UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August, 2023

Commission File Number: 001-41329

Allego N.V.
(Translation of registrant's name into English)

Westervoortsedijk 73 KB
6827 AV Arnhem, the Netherlands
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

The information and related exhibits contained in this Report on Form 6-K are hereby incorporated by reference into Allego N.V.'s (i) Registration Statement on Form S-8 (File No. 333-272151) and (ii) post-effective Amendment No. 2 to Form F-1 in the Registration Statement on Form F-3 (File No. 333-264056).

Cautionary Statement Regarding Forward-Looking Statements

All statements other than statements of historical facts contained in this report are forward-looking statements. Allego N.V. ("Allego") intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Forward looking statements may generally be identified by the use of words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan,", "project," "forecast," "predict," "potential," "seem," "seek," "future," "outlook," "target" or other similar expressions (or the negative versions of such words or expressions) that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, without limitation, the expectations of Allego and its management with respect to future performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially, and potentially adversely, from those expressed or implied in the forward-looking statements. Most of these factors are outside Allego's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (i) changes adversely affecting Allego's business, (ii) the price and availability of electricity and other energy sources, (iii) the risks associated with vulnerability to industry downturns and regional or national downturns, (iv) fluctuations in Allego's revenue and operating results, (v) unfavorable conditions or further
disruptions in the capital and credit markets, (vi) Allego's ability to generate cash, service indebtedness and incur additional indebtedness, (vii) competition from existing and new competitors, (viii) the growth of the electric vehicle market, (ix) Allego's ability to integrate any businesses it may acquire, (x) Allego's ability to recruit and retain experienced personnel, (xi) risks related to legal proceedings or claims, including liability claims, (xii) Allego's dependence on third-party contractors to provide various services, (xiii) data breaches or other network outages, (xiv) Allego's ability to obtain additional capital on commercially reasonable terms, (xv) Allego's ability to remediate its material weaknesses in internal control over financial reporting, (xvi) the impact of COVID-19, including COVID-19 related supply chain disruptions and expense increases, (xvii) general economic or political conditions, including the Russia/Ukraine conflict or increased trade restrictions between United States, Russia, China and other countries and (xviii) other factors detailed under the section entitled "Risk Factors" in Allego's Annual Report on Form 20-F for the year ended December 31, 2022, Registration Statement on Form F-1, as amended (File No. 333-264056) and in Allego's other filings with the U.S. Securities and Exchange Commission. The foregoing list of factors is not exclusive. If any of these risks materialize or Allego's assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Allego presently does not know or that Allego currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Allego's expectations, plans or forecasts of future events and views as of the date of this report. Allego anticipates that subsequent events and developments will cause Allego's assessments to change. However, while Allego may elect to update these forward-looking statements at some point in the future, Allego specifically disclaims any obligation to do so, unless required by applicable law. These forward-looking statements should not be relied upon as representing Allego's assessments as of any date subsequent to the date of this report. Accordingly, undue reliance should not be placed upon the forward-looking statements.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

The following exhibits are furnished herewith:

Exhibit No.	Description
99.1	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2023 and for the Six Months ended June 30, 2023 and June 30, 2022
99.2	Management’s Discussion and Analysis of Financial Condition and Results of Operations
101.INS	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: August 24, 2023 **ALLEGO N.V.**

By: /s/ Mathieu Bonnet
Name: Mathieu Bonnet
Title: Chief Executive Officer

Table of Contents

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Index to the Interim Condensed Consolidated Financial Statements

Interim condensed consolidated statement of profit or loss for the six months ended June 30, 2023 and 2022 (unaudited)

(in €'000)	Notes	2023	2022 (restated)[1]
Revenue from contracts with customers	5		
Charging sessions		51,139	23,994
Service revenue from the sale of charging equipment		1,485	18,442
Service revenue from installation services		10,283	5,964
Service revenue from operation and maintenance of charging equipment		2,256	1,822
Service revenue from consulting services		3,048	470
Total revenue from contracts with customers		68,211	50,692
Cost of sales			
Cost of sales - charging sessions		(37,760)	(32,337)
Cost of sales - sale of charging equipment		(554)	(13,022)
Cost of sales - installation services		(8,637)	(2,903)
Cost of sales - operation and maintenance of charging equipment		(801)	(154)
Total cost of sales		(47,752)	(48,416)
Gross profit		**20,459**	**2,276**
Other income	6	4,153	8,987
Selling and distribution expenses		(1,109)	(1,697)
General and administrative expenses		(47,193)	(271,653)
Operating loss		**(23,690)**	**(262,087)**
Finance income/(costs)		(14,748)	15,173
Loss before income tax		**(38,438)**	**(246,914)**
Income tax	14	(505)	(161)
Loss for the half-year		**(38,943)**	**(247,075)**
Attributable to:			
Equity holders of the Company		(38,811)	(246,913)
Non-controlling interests		(132)	(162)
Loss per share attributable to the Equity holders of the Company:			
Basic and diluted loss per ordinary share	9	(0.15)	(1.05)

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

[1] Refer to Note 2.3.2 for details regarding the restatement of comparative figures as a result of changes in accounting policies

Interim condensed consolidated statement of comprehensive income for the six months ended June 30, 2023 and 2022 (unaudited)

(in €'000)	Notes	2023	2022 (restated)[1]
Loss for the half-year		**(38,943)**	**(247,075)**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		(46)	(33)
Income tax related to these items		—	—
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods, net of tax		**(46)**	**(33)**
Items that may not be reclassified to profit or loss in subsequent periods			
Changes in the fair value of equity investments at fair value through other comprehensive income		(6,575)	—
Remeasurements of post-employment benefit obligations		—	—
Income tax related to these items		204	—
Other comprehensive income/(loss) that may not be reclassified to profit or loss in subsequent periods, net of tax		**(6,371)**	—
Other comprehensive income/(loss) for the half-year, net of tax		**(6,417)**	**(33)**
Total comprehensive income/(loss) for the half-year, net of tax		**(45,360)**	**(247,108)**
Attributable to:			
Equity holders of the Company		(45,228)	(246,946)
Non-controlling interests		(132)	(162)

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

[1] Refer to Note 2.3.2 for details regarding the restatement of comparative figures as a result of changes in accounting policies

Interim condensed consolidated statement of financial position as at June 30, 2023 (unaudited) and December 31, 2022

(in €'000)	Notes	June 30, 2023	December 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	11	156,432	134,718
Intangible assets	11	22,253	24,648
Right-of-use assets		54,285	47,817
Deferred tax assets		523	523
Other financial assets		56,621	62,487
Total non-current assets		**290,114**	**270,193**
Current assets			
Inventories		29,544	26,017
Prepayments and other assets		18,716	9,079
Trade and other receivables		39,929	47,235
Contract assets		2,843	1,512
Other financial assets		6,389	601
Cash and cash equivalents		65,150	83,022
Total current assets		**162,571**	**167,466**
Total assets		**452,685**	**437,659**
Equity			
Share capital	12	32,062	32,061
Share premium	12	365,900	365,900
Reserves		(14,375)	(6,860)
Accumulated deficit		(396,856)	(364,088)
Equity attributable to equity holders of the Company		**(13,269)**	**27,013**
Non-controlling interests		613	745
Total equity		**(12,656)**	**27,758**
Non-current liabilities			
Borrowings	13	312,400	269,033
Lease liabilities		50,371	44,044
Provisions and other liabilities		887	520
Contract liabilities		1,119	2,442
Deferred tax liabilities		1,980	2,184
Total non-current liabilities		**366,757**	**318,223**
Current liabilities			
Trade and other payables		49,454	56,390
Contract liabilities		11,681	7,917
Current tax liabilities		1,212	1,572
Lease liabilities		8,296	7,280
Provisions and other liabilities		24,258	17,223
Warrant liabilities		3,683	1,296
Total current liabilities		**98,584**	**91,678**
Total liabilities		**465,341**	**409,901**
Total equity and liabilities		**452,685**	**437,659**

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

Interim condensed consolidated statement of changes in equity for the six months ended June 30, 2023 and 2022 (unaudited)

	Attributable to ordinary equity holders of the Company							
(in €'000)	Notes	Share capital	Share premium (restated)[1]	Reserves	Accumulated deficit	Total	Non-controlling interests	Total equity
As at January 1, 2022		**1**	**61,888**	**4,195**	**(142,735)**	**(76,651)**	**—**	**(76,651)**
Loss for the half-year		—	—	—	(246,913)	(246,913)	(162)	(247,075)
Other comprehensive income/(loss) for the half-year		—	—	(33)	—	(33)	—	(33)
Total comprehensive income/(loss) for the half-year		**—**	**—**	**(33)**	**(246,913)**	**(246,946)**	**(162)**	**(247,108)**
Other changes in reserves				338	(338)	—	—	—
Equity contribution (Allego Holding shareholders)	12	28,311	73,620	—	—	101,931	—	101,931
Equity contribution (Spartan shareholders)	12	1,789	85,808	—	—	87,597	—	87,597
Equity contribution (PIPE financing)	12	1,800	130,890	—	—	132,690	—	132,690
Equity contribution (Private warrants exercise)	12	160	13,694	—	—	13,854	—	13,854
Share-based payment expenses	7	—	—	—	79,985	79,985	—	79,985
Non-controlling interests on acquisition of subsidiary		—	—	—	—	—	1,341	1,341
As at June 30, 2022		**32,061**	**365,900**	**4,500**	**(310,001)**	**92,460**	**1,179**	**93,639**
As at January 1, 2023		**32,061**	**365,900**	**(6,860)**	**(364,088)**	**27,013**	**745**	**27,758**
Loss for the half-year		—	—	—	(38,811)	(38,811)	(132)	(38,943)
Other comprehensive income/(loss) for the half-year		—	—	(6,417)	—	(6,417)	—	(6,417)
Total comprehensive income/(loss) for the half-year		**—**	**—**	**(6,417)**	**(38,811)**	**(45,228)**	**(132)**	**(45,360)**
Other changes in reserves		—	—	(1,098)	1,098	—	—	—
Share-based payment expenses	7	—	—	—	4,945	4,945	—	4,945
Issuance of shares under Employee Share Award Plan		1	—	—	—	1	—	1
As at June 30, 2023		**32,062**	**365,900**	**(14,375)**	**(396,856)**	**(13,269)**	**613**	**(12,656)**

The accompanying notes are an integral part of the consolidated financial statements.

