solutions were merged to form the new Home & Business Solutions (HBS) division. For the purpose of consistency, the following tables present information on the previously reported Home Solutions and Commercial & Industrial Solutions operating segments as sub-segments of the Home & Business Solutions division.

The segment information in accordance with IFRS 8 for the third quarter of 2025 and 2024 is as follows:

in € million	External product sales		External service sales		Total sales	
	Q3 2025	Q3 2024	Q3 2025	Q3 2024	Q3 2025	Q3 2024
Segments						
Home & Business Solutions	61.3	67.6	3.8	4.7	65.1	72.3
Home Solutions	26.9	34.6	2.4	2.6	29.3	37.2
C&I Solutions	34.4	33.0	1.4	2.1	35.8	35.1
Large Scale & Project Solutions	355.8	212.9	29.0	15.2	384.8	228.1
Total segments	417.1	280.5	32.8	19.9	449.9	300.4
Reconciliation	0.0	0.0	0.0	0.0	0.0	0.0
Continuing operations	417.1	280.5	32.8	19.9	449.9	300.4

in € million	Depreciation and amortization		Operating profit (EBIT)	
	Q3 2025	Q3 2024	Q3 2025	Q3 2024
Segments				
Home & Business Solutions	68.9	4.6	-192.8	-57.1
Home Solutions	56.6	2.0	-203.5	-25.0
C&I Solutions	12.3	2.6	10.7	-32.1
Large Scale & Project Solutions	1.5	0.8	86.3	53.9
Total segments	70.4	5.4	-106.5	-3.2
Reconciliation	7.8	7.8	2.3	-7.0
Continuing operations	78.2	13.2	-104.2	-10.2

Sales by regions (target market of the product)

in € million	Q3 2025	Q3 2024
EMEA	190.1	154.5
Americas	230.9	121.1
APAC	22.7	27.4
Sales deductions	6.1	-2.6
External sales	449.9	300.4
thereof Germany	85.0	55.4

The segment information in accordance with IFRS 8 for the first nine months of 2025 and 2024 is as follows:

in € million	External product sales		External service sales		Total sales	
	Q1 – Q3 2025	Q1 – Q3 2024	Q1 – Q3 2025	Q1 – Q3 2024	Q1 – Q3 2025	Q1 – Q3 2024
Segments						
Home & Business Solutions	170.1	280.0	11.2	15.7	181.3	295.7
Home Solutions	75.5	137.7	7.9	9.3	83.4	147.0
C&I Solutions	94.6	142.3	3.3	6.4	97.9	148.7
Large Scale & Project Solutions	872.0	716.1	81.5	47.9	953.4	764.0
Total segments	1,042.1	996.1	92.7	63.6	1,134.7	1,059.7
Reconciliation	0.0	0.0	0.0	0.0	0.0	0.0
Continuing operations	1,042.1	996.1	92.7	63.6	1,134.7	1,059.7

in € million	Depreciation and amortization		Operating profit (EBIT)	
	Q1 – Q3 2025	Q1 – Q3 2024	Q1 – Q3 2025	Q1 – Q3 2024
Segments				
Home & Business Solutions	77.9	13.1	–322.1	–123.8
Home Solutions	60.5	5.3	–284.6	–46.6
C&I Solutions	17.4	7.8	–37.5	–77.2
Large Scale & Project Solutions	3.6	2.3	199.7	154.4
Total segments	81.5	15.4	–122.4	30.6
Reconciliation	24.8	22.1	–0.9	15.4
Continuing operations	106.3	37.5	–123.3	46.0

Sales by regions (target market of the product)

in € million	Q1 – Q3 2025	Q1 – Q3 2024
EMEA	525.7	541.4
Americas	456.6	435.5
APAC	152.5	98.1
Sales deductions	–0.1	–15.3
External sales	1,134.7	1,059.7
thereof Germany	226.0	258.8

Reconciliation of segment figures to the relevant figures stated in the Financial Statements is as follows:

in € million	Q3 2025	Q3 2024	Q1 – Q3 2025	Q1 – Q3 2024
Total segment earnings (EBIT)	–106.5	–3.2	–122.4	30.6
Elimination	2.3	–7.0	–0.9	15.4
Consolidated EBIT	–104.2	–10.2	–123.2	46.0
Financial result	–3.7	–4.4	–10.6	–4.8
Earnings before income taxes	–107.9	–14.6	–133.8	41.2

The reconciliation table shows circumstances that, by definition, are not part of the segments. In particular, this comprises unallocated parts of Group head office overheads, including centrally managed cash and cash equivalents, financial instruments and buildings, the expenses of which are allocated to the segments. Business relationships between the segments are eliminated in the reconciliation.

Financial calendar

2026/03/26	Publication of Annual Report 2025
2026/05/13	Publication of Quarterly Statement: January to March 2026
2026/06/09	Annual General Meeting 2026
2026/08/13	Publication of Half-Yearly Financial Report: January to June 2026
2026/11/12	Publication of Quarterly Statement: January to September 2026

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