[1] Refer to Note 2.3 for details regarding the restatement of comparative figures as a result of prior period error correction

Interim condensed consolidated statement of cash flows for the six months ended June 30, 2023 and 2022 (unaudited)

(in €‘000)	Notes	2023	2022 (restated)1
Cash flows from operating activities			
Cash generated from/(used in) operations	10	(22,071)	(88,262)
Interest paid		(2,700)	(3,494)
Income taxes paid		(375)	(320)
Other cash flows from operating activities		177	—
Net cash flows from/(used in) operating activities		**(24,968)**	**(92,076)**
Cash flows from investing activities			
Acquisition of Mega-E, net of cash acquired		—	874
Acquisition of MOMA, net of cash acquired		—	(28,733)
Purchase of property, plant and equipment	11	(32,318)	(12,944)
Proceeds from sale of property, plant and equipment	11	—	97
Purchase of intangible assets	11	—	(1,355)
Proceeds from investment grants		25	235
Other cash flows used in investing activities		(113)	—
Net cash flows from/(used in) investing activities		**(32,407)**	**(41,826)**
Cash flows from financing activities			
Proceeds from borrowings	13	43,400	—
Payment of principal portion of lease liabilities		(2,359)	(2,819)
Payment of transaction costs on new equity instruments		—	(925)
Payment of transaction costs on borrowings	13	(1,547)	—
Proceeds from issuing equity instruments (Spartan shareholders)		—	10,079
Proceeds from issuing equity instruments (PIPE financing)		—	132,690
Net cash flows from/(used in) financing activities		**39,493**	**139,025**
Net increase/(decrease) in cash and cash equivalents		(17,881)	5,123
Cash and cash equivalents at the beginning of the half-year		83,022	24,652
Effect of exchange rate changes on cash and cash equivalents		9	—
Cash and cash equivalents at the end of the half-year		65,150	29,775

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

[1] Refer to Note 2.3 for details regarding the restatement of comparative figures as a result of prior period error correction

Notes to the unaudited interim condensed consolidated financial statements

Index to notes to the unaudited interim condensed consolidated financial statements

1 Reporting Entity

Allego N.V. (“Allego” or the "Company”), a continuation of the former Allego Holding B.V. (“Allego Holding”) as detailed below, was incorporated as a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) on June 3, 2021 under the laws of the Netherlands, under the name of Athena Pubco B.V.

On March 16, 2022, Athena Pubco B.V. changed its legal form from a private limited liability company to a public limited liability company (*naamloze venootschap*), changed its name to Allego N.V. and entered into the Deed of Conversion containing the Articles of Association of Allego N.V. Allego N.V. consummated the previously announced business combination (“the SPAC Transaction”) with Spartan Acquisition Corp. III (“Spartan”) pursuant to the terms of the business combination agreement (“BCA”) and became a publicly traded company on the New York Stock Exchange (“NYSE”).The new public company — Allego N.V. — trades under the Allego name with the ticker “ALLG”. The Company’s registered seat and head office are in Arnhem, the Netherlands. Its head office is located at Westervoortsedijk 73 KB, 6827 AV in Arnhem, the Netherlands. The Company is registered with the Dutch Trade Register under number 82985537.

The Company’s main activity is enabling electrification through designing, building and the operation of charging solutions for electric vehicles in Europe. The Company services corporate customers with the long-term operation of comprehensive charging solutions. The Company’s goal is to offer the best EV charging experience with end-to-end charging solutions through different charging products (e.g. slow, fast, ultra-fast charging) in combination with our EV Cloud platform and additional service support. Upon completion of the BCA, Allego N.V. underwent a capital restructuring process which resulted in additional shares being issued to Madeleine Charging B.V. (“Madeleine”), an external consulting firm, the Private Investment in Public Entity (“PIPE”) Investors and former Spartan shareholders. The majority of the Allego N.V. shares are held by Madeleine which is an indirectly controlled subsidiary of Meridiam SAS (“Meridiam”) – a global investor and asset manager based in Paris, France. Meridiam specializes in the development, financing and long-term management of sustainable public infrastructure in the mobility, energy transition and social infrastructure sectors.

These financial statements are the interim condensed consolidated financial statements for the group consisting of Allego N.V. and its subsidiaries (jointly referred to as the “Group” or “Allego Group”).

2 Basis of preparation and changes to the Group's accounting policies

2.1. Basis of preparation

The interim condensed consolidated financial statements for the six months ended June 30, 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) and are unaudited.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended December 31, 2022.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, unless otherwise stated. All amounts disclosed in the interim condensed consolidated financial statements are presented in thousands of euros (€), unless otherwise indicated.

The interim condensed consolidated financial statements were prepared by the Executive Board and were authorized for issue in accordance with a resolution of the Executive Board on August 24, 2023.

2.2. Going concern assumption and financial position

The accompanying interim condensed consolidated financial statements of the Group have been prepared assuming the Group will continue as a going concern. The going concern basis of presentation assumes that the Group will continue in operation for a period of at least one year after the date these interim condensed consolidated financial statements are issued and contemplates the realization of assets and the settlement of liabilities in the normal course of business. See further discussion below.

The Group’s scale of operations

The Group’s strategy requires significant capital expenditures, as well as investments in building the Group’s organization aimed at increasing the scale of its operations. The Group incurred losses during the first years of its operations including the six months ended June 30, 2023 and expects to continue to incur losses in the next twelve months from the issuance date of these interim condensed consolidated financial statements. This is typical in the industry, as builders and operators of EV charging sites often incur losses in the early years of operation as the network grows and consumers begin adopting EVs. Therefore, the Group relies heavily on funding from bank financing and equity issuance. For example, during 2022, the Group expanded its old credit facility ("the old facility") by an additional €50 million through an accordion feature with the group of lenders within the original old facility agreement. Additionally, during 2022, the Group entered into a new facility agreement (the "renewed facility") with a group of lenders led by Société Générale and Banco Santander, increasing the total available facility by €230 million to €400 million, to further support its growth. Further envisioned growth — in line with the Group's strategy — will require additional significant investments from lenders or its existing shareholders.

Financial position of the Group

As of June 30, 2023, the Group had negative equity of €12,656 thousand due to the cumulative impact of losses incurred during its first years of operations (December 31, 2022: positive €27,758 thousand due to the losses incurred during its first years of operations being offset against proceeds from Spartan's IPO) and cash and cash equivalents of €65,150 thousand (December 31, 2022: €83,022 thousand). The Group's operations to date have been funded by borrowings from the Company's shareholders and banks, as well as proceeds from the SPAC transaction.

In the interim condensed consolidated statement of financial position as at June 30, 2023, the carrying value of the Group's borrowings amounts to €312,400 thousand (December 31, 2022: €269,033 thousand). Additionally, the Group had €58,667 thousand in lease liabilities (December 31, 2022: €51,324 thousand) and €49,454 thousand in trade and other payables (December 31, 2022: €56,390 thousand).

Impact of increasing energy prices

The Group provides electricity directly through its own chargers and needs to procure this energy from the power markets in Europe. As a result of the war in Ukraine the price of gas has increased sharply, thereby increasing the demand on the European power markets with corresponding constraints in supply. This supply and demand imbalance has recently caused record increases in the price of electricity in Europe.

Allego obtains electricity through contracts with power suppliers or through direct sourcing on the power market. Allego utilizes an external, technology-enabled energy management platform to diversify its supply of power. Allego has entered into medium- and long-term power purchase agreements with renewable power to mitigate the future negative impact of increased energy costs. This has allowed the Group to fix the price of a portion of energy purchased, with plans to grow this percentage substantially over the next 6-18 months.

Additionally, the Group expects to be able to pass these costs onto EV customers. The Group increased prices several times during 2022, particularly in the second half of the year in response to rises in the price of electricity, whereas prices decreased during the first half of 2023 as a result of a reduction in the price of electricity. Despite the shifts in prices, the Group experienced improved utilization rates, indicating a relatively high degree of demand inelasticity by customers. If energy prices were to decline below the fixed price obtained through power purchase agreements, the Group would still expect to keep prices charged to customers constant, enabling predictable margins on charging revenues.

Financing

On December 19, 2022, the Group entered into the renewed facility with a group of lenders led by Société Générale and Banco Santander, increasing the total available facility by €230,000 thousand to €400,000 thousand, to further support its growth. The renewed facility consists of (i) €170,000 thousand used to settle the old facility, (ii) up to €200,000 thousand to be used for financing and refinancing certain capital expenditures and permitted acquisitions (and for other permitted debt servicing uses) and (iii) up to €30,000 thousand to be used for issuance of guarantees and letters of credit (and when utilized by way of letters of credit, for general corporate purposes). The renewed facility expires in December 2027 and bears interest at Euribor plus a margin. Under the terms of the renewed facility, the Group is required to comply with financial covenants relating to interest and EBITDA at the consolidated level of Allego N.V. In parallel to the renewed facility, the Group entered into interest rate caps derivatives to hedge the interest rate risk on between 65% and 75% (2022: between 65% and 85%) of the outstanding loan amounts under the renewed facility. As at June 30, 2023 the Group has not drawn on €77,390 thousand (December 31, 2022: €120,790 thousand) of this facility.

Under the terms of the renewed facility, the Group is required to comply with financial covenants, as detailed in Note 13. Historically the Group met its covenants as per the old facility agreement. A covenant breach would negatively affect the Group's financial position and cash flows, in a way that could reasonably be expected to influence the decisions of the primary users of these interim condensed consolidated financial statements. The Group considers the likelihood of a breach occurring as higher than remote as the Group incurred losses during the first years of its operations, even though the Group has complied with the covenants of the old facility throughout all reporting periods presented and expects to continue to meet financial covenants performance criteria of the renewed facility.

In parallel to the renewed facility, the Group entered into interest rate caps derivatives to help offset the interest rate risk on between 65% and 75% (2022: between 65% and 85%) of the outstanding loan amounts under the renewed facility. The Group has two interest rate caps in place with a notional of €237,458 thousand, which mature in December 2027. The strike price changes over time and ranges between 1.50% and 3.43%. Interest rate risks on the remaining portion of the outstanding loan amounts, including the impact that higher interest rates would have on the Company's going concern analysis, was included in the cash flow forecasts described below. Additional information on interest rate risk is described in Note 17.

Liquidity forecasts

Management prepares detailed liquidity forecasts and monitors cash and liquidity forecasts on a continuous basis. In assessing the going concern basis of preparation of the interim condensed consolidated financial statements, management estimated the expected cash flows for the next 12 months, incorporating current cash levels, revenue projections and detailed capital expenditures, operating expenses budget, interest payment obligations, and working capital projections, as well as compliance with covenants, the potential exercise of warrants, potential future equity raises, and availability of other financial funding from banks, like those obtained in 2022. The Group invests in new stations, chargers and grid connections and potential business acquisitions only if the Group has secured financing for such investments. These forecasts reflect potential scenarios and management plans and are dependent on securing significant contracts and related revenues.

The Group has applied different scenarios ranging from a scenario that assumes regular capital expenditure levels based on the current available capex facility and a scenario that assumes a service-light model including revenues based only on existing contracts. All scenarios result in the Group having sufficient available cash and liquidity.

Based on these estimations, management has concluded that Allego will be able to fund the expected cash outflows in the next 12 months in line with the purchase commitments for chargers and charging infrastructure (refer to Note 18). Although the expectation for the coming year is that the Company will continue to make additional investments, its cash flows from operations and renewed credit facility is sufficient for at least the next 12 months from the issuance of these interim condensed consolidated financial statements. Therefore, the interim condensed consolidated financial statements have been prepared under the assumption that the Group operates on a going concern basis.

As described above, long-term investments, development activities, and operations more than 12 months out may require additional financing to be obtained. Currently, no commitments exist for further growth investments. The Group will be required to seek additional financing to continue to execute its growth strategy and business plan in the long-term. The realization of such financing is inherently uncertain. Securing additional funding — by raising additional equity or debt financing — is important for the Group's ability to continue as a going concern in the long-term. However, there is no assurance that the Group will be able to raise additional equity or debt financing on acceptable terms, or at all.

2.3. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated annual financial statements for the year ended December 31, 2022, except for the adoption of new standards effective as of January 1, 2023 (refer to Note 2.4), and the adoption of new accounting policies as indicated in this note.

During the six months ended June 30, 2022, the Group entered into a strategic partnership with a PIPE Investor for future charging sessions. The Group previously accounted for the investment as an equity contribution in the interim condensed consolidated financial statements as of June 30, 2022. However, the Group subsequently concluded that a portion of the cash received from the PIPE Investment should be accounted for as a contract liability in recognition of future services to be transferred to the customer. The error correction resulted in a reclassification of €3,358 thousand between share premium and contract liabilities. This had an impact on the unaudited interim condensed consolidated statement of cash flows as well as the unaudited interim condensed consolidated statement of changes in equity for the six months ended June 30, 2022.The error had no impact on the unaudited interim consolidated statement of profit or loss or comprehensive income for the six months ended June 30, 2022. The error correction was already reflected in the Group's consolidated annual financial statements for the year ended December 31, 2022.

Certain amounts in prior reporting periods have been reclassified to conform to the current reporting period presentation. These reclassifications had no effect on loss for the period, shareholders' equity or loss per share.

2.3.1 Share-based payments

2.3.1.1 Other share-based payment plans

The share-based payment arrangements in place related to the Long-Term Incentive Plan ('***LTIP***") qualify as equity settled share-based payments in accordance with IFRS 2. As mentioned in Note 7.3, as part of Allego´s incentive plans, certain eligible members of the board of directors and employees were granted Restricted Share Units (***"RSUs"***), performance based share options (***"LTIP Performance Options"***) and Company ordinary shares (***"IPO Grant Shares"***), based on the Company's internal performance evaluation framework.

The grant date fair value is recognized as an operating expense with a corresponding increase in retained earnings. The fair value is determined at the grant date and the total expense is recognized over the vesting period. At the end of each reporting period, the Group revises the expense for the services received based on the vesting conditions. The impact is recognized in the consolidated statement of profit or loss with the corresponding increase in retained earnings.

The IPO Grant Shares, LTIP Performance Options and RSUs do not include any market conditions or non-vesting conditions that should be included in their fair value. The grant date fair value remains the same over time.

2.3.2 Change in accounting policies

During the year ended December 31, 2022, the Group changed its accounting policy related to the allocation of depreciation and amortization expenses in the consolidated statement of profit or loss. Under the previous policy, the Group classified depreciation and amortization expenses within General and administrative expenses. The Group changed its policy to begin allocating a portion of depreciation expense to Cost of sales, specifically those expenses related to its charging equipment and charging infrastructure. Additionally, the Group began allocating a portion of amortization expense to Cost of sales, specifically those expenses related to its EV Cloud platform.

This voluntary change in accounting policy is a result of management's evaluation of their changing business model upon the U.S. public listing following the SPAC Transaction. Using the proceeds from the U.S. public listing, management continues to invest in a more asset-intensive business model (e.g., with the acquisition of Mega-E) and therefore depreciation and amortization expenses are more clearly linked to Cost of sales. The Group believes that this change will result in a more relevant and reliable classification as it is better aligned with the IFRS conceptual framework and more consistent with the Group's peer group, especially the peers in the U.S., therefore increasing the comparability of the Group's results to those of peers. This change has no impact on the Group's total operating result, financial position, statement of changes in equity, or cash flows for any periods presented. This change is effective for the year ended December 31, 2022 and is applied retrospectively for comparative purposes. Comparative information for the six months ended June 30, 2022 has been restated as shown in the table below.

Interim condensed consolidated statement of profit or loss for the six months ended June 30, 2022 (unaudited)

	June 30, 2022		
(in €'000)	**As reported**	**Change in accounting policies**	**Restated**
Cost of sales	(41,210)	(7,206)	(48,416)
Gross profit	9,482	(7,206)	2,276
General and administrative expenses	(278,859)	7,206	(271,653)

2.4. New accounting standards, interpretations and amendments adopted by the group

A number of amended standards became applicable for the current reporting period as disclosed in the Group's consolidated annual financial statements for the year ended December 31, 2022. The Group did not have to change its accounting policies or make retrospective adjustments since these amended standards do not have a material effect on the Group's interim condensed consolidated financial statements.

Furthermore, the following amendments to standards have been published by the IASB during 2023. These have no material effect on the Group's interim condensed consolidated financial statements:

- Amendments to IAS 21 - Lack of Exchangeability
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- Amendments to IAS 2 - International Tax Reform — Pillar Two Model Rules

3 Significant accounting estimates, assumptions and judgments

The preparation of the Group's interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent assets and liabilities. The reported amounts that result from making estimates and assumptions, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

The significant accounting estimates, assumptions and judgments applied in preparing these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated annual financial statements for the year ended December 31, 2022, except for new estimates and assumptions as indicated below.

3.1. Judgments

In the process of applying the Group's accounting policies, management has made the following new judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

3.1.1 Accounting for the Other Share-based payment Plans

In March 2022, the Allego board of directors and the compensation committee approved the general framework for the Long Term Incentive Plan ("LTIP"). The LTIP provides eligible directors and employees the opportunity to receive stock-based incentive awards in the form of RSUs or other type of awards such as performance based share options and Company ordinary shares. The RSUs, LTIP Performance Options and the IPO Grant Shares are classified as equity-settled share-based payment transactions, as the settlement with the participants shall be made using Company shares, and as such they fall in scope of IFRS 2 *Share-based Payment* from the perspective of the Group and are accounted for in the Group's interim condensed consolidated financial statements as such.

The issued awards are recognized at grant date fair value as an operating expense with the corresponding credit entry to accumulated deficit, over the vesting period being the period over which all of the specified vesting conditions are satisfied. For all awards the service period is concluded to start on May 24, 2023, the grant date, as at that date there was a valid expectation of an award and a corresponding obligation by the Group. The RSUs awarded to employees and the LTIP Performance Options awarded to executive officers are recognized over the relevant service period (three years for RSUs to employees and two years for LTIP Performance Options starting from May 24, 2023), being the period specified in the LTIP. For the IPO Grant Shares awards and the RSUs awarded to eligible members of the board of directors, there are no vesting conditions, the vesting date being the grant date and the expenses are recognized immediately.

At the end of each period, the Group revises its estimates of the number of RSUs that are expected to vest based on the service conditions, actual and expected forfeitures. It recognizes the impact of the revision to original estimates, if any, in operating expenses, with a corresponding adjustment to retained earnings.

When the awards are vested, the Group transfers the appropriate number of shares to the employee. Where awards are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such shares are reversed effective from the date of the forfeiture.

Refer to note 7.3 for further details on the accounting for the RSUs, LTIP Performance Options and IPO Grant Shares awards.

3.2. Estimates and assumptions

The new key assumptions concerning the future and other new key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within future periods, are described below.

The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial statements were prepared and are based on historical experience and other factors that are considered to be relevant. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.2.1 Valuation of share-based payment awards

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model and making assumptions about them.

As the exercise price applicable to the options under the Company's management incentive plan and the LTIP is negligible, no specific option-pricing models are used by the Company and the fair value of options granted is determined by reference to the fair value of the Company's share at the grant date, excluding the impact of any service and non-market performance vesting conditions. The options do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition. In April 2023, certain non-market performance conditions included in the Company's management incentive plan agreement were modified together with their respective service periods, while the other existing terms have not been modified. These changes resulted in an increased number of awards being expected to vest but do not have an impact on the fair value of the options.

As there is no exercise price applicable to the RSUs and IPO Grant Shares under the LTIP, no specific option-pricing models are used by the Company for these awards. The fair value of the awards granted under these plans is determined by reference to the fair value of the Company's share at the grant date. The awards do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition.

For more details around the fair value for share-based payment transactions under the MIP and LTIP refer to notes 7.2 and 7.3.

4 Segmentation

The Executive Board of the Group is the chief operating decision maker ("CODM") which monitors the operating results of the business for the purpose of making decisions about resource allocation and performance assessment. The management information provided to the CODM includes financial information related to revenue, cost of sales and gross result disaggregated by charging revenue and combined service revenue streams and by region. These performance measures are measured consistently with the same measures as disclosed in the (interim condensed) consolidated financial statements. Further financial information, including net income (loss), employee expenses and operating expenses are only provided on a consolidated basis.

The CODM assesses the financial information of the business on a consolidated level. As the operating results of the business for the purpose of making decisions about resource allocation and performance assessment are monitored on a consolidated level, the Group has one operating segment which is also its only reporting segment.

As the Group only hasone reporting segment, all relevant financial information is disclosed in the interim condensed consolidated financial statements.

Revenue from external customers

The Company is domiciled in the Netherlands. The amount of revenue from external customers, based on the locations of the customers, can be broken down by country as follows:

(in €'000)	For the six months ended June 30, 2023	2022
The Netherlands	33,982	19,976
Belgium	9,656	3,799
Germany	10,194	6,607
France	12,682	19,139
Other	1,697	1,171
Total	**68,211**	**50,692**

5 Revenue from contracts with customers

Disaggregation and timing of revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers.

(in €'000)	For the six months ended June 30, 2023	2022
Type of goods or service		
Charging sessions	51,139	23,994
Service revenue from the sale of charging equipment	1,485	18,442
Service revenue from installation services	10,283	5,964
Service revenue from operation and maintenance of charging equipment	2,256	1,822
Service revenue from consulting services	3,048	470
Total revenue from external customers	**68,211**	**50,692**
Timing of revenue recognition		
Services transferred over time	15,587	8,257
Goods and services transferred at a point in time	52,624	42,435
Total revenue from external customers	**68,211**	**50,692**

6 Other income

(in €'000)	For the six months ended June 30, 2023	2022
Government grants	185	—
Income from sale of CO2 tickets	4,123	4,873
Net gain/(loss) on disposal of property, plant and equipment	(580)	—
Sublease rental income	100	104
Fair value gains/(losses) on derivatives (purchase options)	—	3,856
Other items	325	154
Total	**4,153**	**8,987**

7 Share-based payments

7.1. Second Special Fees Agreement

On February 25, 2022, the then immediate parent entity of Allego Holding — Madeleine — entered into a second Special Fees Agreement (the "Second Agreement") with the same external consulting firm as for the First Agreement described in Note 11.1 of the consolidated financial statements for the year ended December 31, 2022. The purpose of this Second Special Fees Agreement is to compensate the external consulting firm for their continuous strategic and operational advice, as well as support with regards to Allego's fundraising efforts in the near future. The Agreement ultimately expires on the earlier of June 30, 2025, and the date on which Madeleine would no longer hold any equity security in Allego. As consideration for the Second Special Fees Agreement, the external consulting firm is entitled to receive cash compensation based on the value of the Group in connection with any new injection of equity, whether in cash or in kind, in any entity of the Group subsequent to the Business Combination (each an "***Equity Injection***").

On March 10, 2022, the Second Special Fees Agreement was amended to modify the formula of the relevant percentage used in the determination of the fees payable (the "***Relevant Percentage***") for equity injections subsequent to the first Equity Injection.

The Group accounts for the Second Special Fees Agreement as a share-based payment since the Group obtained services from the consulting firm in exchange for cash amounts based on the equity value of the Company. Madeleine, instead of the Group, had the obligation to settle the share-based payment arrangement with the consulting firm. The Second Agreement was therefore classified as an equity-settled share-based payment arrangement. On April 20, 2022, the Second Special Fees Agreement was novated from Madeleine to Allego (the "***Novation***"), with all the other terms of the Second Special Fees Agreement remaining the same. As a result of the Novation, Allego has now the obligation, instead of Madeleine, to settle the share-based payment arrangement with the consulting firm. The Second Special Fees Agreement's classification therefore changed to a cash-settled share-based payment arrangement from the Novation date.

Certain directors of the Company are entitled to compensation from the external consulting firm in the form of a fixed percentage of the total benefits that the external consulting firm will generate under the Second Special Fees Agreement, including any amendments. The share-based payment expenses for the Second Special Fees Agreement therefore reflect both compensation for external consulting services and key management remuneration.

Measurement of fair value as an equity-settled plan

In accordance with IFRS 2 *Share-based Payment*, the fair value of key management remuneration under an equity-settled share-based payment arrangement is measured by reference to the fair value of the equity instruments granted, measured at the grant date. The fair value determined at the grant date is not subsequently adjusted.

As the value of the services provided by the consulting firm is not directly related to the time incurred by the consultants, management considers that the fair value of the services cannot be measured reliably. Therefore, the fair value of the services received under the Second Special Fees Agreement are measured by reference to the fair value of the share-based payment arrangement offered as consideration, as the Group obtains these services. The Group applies an approach where the average fair value over the reporting period is used to determine the fair value of the services received.

Since the Second Special Fees Agreement includes an implicit service condition, the services received under the Second Special Fees Agreement are recognized as expenses over the period in which the Company expects to have the Equity Injections, therefore between February 25, 2022 (the "***grant date***") and the dates of the Equity Injections by reference to the fair value of the share-based payment arrangement measured at the grant date (for key management remuneration) or the average fair value over the reporting period (for external consulting services).

Measurement of fair value as a cash-settled plan

Following the Novation, the Second Special Fees Agreement was classified as a cash-settled plan as opposed to an equity-settled plan. Therefore, in accordance with IFRS 2 Share-based Payment, the fair value of both the key management remuneration and the services provided by the consulting firm under a cash-settled share-based payment arrangement is measured by reference to the fair value of the share-based payment arrangement offered as consideration, as the Group obtains these services. The fair value of the liability is recognized over the service period.

In effect, IFRS 2 *Share-based Payment* provides that the cumulative amount recognized as the expense over the life of the Second Special Fees Agreement is the grant-date fair value plus or minus any subsequent changes in fair value after the change in classification. Therefore, the cumulative amount may be less than the original grant-date fair value.

Fair value of equity instruments granted

The fees payable under the Second Special Fees Agreement will depend on the future value of the Allego Group following each future Equity Injection. Since there is no market price for the services, to measure the fair value of this instrument under IFRS 2 *Share-based Payment*, the future value of the Allego Group for the Equity Injections has been derived from a weighted average valuation model in which that value can be simulated based on various amounts and expected dates of Equity Injection events, and taking into account the likelihood of Equity Injections to happen, as well as the expected price per share upon Equity Injection.

The total fair value of the share-based payment arrangement as at June 30, 2023 is estimated at €29,682 thousand (grant date: €32,250 thousand)

The Group assessed the impact to the fair value of the share-based payment arrangement as a result of the amendment to the Second Special Fees Agreement which was entered into in March 2022. The amendment modifies the formula of the Relevant Percentage applied to the future value of the Group for equity injections subsequent to the first Equity Injection, which is a component of the calculation of the fees payable. However, the Relevant Percentage used to calculate the fees remained the same following the amendment and therefore did not impact the fair value of the Second Special Fees Agreement as of the amendment date.

Additionally, the Group assessed the accounting impact of the Novation. The Group measured the liability using the Novation date fair value of the equity-settled shared-based payment arrangement based on the elapsed portion of the vesting period (period from Grant Date to each Equity Injection date). Therefore, as of the Novation, an amount of €4,440 thousand was recognized as a current liability, and an amount of €1,353 thousand was recognized as a non-current liability, with a corresponding decrease to equity of €5,793 thousand.

Share-based payment expenses

During the six months ended June 30, 2023, the Group recognized total share-based payment expenses with respect to the Second Special Fees Agreement of €6,523 thousand (June 30, 2022: €2,608 thousand). As the share-based payment expenses for the Second Special Fees Agreement reflect both compensation for external consulting services and key management remuneration, the Group has recognized share-based payment expenses for an amount of €4,272 thousand as legal, accounting and consulting fees and share-based payments expenses for an amount of €2,251 thousand has been recognized as employee benefits expenses, both within general and administrative expenses.

During the six months ended June 30, 2022, the Second Special Fees Agreement was modified from equity-settled plan to cash-settled plan as a result of the Novation. The Group recognized share-based payments expenses of €6,380 thousand for the period before the Novation, with a corresponding increase in retained earnings. This amount was split into legal, accounting and consulting fees of €4,498 thousand and employee benefits expenses of €1,882 thousand. For the period after the Novation, the Group recognized share-based payments expenses of negative €3,772 thousand with a corresponding decrease in liability. This amount consisted of negative €2,471 thousand legal, accounting and consulting fees and negative €1,301 thousand employee benefits expenses.

7.2. Management incentive plan

The establishment of the Company's management incentive plan ("***MIP***") was approved by the board of directors on April 20, 2022. The MIP is designed to provide long-term incentives for key management employees to deliver long-term shareholder returns, and includes two types of granted options: the right to acquire a percentage of the Company's issued share capital immediately following the listing, subject to the expiry of a blocking period of 18 months (the "***MIP Grant Options***"), and the right to acquire a percentage of the Company's issued share capital immediately following the listing, subject to predefined performance conditions and the expiry of the blocking period (the "***MIP Performance Options***"). The granted options carry no dividend or voting rights. The options do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition.

Under the plan, the MIP Grant Options vest immediately, and the MIP Performance Options only vest if certain performance standards are met. Participation in the plan is at the board of directors' discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The amount of MIP Performance Options that will vest depends on the group's performance, including operational EBITDA, financing targets, compliance and reporting, engagement with investors, and the minimum service period of the employees. Once vested, the granted options remain exercisable for a period of ten years following the end of the blocking period, which ends on September 18, 2023 for the MIP Grant Options and ten years from the grant date (May 14, 2022) for the MIP Performance Options.

In April 2023, certain non-market performance conditions included in the original MIP agreement were modified together with their respective service periods. The other existing terms have not been modified, meaning that the MIP Performance Options remain exercisable for a period of ten years following the end of the blocking period which ends on April 30, 2024 for the modified performance criteria and didn't change for the other performance criteria. These changes result in an increased number of awards being expected to vest but do not have an impact on the fair value of the options.

The exercise price of the granted options under the plan is €0.12 per option. When exercisable, each option is convertible intoone ordinary share of the Company.

Set out below are summaries of MIP Grant Options and MIP Performance Options granted under the plan:

	2023			2022		
	Average exercise price per share option (in €)	**Number of MIP Grant Options**	**Number of MIP performance options**	**Average exercise price per share option (in €)**	**Number of MIP Grant Options**	**Number of MIP Performance Options**
As at January 1	0.12	1,329,213	1,329,213	—	—	—
Granted during the period	—	—	—	0.12	1,329,213	1,329,213
Exercised during the period	—	—	—	—	—	—
Forfeited during the period	—	—	—	—	—	—
As at June 30	0.12	1,329,213	1,329,213	0.12	1,329,213	1,329,213
Vested and exercisable at June 30	—	—	—	—	—	—

As of June 30, 2023, 996,910 MIP Performance Options vested and will become exercisable after the end of the blocking period, which ends on September 18, 2023No options expired during the period ended June 30, 2023.

Share options outstanding at the end of the reporting period have the following expiry dates and exercise prices:

Options	Grant date	Expiry date	Exercise price (in €)	Share options June 30, 2023
MIP Grant Options	May 14, 2022	September 17, 2033	0.12	1,329,213
MIP Performance Options	May 14, 2022	May 13, 2032	0.12	1,329,213
Total				**2,658,426**

The weighted average remaining contractual life of options outstanding at the end of period is9.55 years.

The total expenses arising from the MIP transactions recognized during the period as part of employee benefit expense were €3,498 thousand (June 30, 2022: €11,776 thousand). This includes an amount of €956 thousand (June 30, 2022: € nil) related to the additional expense recognized as a result of the modification of the MIP agreement.

Fair value of options granted

The assessed fair value of options was €7.75 per option (June 30, 2022: €7.75) for both the MIP Grant Options and MIP Performance Options.

The fair value was determined as the share price of the Company's ordinary shares on grant date of $8.17 (€7.87[1]), determined as the closing price on May 13, 2022 (the last working day preceding the grant date), less the exercise price of €0.12.

No specific option-pricing model (e.g., Black-Scholes) was applied for the valuation, as in the situation when the exercise price applicable to the options is negligible, the calculated fair value of an option is close (or equal) to the value of an ordinary share less the exercise price, regardless of the other input parameters applied in the option valuation.

[1] Translated at the EUR/USD exchange rate as at May 13, 2022.

As the options do not include any market conditions or non-vesting conditions that has an impact on the fair value and there is no adjustment for dividends, the grant date fair value of both MIP Grant Options and MIP Performance Options was determined using the same approach.

7.3. Long-term Incentive Plan

The Allego board of directors and the compensation committee approved the general framework for the LTIP on 16 March 2022. The purpose of the LTIP is to provide eligible directors and employees the opportunity to receive stock-based incentive awards for employee motivation and retention and to align the economic interests of such persons with those of Allego's shareholders. The delivery of certain shares or other instruments under the LTIP to directors and key management are agreed and approved in certain Allego board of directors meetings. On December 20, 2022, the Allego board of directors approved a detailed plan for the LTIP for future years.

LTIP Performance Options

As it relates to the LTIP for Allego executive officers, performance based share options may be granted annually and would be exercisable after two years. The amount of LTIP Performance Options issued under the LTIP are based on four equally-weighted criteria: revenue, operational EBITDA, renewable GWh delivered, and appreciation at the discretion of the board of directors. Targets are set annually.

During the six months ended June 30, 2023, LTIP Performance Options were granted to executive officers based on 2022 company performance. The number of LTIP Performance Options awarded was determined in line with the level of completion of the performance criteria. The exercise price of the granted LTIP Performance Options under the LTIP is €0.12 per option. When exercised, each LTIP Performance Option is convertible into one ordinary share of the Company.

Set out below is a summary of LTIP Performance Options granted under the plan:

	2023	
	Average exercise price per LTIP Performance Option (in €)	**Number of LTIP Performance Options**
As at January 1	—	—
Granted during the period	0.12	1,039,222
Exercised during the period	—	—
Forfeited during the period	—	—
As at June 30	0.12	1,039,222
Vested and exercisable at June 30	—	—

LTIP Performance Options outstanding at the end of the reporting period have the following expiry dates and exercise prices:

Options	Grant date	Expiry date	Exercise price (in €)	Number of options June 30, 2023
LTIP Performance Options	May 24, 2023	May 24, 2032	0.12	1,039,222

The weighted average remaining contractual life of LTIP Performance Options outstanding at the end of period is 9 years.

The total expense arising from the LTIP Performance Options recognized during the period as part of employee benefit expense was €98 thousand (June 30, 2022: € nil).

Fair value of LTIP Performance Options granted

The assessed fair value of LTIP Performance Options was €1.85 per option (June 30, 2022: no options granted).

The fair value was determined as the share price of the Company's ordinary shares on grant date of $2.13 (€1.97[2]), determined as the closing price on May 24, 2023 (the grant date), less the exercise price of €0.12.

As the LTIP Performance Options do not include any market conditions or non-vesting conditions that has an impact on the fair value and there is no adjustment for dividends, the grant date fair value of LTIP Performance Options was determined using the same approach.

Restricted Stock Units

As it relates to the LTIP for other Allego employees, individuals may elect to receive up to 50% of their annual performance bonus to be paid in Restricted Stock Units, which would vest on an annual basis. Additionally, certain Allego employees are eligible to receive additional RSUs based on the Company's existing internal performance evaluation framework. These RSUs would be granted annually and vest after three years. In May 2023, the Group awarded RSUs to eligible and selected employees based on the Company's internal performance evaluation framework. The RSUs have a vesting period of three years and are subject to the participant's continued employment until the vesting date.

Under the terms of the same plan, RSUs were awarded to certain members of the board of directors, which were eligible, in May 2023. These RSUs were not subject to any vesting conditions and vested fully on the grant date. The related shares to be issued as a result of the RSUs vesting are yet to be delivered by the Company to the relevant members of the board of directors.

Set out below are summaries of the number of RSUs granted under the plan:

	2023	
	Employees	**Eligible directors**
As at January 1	—	—
Granted during the period	196,541	666,968
Forfeited during the period	—	—
Vested during the period	—	(666,968)
As at June 30	**196,541**	**—**
Vested at June 30	—	666,968

Fair value of RSUs granted

The grant date fair value of the RSUs granted to the employees in 2023 is recognized as an expense on a straight-line basis over the three-year vesting period, with a corresponding entry in equity. Since the RSUs granted to certain members of the board of directors are not subject to any vesting conditions, the grant date fair value of these awards is recognized immediately, on the grant date, as an expense with a corresponding entry in equity.

The assessed fair value of RSUs granted during the period ended June 30, 2023, was €1.97 per option (June 30, 2022: no RSUs granted). The fair value of the RSUs has been determined with reference to the share price of the Company's ordinary shares at the date of grant. Since the Company does not expect to pay dividends during the vesting period, the weighted average fair value of the RSUs granted in the first half of 2023 of $2.13 (€1.97[2]) is equal to share price at the date of grant, May 24, 2023.

The share-based payment expense recognized for the six months ended June 30, 2023 for the equity-settled RSUs amounted to €1,330 thousand (June 30, 2022: € nil) consisting of €1,317 thousand related to the fully vested board of directors' RSUs recognized on grant date and €13 thousand representing the expense for the current period in relation to the RSUs issued to employees.

IPO Grant Shares

In May 2023, the Group awarded 100 ordinary shares of the Company to a select group of individuals who were instrumental in the success of the IPO. The Company granted this one-off share award to employees of the Company as of the IPO date, who were still employed by the Company a year later. The share awards granted in 2023 were not subject to any vesting conditions. The Company awarded a total of 9,700 shares to the selected employees in May 2023. The Company shares were issued to the employees on June 9, 2023.

The fair value of the share awards of $2.13 (€1.97[2]) is equal to the share price of the Company's ordinary shares at the date of grant. The share-based payment expenses recognized in 2023 for these equity-settled share awards amounted to €19 thousand (June 30, 2022: € nil).

[2] Translated at the EUR/USD exchange rate as at 24 May 2023

8 Finance income/(costs)

(in €'000)	For the six months ended June 30, 2023	2022
Interest expenses on shareholder loans	—	1,755
Interest expenses on old facility	—	4,656
Interest expenses on renewed facility	10,813	—
Finance costs on borrowings	**10,813**	**6,411**
Interest expenses on lease liabilities	1,456	466
Interest accretion on provisions	—	—
Fair value (gains)/losses on derivatives	407	(2,060)
Fair value (gains)/losses on public warrant liabilities	2,387	(14,546)
Fair value (gains)/losses on private placement warrant liabilities	—	(7,139)
Exchange differences – net	(314)	1,695
Finance income/(costs)	**14,748**	**(15,173)**

9 Loss per share

Basic loss per share is calculated by dividing the loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following table reflects the loss and share data used in the basic and diluted loss per share calculations for the six months ended June 30, 2023 and 2022:

	For the six months ended June 30, 2023	2022
Loss attributable to ordinary equity holders of the Company (in €'000)	(38,811)	(246,913)
Weighted average number of ordinary shares for basic and diluted loss per share	267,178,771	235,430,660
Basic and diluted loss per share (in €'000)	**(0.15)**	**(1.05)**

The Company only has ordinary shares. Refer to Note 12 for details about the Company's share capital.

There is no difference between basic and diluted loss per share as the effect of the potential ordinary shares that would be issued by the Company under the Management Incentive Plan, the Long Term Incentive Plan, or the Public Warrants are anti-dilutive for all periods presented. Refer to Note 7.2 and 7.3 for details on the Management Incentive Plan and the Long Term Incentive Plan, and refer to Note 27 of the consolidated financial statements for the year ended December 31, 2022 for details on the Public Warrants.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these consolidated financial statements.

10 Cash generated from operations

(in €'000)	Notes	For the six months ended June 30, 2023	2022
Loss before income tax		(38,438)	(246,914)
Adjustments to reconcile loss before income tax to net cash flows:			
Fair value (gains)/losses on derivatives (purchase options)		—	(3,856)
Fair value (gains)/losses on Public and Private warrant liabilities		2,387	(21,686)
Other finance (income)/costs		12,428	6,085
Share-based payment expenses	7	11,468	241,311
Depreciation, impairments and reversal of impairments of property, plant and equipment	11	9,918	6,146
Depreciation and impairments of right-of-use of assets		3,834	2,952
Amortization and impairments of intangible assets	11	2,395	1,736
Net (gain)/loss on disposal of property, plant and equipment		525	—
Movements in working capital:			
Decrease/(increase) in inventories		(3,527)	(8,014)
Decrease/(increase) in other financial assets		(6,848)	(990)
Decrease/(increase) in trade and other receivables, contract assets and prepayments and other assets		(4,283)	(24,437)
Increase/(decrease) in trade and other payables and contract liabilities		(12,809)	(40,523)
Increase/(decrease) in provisions and other liabilities		879	(72)
Cash generated from/(used in) operations		**(22,071)**	**(88,262)**

11 Property, plant and equipment, intangible assets and goodwill

(in €'000)	Property, plant and equipment	Intangible assets (excl. goodwill)	Goodwill
Carrying amount at December 31, 2022	134,718	13,924	10,724
Movements in the six months ended June 30, 2023			
Additions	32,158	—	—
Disposals	(992)	—	—
Depreciation and amortization	(10,012)	(2,395)	—
Accumulated depreciation and amortization of disposals	466	—	—
Impairments	(237)	—	—
Reversal of impairments	331	—	—
Carrying amount at June 30, 2023	**156,432**	**11,529**	**10,724**

Investments and disposals of property, plant and equipment

During the six months ended June 30, 2023, investments in property, plant and equipment amounted to €32,158 thousand (June 30, 2022: €104,438 thousand) and disposals of property, plant and equipment amounted to €992 thousand (June 30, 2022: €178 thousand).

Impairments and reversals of impairments of chargers

During the six months ended June 30, 2023, the Group recorded an impairment loss of €237 thousand (June 30, 2022: €545 thousand) and a reversal of impairment of €331 thousand (June 30, 2022: €122 thousand).

Purchase commitments

The Group's purchase commitments for chargers and charging infrastructure are disclosed in Note 18. At the end of each reporting period presented, the Group did not have purchase commitments for other asset classes of property, plant and equipment.

12 Share capital, share premium and transaction costs on new equity instruments

Share capital

As at June 30, 2023, the issued share capital of the Company amounts to €32,062 thousand (December 31, 2022: 32,061 thousand), divided into 267,187,292 ordinary shares of €0.12 (December 31, 2022: 267,177,592 ordinary shares of €0.12 per share). They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of shares held. The authorized share capital of the Company as at June 30, 2023 amounted to €108,000 thousand (December 31, 2022: €108,000 thousand), divided into 900,000,000 ordinary shares of €0.12 per share (December 31, 2022: 900,000,000 ordinary shares of €0.12 per share).

Issuance of Ordinary Shares under the Employee Share Award Plan

On June 9, 2023, 9,700 ordinary shares, with a nominal value of €0.12 per share, were issued for no consideration. These shares relate to the Long-term Incentive Plan as described in note 7.3.

Share capital and share premium movements

Movement of share capital and share premium are as follows:

	Notes	Shares	Price per share (in €)	Share Capital (in €'000)	Share Premium (in €'000) (restated)[1]
As at January 1, 2022		**100**	**1.00**	**1**	**61,888**
Immediately prior to the Allego Holding and Spartan Acquisition Corp. III merger ("the SPAC Transaction")					
Shareholder loan equity conversion March 16, 2022		2	1.00	—	101,931
E8 Special Fee Arrangement March 16, 2022		22	1.00	—	—
As at March 16, 2022 immediately prior to the closing of the SPAC Transaction		**124**	**1.00**	**1**	**163,819**
Resulting from the Allego Holding and Spartan Acquisition Corp. III merger ("the SPAC Transaction")					
Elimination old shares March 16, 2022		(124)	1.00	—	—
Share Capital increase on conversion March 16, 2022		235,935,061	0.12	28,311	(28,311)
Share Capital Spartan March 16, 2022		14,907,582	0.12	1,789	85,808
Share Capital for PIPE March 16, 2022		12,500,000	0.12	1,500	108,515
Share Capital for PIPE March 22, 2022		2,500,000	0.12	300	22,375
Other equity movements in the six months ended June 30, 2022					
Private warrants exercise April 15, 2022		1,334,949	0.12	160	13,694
As at June 30, 2022		**267,177,592**	**0.12**	**32,061**	**365,900**
As at January 1, 2023		**267,177,592**	**0.12**	**32,061**	**365,900**
Issuance of shares under Employee Share Award Plan June 9, 2023		9,700	0.12	1	—
As at June 30, 2023		**267,187,292**	**0.12**	**32,062**	**365,900**

All the shares issued have been fully paid at the date of the capital issuance.

13 Borrowings

This note provides a breakdown of borrowings in place as at June 30, 2023 and December 31, 2022.

(in €'000)	Interest rate	Maturity	June 30, 2023	December 31, 2022
Renewed facility	Euribor* + 3.9%**	December 19, 2027	312,400	269,033
Total			**312,400**	**269,033**

* *The Euribor rate (6M) is floored at 0%. This floor is closely related to the contract of the loan and is therefore not presented separately in the consolidated statement of financial position.*

** *The margin of 3.9% will increase by 0.2% per year, for the first time in December 2025.*

Refinancing of the old facility with the renewed facility

On December 19, 2022, the Group has entered into a new facility agreement ("the renewed facility") with a group of lenders led by Société Générale and Banco Santander, increasing the total existing available facility ("the old facility") by €230,000 thousand to €400,000 thousand, to further support its growth. The renewed facility consists of:

i. €170,000 thousand used to settle the old facility;

ii. up to €200,000 thousand to be used for financing and refinancing certain capital expenditures and permitted acquisitions (and for other permitted debt servicing uses); and

iii. up to €30,000 thousand to be used for issuance of guarantees and letters of credit (and when utilized by way of letters of credit, for general corporate purposes).

The renewed facility expires in December 2027 and bears interest at EURIBOR plus a margin. The principal terms and conditions of the renewed facility are as follows:

- drawdown stop when conditions precedent are not met;
- repayment in full at maturity date;
- commitment fee per year equals to 35% of the applicable margin and is payable for each undrawn facility in the period from the agreement signing date to the date being 42 months following the signing date. For the six months ended June 30, 2023, the commitment fee was 1.365% per year (equal to 35% of the margin of 3.9%).

In December 2022, the Group completed two drawdowns on the renewed facility for a total amount of €279,210 thousand, of which €170,000 thousand was used to repay the Group's old facility by a way of netting with the drawdown on the renewed facility. In June 2023, the Group completed an additional drawdown on the renewed facility of €43,400 thousand bringing the total drawdowns of the facility to €322,610 thousand.

In parallel to the renewed facility, the Group entered into interest rate caps to hedge the interest rate risk on between 65% and 75% (2022: between 65% and 85%) of the outstanding loan amounts under the renewed facility. Details about the Group's interest rate caps are included in Note 16.

The refinancing of the old facility was accounted for as extinguishment of the former financial liability and recognition of the new debt instrument. Details about the accounting treatment are included in Note 25 of the consolidated financial statements for the year ended December 31, 2022.

Assets pledged as security

The renewed facility is secured by pledges on the bank accounts (presented as part of cash and cash equivalents and non-current other financial assets), trade and other receivables and pledges on the shares in the capital of Allego Holding B.V., Allego B.V., Allego GmbH and Allego France held by the Company.

During the six months ended June 30, 2023, the Group has pledged additional assets in relation to the renewed facility as detailed in the table below.

The carrying amount of assets pledged as security for the renewed facility is as follows:

(in €'000)	June 30, 2023	December 31, 2022
Current assets		
Floating charge		
Cash and cash equivalents	59,187	56,317
Trade receivables	12,310	—
Total current assets pledged as security	**71,497**	**56,317**
Non-current assets		
Floating charge		
Non-current other financial assets	10,500	10,500
Total non-current assets pledged as security	**10,500**	**10,500**
Total assets pledged as security	**81,997**	**66,817**

Transaction costs

During the period ended June 30, 2023, the Group incurred €1,319 thousand (June 30, 2022: €nil) of transaction costs that are directly attributable to the renewed facility. These costs are included in the measurement of the respective drawdowns and are amortized over the term of these drawdowns using the effective interest method. Interest expense on the Group's renewed facility is recognized as part of finance income/(costs) in the interim condensed consolidated statement of profit or loss.

The Group expects that it will draw on the funds available under the renewed facility. Therefore, commitment fees paid on the unused portion of the renewed facility are deferred and treated as an adjustment to the loan's effective interest rate and recognized as interest expense over the term of the facility.

Loan covenants

Under the terms of the renewed facility, the Group is required to comply with the following financial covenants related to interest and earnings before interest, taxes, depreciation and amortization ("EBITDA") at the consolidated level of the Group:

1. Leverage ratio: calculated on a consolidated level as (total net debt / Group EBITDA).
2. Interest cover ratio: calculated on a consolidated basis as (Group EBITDA / interest paid).

The covenants shall be determined based on the IFRS financial statements of the Group, as required by the terms and conditions of the renewed facility. The compliance with these covenants shall be tested every six months, with the testing period being twelve months ending December 31 and June 30, with the first testing date being June 30, 2023.

The target covenant ratios are determined based on a twelve-month running basis and are as follows:

Testing period ending on	Leverage ratio	Interest cover ratio
June 30, 2023	Unconditional	-0.8x
December 31, 2023	Unconditional	-0.9x
June 30, 2024	34x	0.4x
December 31, 2024	5.4x	2.3x
June 30, 2025	3.2x	3.8x
December 31, 2025	2.2x	5.5x
June 30, 2026	2.2x	5.5x
December 31, 2026	2.2x	5.5x
June 30, 2027	2.2x	5.5x

The Group may withinten business days from the occurrence of a breach or the anticipated breach of the loan covenants remedy such default by providing evidence of receipt of new funding, sufficient to cure such breach (“equity cure right”). Such remediation is available for not more than two consecutive testing dates and four times over the duration of the renewed facility. In case if the covenants breach is not cured, such a breach is considered a default and could lead to the cancellation of the total undrawn commitments and the loan to become immediately due and payable.

Additionally, the following ratios are set as drawstop event conditions for the part of the renewed facility aimed at financing and refinancing certain capital expenditures and permitted acquisitions, which if breached prior to the anticipated utilization of the capex portion of the renewed facility – will result in the drawdown stop:

- Group EBITDA margin ratio: calculated on a consolidated level as (Group EBITDA / Real Period Revenue).
- Group EBITDA amount: calculated on a consolidated level
- Fast/ultra-fast charging equipment utilization rate: calculated on a consolidated level as (average number of sessions over the relevant Group charger base during the testing period, divided by 50).

The target drawdown stop conditions are determined based on a twelve-month running basis and are as follows:

Testing period ending on	EBITDA margin (drawstop)	EBITDA (drawstop)	Fast/ultrafast charging equipment utilization rate (drawstop)
June 30, 2023	-4.3 %	€ (8.5) million	10.4 %
December 31, 2023	-5.8 %	€ (11.6) million	11.5 %
June 30, 2024	8.1 %	€ 19.8 million	12.7 %
December 31, 2024	19.4 %	€ 68.2 million	12.9 %
June 30, 2025	24.1 %	€ 111.2 million	14.2 %
December 31, 2025	27.3 %	€ 157.5 million	15.5 %
June 30, 2026	28.9 %	€ 200.0 million	16.6 %
December 31, 2026	Unconditional	Unconditional	Unconditional
June 30, 2027	Unconditional	Unconditional	Unconditional

Breaching the requirements would cause a drawdown stop. Continuing breaches in the drawstop conditions would permit the bank to cancel the total undrawn commitments. The Group may within twenty business days from the occurrence of a drawstop event provide a remedial plan setting out the actions, steps and/or measures (which may include a proposal for adjustments of the financial covenants' or utilization rate's levels) which are proposed to be implemented in order to remedy such drawstop event.

In the preparation of its consolidated financial statements, the Group assessed whether information about the existence of the covenant and its terms is material information, considering both the consequences and the likelihood of a breach occurring. The consequences of a covenant breach have been described in this note. A covenant breach would affect the Group’s financial position and cash flows in a way that could reasonably be expected to influence the decisions of the primary users of these consolidated financial statements. Refer to Note 2.2 for additional information.

The Group has complied with these covenants in the reporting period ended June 30, 2023.

14 Income tax

The income tax expense for the six months ended June 30, 2023, is recognized based on the Group’s estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the six months ended June 30, 2023 is 1.32% (June 30, 2022: 0.07%).

15 Financial instruments

This note provides information about the Group’s financial instruments, including:

- an overview of all financial instruments held by the Group;
- the classification of the financial instruments;

- the line item on the interim condensed consolidated statement of financial position in which the financial instrument is included;
- the financial instrument's book and fair value.

The Group holds the following financial instruments:

Financial assets

(in €'000)	Notes	At amortized cost	Fair value through PL	Fair value through OCI	Total book value	Total fair value
As at December 31, 2022						
Non-current other financial assets		21,900	9,198	31,389	62,487	62,487
Current other financial assets		601	—	—	601	601
Trade and other receivables		44,776	—	—	44,776	44,776
Cash and cash equivalents		83,022	—	—	83,022	83,022
Total		**150,299**	**9,198**	**31,389**	**190,886**	**190,886**
As at June 30, 2023						
Non-current other financial assets		23,082	8,725	24,814	56,621	56,621
Current other financial assets		6,389	—	—	6,389	6,389
Trade and other receivables		36,737	—	—	36,737	36,737
Cash and cash equivalents		65,150	—	—	65,150	65,150
Total		**131,358**	**8,725**	**24,814**	**164,897**	**164,897**

Due to the highly liquid nature of cash and cash equivalents and the pledged bank balances classified within non-current other financial assets, their carrying amount is considered to be the same as their fair value. Due to the short-term nature of trade and other receivables as well as current other financial assets, their carrying amount is considered to be the same as their fair value.

Financial liabilities

(in €'000)	Notes	At amortized cost	Fair value through PL	Total book value	Total fair value
As at December 31, 2022					
Borrowings	13	269,033	—	269,033	272,641
Non-current lease liabilities		44,044	—	44,044	N/A
Current lease liabilities		7,280	—	7,280	N/A
Trade and other payables		51,263	—	51,263	51,263
Warrant Liabilities		—	1,296	1,296	1,296
Total		**371,620**	**1,296**	**372,916**	**325,200**
As at June 30, 2023					
Borrowings	13	312,400	—	312,400	320,223
Non-current lease liabilities		50,371	—	50,371	N/A
Current lease liabilities		8,296	—	8,296	N/A
Trade and other payables		50,041	—	50,041	50,041
Warrant liabilities		—	3,683	3,683	3,683
Total		**421,108**	**3,683**	**424,791**	**373,947**

Due to the short-term nature of the trade and other payables, their carrying amount is considered to be the same as their fair value.

16 Fair value measurement

This note explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value and the financial instruments for which the fair value is disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

An explanation of each level is included in Note 2.7.18 of the consolidated financial statements for the year ended December 31, 2022.

Assets and liabilities measured at fair value

As at June 30, 2023, the Group has recorded the following financial instruments at fair value in the interim condensed consolidated statement of financial position:

- interest rate cap derivatives;
- warrant liabilities;
- investment in equity securities.

Interest rate cap derivatives and the investment in equity securities are presented within non-current other financial assets. Warrant liabilities are presented as a separate line in the interim condensed consolidated statement of financial position as at June 30, 2023.

The interest rate caps qualify for the level 2 category in the fair value hierarchy due to the fact that they are not traded in an active market and the fair value is determined using valuation techniques which maximize the use of observable market data. Since all significant inputs required to fair value the instruments are observable, the instruments are included in level 2.

The investment in equity securities qualifies for the level 3 category in the fair value hierarchy due to the fact that the securities are not traded in an active market and there is no observable market data. Therefore, the fair value of these securities is determined using valuation techniques which use unobservable inputs that are significant to fair value.

The warrants qualify for the level 1 category in the fair value hierarchy due to the fact that their fair value is determined based on quoted market inputs.

For assets and liabilities that are recognized in the interim condensed consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the six months ended June 30, 2023, there were no transfers that occurred between levels.

The fair values of the Group’s assets and liabilities measured at fair value are disclosed in the table in Note 15.

Fair value of assets and liabilities not measured at fair value

The Group has determined the fair value of assets and liabilities not measured at fair value, but for which the fair value is required to be disclosed.

<u>Borrowings:</u>

For the renewed facility, the fair value differs from its carrying amount because the interest payable on the facility is (partially) fixed. The borrowings qualify for the level 3 category in the fair value category due to the use of unobservable inputs, including own credit risk.

The fair values of the Group’s assets and liabilities not measured at fair value are disclosed in the table in Note 15.

Specific valuation techniques to determine fair values

Specific valuation techniques used to value financial instruments include:

- interest rate cap derivatives: option pricing model;
- investment in equity securities: discounted cash flow analysis;
- borrowings: discounted cash flow analysis using a market interest rate;

Financial instruments measured at fair value (level 3)

The changes in level 3 items for the six months ended June 30, 2023 have been as follows:

(in €'000)	Investment in equity securities
Carrying amount at January 1, 2023	31,389
Movements in the six months ended June 30, 2023	
Fair value loss on investment in equity securities recognized in other comprehensive income	(6,575)
Carrying amount at June 30, 2023	**24,814**

The Group's engages with third party valuation specialists to perform its fair value measurements for financial reporting purposes on a periodic basis. Involvement of external valuers is determined annually by the Group's finance team after discussion with and approval by the Group's Executive Board. Selection criteria for valuation specialist include market knowledge, reputation, independence and whether professional standards are maintained.

The Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

Valuation inputs to the fair value of investments in equity securities

The Group updated the third party valuation report to determine the fair value of investments in equity securities. Inputs to the fair value of the investments in equity securities are the earnings growth factor and risk-adjusted discount rate. The following table summarizes the quantitative information about the significant unobservable input parameters used in the level 3 fair value measurement of the investments in equity securities, using the DCF ("Discounted Cash Flows") methodology.

In %	June 30, 2023
Growth factor	3.0 %
Discount rate	11.9 %

An increase or decrease of 100 basis point in the growth factor would change the fair value of the investment in equity by an increase of €2,863 thousand and respectively a decrease of €2,284 thousand.

An increase or decrease of 100 basis point in the discount rate would change the fair value of the investment in equity by a decrease of €3,346 thousand and respectively an increase of €4,188 thousand.

17 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Economic hedge with an interest rate cap
Market risk – price risk	Investments in equity securities	Sensitivity analysis	Monitoring quarterly valuation updates and forecasts of future cash flows
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of borrowing facilities.

The Group's management oversees the management of these risks. The Group's management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's risk management is predominantly controlled by the Finance department under policies approved by the Executive Board. The Executive Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. Since the largest part of the Group's assets, liabilities, and transactions are denominated in euro, the market risk of foreign exchange is considered not to be significant. There are no changes compared to the previous period.

Market risk

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from a long-term borrowing with a variable rate, which exposes the Group to cash flow interest rate risk. The cash flow risk is mitigated through the usage of interest rate caps. During the six months ended June 30, 2023 and 2022, the Group's borrowings at a variable rate were denominated in euro.

The Group's borrowings are carried at amortized cost.

Instruments used by the Group

The Group has two interest rate caps in place with a notional of €237,458 thousand (December 31, 2022: two interest rate cap with a notional of €181,487 thousand) which mature in December 2027 (December 31, 2022: in December 2027). As at June 30, 2023, the interest rate caps cover approximately 74% (December 31, 2022: 65%) of the variable loan principal outstanding. The strike price changes over time and ranges between 1.50% and 3.43%. The interest rate cap mitigates between65% and 75% (December 31, 2022: between 65% and 85%) of the variable debt outstanding, as the notional of the derivative instruments and the renewed facility changes over time. The remaining cash flow risk is accepted.

The interest rate caps require settlement of any interest receivable, if applicable, semiannually. The settlement dates coincide with the dates on which interest is payable on the renewed facility.

Sensitivity

The interim condensed consolidated statement of profit or loss is sensitive to higher/lower interest expenses from borrowings as a result of changes in interest rates as both the Group's old and renewed facilities have a variable interest rate. Equity is not impacted as no hedge accounting is applied. Additionally, an increase or decrease of the Euribor has an impact on the fair value of the Group's interest rate caps. The impact on loss after tax for the six months ended June 30, 2023 and 2022 as a result of a change in interest rates is as follows:

	Impact on pre-tax loss	
(in €'000)	**2023**	**2022**
Interest rates – increase by 10 basis points*	458	227
Interest rates – decrease by 10 basis points*	(435)	(216)

* *Keeping all other variables constant.*

Global regulators and central banks have been driving international efforts to reform key benchmark interest rates. The market is therefore in transition to alternative risk-free reference rates. Although limited impact is expected on the Euribor, the Group is in the process of evaluating the implications of such a phase out. The Group has no interest rate hedging relationships, which are affected by the reform and does not expect any significant impact on existing contracts due to a change in the interest rates. The Group will continue to monitor market developments.

Price risk

Exposure

The Group's exposure to equity securities price risk arises from investments held by the group and classified in the interim condensed consolidated statement of financial position as at fair value through other comprehensive income (FVOCI) as detailed in Note 19 of the consolidated financial statements for the year ended December 31, 2022. The price risk is mitigated by monitoring quarterly valuation updates and forecasts of future cash flows and aligning the business strategy accordingly.

Sensitivity

The table below summarizes the impact of increases/decreases of the price of equity securities on the group's equity through OCI reserve for the period. The analysis is based on the assumption that the fair value of the equity securities held by the group has increased or decreased by 40%, with all other variables held constant.

	Impact on Group's Equity
(in €'000)	June 30, 2023
Fair Value – increase by 4000 bp (basis points)	9,925
Fair Value – decrease by 4000 bp (basis points)	(9,925)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines. The Group has been predominantly contracting customers of sound commercial standing and their payment behavior was generally good. Refer to Note 2.2 for details about the Group's financial position and the going concern assumption applied in preparing the interim condensed consolidated financial statements.

As disclosed in Note 13, the Group has pledged bank balances to secure the payment of interest and commitment fees to the Group's external lenders and pledged bank balances in relation to bank guarantees issued to suppliers of the Group.

The main risk for the Group is not meeting the debt covenants or drawdown requirements described in Note 13. In this case, funding via the renewed facility would not be available. The Group monitors the liquidity risk on a weekly basis. Management monitors rolling forecasts of the Group's cash and cash equivalents on the basis of expected cash flows. This is generally carried out at Group level, in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

Financing arrangements

The Group had access to the following undrawn borrowing facilities for each reporting period presented:

(in €'000)	June 30, 2023	December 31, 2022
Expiring beyond one year—renewed facility	77,390	120,790

The renewed facility is available to be drawn if the drawdown covenants are met, in euros and has an average maturity of approximately 4 years (December 31, 2022: 5 years).

18 Commitments and contingencies

Purchase commitments for chargers and charging infrastructure

Significant expenditures for chargers and charging infrastructure contracted for, but not recognized as liabilities, as at June 30, 2023 were €23,532 thousand (December 31, 2022: €2,452 thousand). The Group uses these assets either as own chargers (property, plant and equipment) or as charging equipment to fulfill its obligations under development contracts entered into with its customers (inventory). As a result of the additional liquidity obtained from the renewed facility in December 2022, and in line with the growth strategy and business plan of the Group, the company has been increasing its level of commitment towards capital expenditures and inventory purchases during the six-months ended June 30, 2023.

19 Related-party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Terms and conditions of transactions with related parties

Management services were bought from the immediate parent entity for a fixed fee. All other transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured. Asset and liability positions can either be offset or can be settled in cash. No loss allowance is recognized on these balances.

19.1. Transactions with related parties

(in €'000)	Relationship	For the six months ended June 30, 2023	2022
Madeleine Charging B.V.	*Immediate parent entity*		
Interest expenses on shareholder loans		—	1,741
Management fee		—	12
Reimbursement of advisory fees			280
Share-based payment expenses			74,001
Mega-E Group (Mega-E Charging B.V. and its subsidiaries)	*Other related party*		
Revenue from contracts with related party		—	1,474
EV Cars	*Other related party*		
Revenue from contracts with related party		9,106	18,344
Voltalis	*Other related party*		
Revenue from contracts with related party		2,728	290

Madeleine Charging B.V

Transactions with Madeleine amounted to €nil for the six months ended June 30, 2023 (June 30, 2022: €76,034 thousand). The change is largely driven by the SPAC Transaction, which occurred on March 16, 2022.

On March 16, 2022, immediately prior to the closing of the SPAC Transaction, the outstanding principal of the shareholder loans together with the accrued interest on these loans with Madeleine was converted into equity. As a result no further interest expenses related to these shareholder loans were incurred by the Group (Refer to note 25 of the consolidated financial statements for the year ended December 31, 2022).

Prior to the SPAC Transaction, Allego was required to pay Madeleine management fees and reimburse advisory fees, which are no longer applicable From March 16, 2022 as a result of the SPAC Transaction.

Share-based payment expenses with Madeleine related to the First Special Fees Agreement and the Second Special Fees Agreement. The First Special Fees Agreement was terminated prior and in connection with the SPAC Transaction and no further Share-based payment expenses were incurred in relation to it with Madeleine after March 16, 2022 (Refer to note 11.1 of the consolidated financial statements for the year ended December 31, 2022). The Second Special Fees Agreement was novated from Madeleine to Allego on April 20, 2022 and no further share-based payment expenses were incurred from that date in relation to Madeleine (refer to note 7.2 for details on the Second Special Fees Agreement).

Mega-E Group

The transactions with Mega-E until March 16, 2022, are considered related-party transactions. The Group obtained control of Mega-E as of that date. All subsequent transactions are therefore considered to be intra-group transactions and have been eliminated in these consolidated financial statements.

20 Subsequent events

The following subsequent event occurred after June 30, 2023:

Reimbursement received in relation to malfunctioning chargers

During the year ended December 31, 2022, the Group purchased a number of chargers that malfunctioned and the Group has disposed of these chargers. In July 2023, a settlement has been reached with a supplier for damages caused. As a result, the Group will receive a reimbursement of €1,400 thousand during the second half of 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements for the six months ended June 30, 2023 and 2022 *included elsewhere in this Form 6-K.*

In addition to historical information, the following discussion contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause such differences are discussed in (i) the "Cautionary Note Regarding Forward-Looking Statements" in this Form 6-K and the "Risk Factors" sections included in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") on May 16, 2023 (the "Annual Report on Form 20-F"), the "Risk Factors" section of our Registration Statement on Form F-1 (File No. 333-264056), originally filed with the SEC on March 31, 2022 and as thereafter amended (the "Registration Statement") and (iii) in our other filings with the SEC.

As used herein, "Allego," the "Group," the "Company," "we", "us" or "our" means (i) prior to the consummation of the business combination with Spartan Acquisition Corp. III ("Spartan"), Allego Holding B.V. ("Allego Holding") and (ii) following the consummation of the business combination with Spartan, Allego N.V.

Overview

Founded in 2013, Allego is a leading electric vehicles ("EV") charging company in Europe and has deployed, as of June 30, 2023, almost 35,000 charging ports across over 17,000 public and private locations, spanning activities in 15 European countries, representing an increase of more than 1,600 since December 31, 2022. In 2018, Allego was acquired by Meridiam, a global long-term sustainable infrastructure developer and investor, which at the time provided necessary capital to enable the expansion of Allego's existing global network, services and technologies. Allego's charging network includes fast, ultra-fast, and slow charging equipment. Allego takes a two-pronged approach to delivering charging solutions, providing an owned and operated public charging network with 100% certified renewable energy in addition to charging solutions for B2B customers, including leading retail and auto brands.

Allego's charging solutions business provides design, installation, operations and maintenance of chargers owned by third parties. Allego's chargers are open to all EV brands, with the ability to charge light vehicles, vans, and e-trucks, which promotes increasing utilization rates across its locations. Allego has developed a portfolio of partnerships with strategic partners, including municipalities, real estate owners, and OEMs. As additional fleets shift to EVs, Allego expects to leverage its expansive network of fast and ultra-fast chargers to service these customers, which see above average use-rates.

Allego's proprietary suite of software, developed to help identify and assess locations and provide uptime optimization with payment solutions, underpins Allego's competitive advantage. Allamo™ allows Allego to select premium charging sites to add to its network by analyzing traffic statistics and proprietary databases to forecast EV charging demand using over 100 factors, including local EV density, driving behavior, and EV technology development. These features make Allamo™ a predictive, cutting-edge tool to optimize those locations that are best positioned for higher utilization rates.

Allego's EV Cloud™ is a sophisticated charger management platform and payment tool that provides essential services to owned and third-party customers, including charging authorization and billing, smart charging and load balancing, analysis, and customer support. This service offering is integral to fleet operators' operations and enables Allego to provide insightful data and analytics to the customer, in addition to driving increased margins through third-party service contracts and operational and maintenance margins.

Allego continues to benefit from a European EV market that, according to Allego's estimates, is nearly twice the size of the United States' EV market, and Allego estimates that the European EV market will have a 39% CAGR from 2023 to 2026. Based on this projection, the number of EVs in Europe is expected to grow to nearly 18 million by 2026, as compared to 6 million today. The combination of a high urbanization rate and a scarcity of in-home parking/charging means European EV drivers require fast, public EV charging locations that provide reliable and convenient charging. As part of Allego's expansion plans, Allego will focus on fast and ultra-fast charging locations, which maximize utilization rates, carry higher gross margins, and are preferred by EV drivers and fleets operators.

Additionally, stringent European CO_2 regulations for internal combustion engines ("ICE") and highly favorable incentives for electric vehicle purchases are expected to continue to drive adoption rates of EV over ICE vehicles. With a first mover advantage, a robust backlog of over 1,350 premium sites to be equipped with fast and ultra-fast chargers, committed by legally binding agreements, and an additional pipeline of more than 1,000 sites being currently negotiated, Allego believes it is well positioned to execute its growth objectives.

How Allego Generates Revenue

Allego generates its revenues through the sale of charging sessions to EV drivers and by providing charging solutions to corporate customers and municipalities. Specifically, revenue is earned through the following streams:

Charging sessions

At these sites, Allego sells charging sessions directly to EV drivers who access Allego's publicly available charging points. Payments from EV drivers can be processed through direct payment or tokens that are handled by mobility service providers ("MSPs") with whom the EV driver and Allego have contracts. In the latter case, Allego charges the price of the sessions on a monthly basis to the MSPs. The Allego network can be accessed by more than 250 MSPs in Europe and through e-clearings that facilitate the interoperability of the public charging networks.

Revenue from the sale of charging equipment

Allego enters into agreements with customers for the sale of charging equipment. These contracts are generally awarded based on a proposal and business case for a certain location including traffic and other activity predictions to develop public charging point networks. Allego provides the comprehensive development from site selection with a targeted internal rate of return ("IRR"). If Allego's proposal is accepted by the customer, Allego enters into a development contract, pursuant to which Allego purchases and installs charging equipment at the relevant location.

Revenue from installation services

Installation services are provided as part of the development contract described above under "—*Revenue from the sale of charging equipment*" as well as to corporate customers where charging equipment needs to be installed.

Revenue from operation and maintenance of charging equipment

These services include the deployment of Allego's cloud-based platform EVCloud™ to monitor chargers and charging sessions, collect, share and analyze charging data as well as the maintenance of the site. Generally, these contracts involve a one-off development cost but generate long-term revenues.

Depending on the requirements, Allego can organize the supply of home charging and installation for specific customers as an operation and maintenance contract and provide the information flow management that such solutions require. The range of solutions offered is standardized in terms of hardware and charging points managed by Allego's platform in order to maximize synergies with its previous activity.

The revenue streams described above complement each other: the service activities make the most of the development of Allego network and uses the synergies of their technologies while being responsive to customer trends.

Revenue from consulting services

The Group provides consulting services on research strategy and develops proprietary integrated tools taking the form of both software and/or hardware.

Key Factors Affecting Operating Results

Allego believes its performance and future success depend on several factors that present significant opportunities for it but also pose risks and challenges, including those discussed below and in the section of Allego's most recently filed Annual Report in Form 20-F entitled "*Item 3.D. Risk Factors*."

Growth of EV adoption

Allego's revenue growth is directly tied to the adoption and continued acceptance and usage of passengers and commercial EVs, which it believes drives the demand for charging infrastructure and charging services. Allego estimates that it currently has an average market share globally of 12% in fast and ultra-fast charging in terms of revenue in the major European markets including Belgium, Denmark, France, Germany, Luxembourg, the Netherlands, Norway, Switzerland, Portugal, Sweden and the United Kingdom. Even though the EV market has grown rapidly in recent years, future growth is not guaranteed. Factors affecting the adoption of EVs include but are not limited to: perceptions about EV features, quality, safety, performance and cost; perceptions about the limited range over which EVs may be driven on a single battery charge; availability of services for EVs; consumers' perception about the convenience, speed and cost of EV charging; volatility in the price of gasoline and diesel; availability, cost and desirability of other alternative fuel vehicles and plug-in hybrid electric vehicles. In addition, macroeconomic factors could impact demand for EVs, particularly since EVs can be more expensive than traditional gasoline-powered vehicles. The uncertainty of the current geopolitical situation in Europe, including the military conflict between Russia and Ukraine, and the volatility in oil supply could drive this demand further. However, the current macroeconomic situation could also impact the supply of EVs given the sharp increase of required commodities in EV battery manufacturing such as copper and nickel. These factors may increase prices for EV cars more compared to traditional gasoline-powered vehicles.

EV driver's usage patterns

Allego's revenues are subject to the driving and charging behaviors of EV users. The EV market is still developing and current behavioral patterns may not be representative of future behaviors. Key behavioral shifts may include but are not limited to: annual vehicle miles traveled, preferences for urban, suburban or exurban locations, preferences for public or private fast charging, preferences for home or workplace charging, demand from rideshare or urban delivery services, and the emergence of autonomous vehicles, micro mobility and mobility as-a-service platforms requiring EV charging services.

Competition

The EV market has become significantly more competitive in recent years. The principal factors on which industry participants compete include charger count, locations and accessibility; location visibility, including on digital platforms; charger connectivity to EVs and ability to charge all standards; speed of charging relative to expected vehicle dwell times at the location; network reliability, scale and local density; software-enabled services offering and overall customer experience; operator brand, track record and reputation; and pricing. Existing competitors may expand their product offerings and sales strategies and new competitors can enter the market. Allego intends to maintain its market share over time relative to the overall growth of EV adoption. If Allego's market share decreases due to increased competition, its revenue and ability to generate profits in the future may be impacted.

Technology risks

The EV market is a fast-developing market that is susceptible to technology changes. Allego relies on numerous internally developed software technologies (EV Cloud™, Smoov™, and Allamo™) to operate its network and generate earnings. The ability of Allego to continue to integrate its technology stack with technological advances in the wider EV ecosystem including EV model characteristics, charging standards, charging hardware, software and battery chemistries will determine Allego's sustained competitive advantages in offering charging services. There is a risk that some or all of the components of the EV technology ecosystem become obsolete and Allego will be required to make significant investments to continue effective business operations. Allego's management believes their business model is well-positioned to enable Allego to effectively operate and allow the business to retain its leading market position regardless of long-term technological shifts.

Supply risks

Macro-economic factors regarding the supply side of EV charging equipment could negatively influence revenues of Allego. The fast-growing demand in EV driving places an equally high demand on the supply side, which may cause bottlenecks. If Allego experiences problems to meet the increasing demands of charging equipment due to these supply bottlenecks its revenue growth could be negatively impacted.

Energy pricing

The results for the year ended December 31, 2022 were heavily impacted by the increase of energy costs in the first half of 2022. In response, Allego increased charging prices during the second half of 2022 and entered into power purchase agreements ("PPAs") to mitigate the future negative impact of increased energy costs. In the first half of 2023, Allego benefited from the secured energy sourced of renewable PPAs in main markets and minimized the impact of energy price volatility on the cost base. Overall, the average cost of energy per kWh during the year ended December 31, 2022 increased by 40% compared to the year ended December 31, 2021 and in the first half of 2023 decreased by 26% compared to first half of 2022.

Key Performance Indicators

Allego regularly reviews a number of metrics to evaluate its business, measure its progress, and make strategic decisions. EBITDA, Operational EBITDA, gross profit excluding depreciation and amortization, and free cash flow, which are non-IFRS measures, are currently utilized by management and may be used by our investors and competitors to assess performance. See the section entitled "—*Non-IFRS Financial Measures*."

Management also reviews utilization rates, which are defined as the number of charging sessions per charge point per day divided by a maximum number of charging sessions per charger per day of 50 (for the ultra-fast charging post). Allego uses utilization rates to track profitability of the applicable charge point, to make comparisons to its business plan, and also to evaluate when it may want to consider adding charge poles to a given site to avoid increased wait times. Gathering information on utilization rates may also enable Allego to improve its forecasting abilities in the future.

Allego believes these measures assist its investors in gaining a meaningful understanding of its performance. Because not all companies use identical calculations or definitions, Allego's presentation of these key performance indicators, including non-IFRS measures, may not be comparable to other similarly titled measures of other companies.

Utilization Rate

The following table represents the overall utilization rate (which includes slow, fast and ultra-fast chargers) of Allego's charging network for six months ended June 30, 2023 and 2022.

	For the six months ended June 30,	
	2023	2022
Utilization rate	10.89 %	9.47 %

During the six months ended June 30, 2023, the utilization rate increased as compared to the six months ended June 30, 2022 due to an increase in the number of charging sessions on all charger types.

Key Components of Results of Operations

Revenue

Allego's revenues are generated across various revenue streams. The majority of Allego's revenue is generated from charging sessions on its charging points and the sale and installation of charging equipment. Charging sessions revenue include the revenues related to charging sessions at charging equipment owned by Allego or corporate third-parties. Allego also supplies electricity to owners and drivers of electric vehicles, which use a charge card issued by an MSP, credit card, or direct payment through Smoov™ to pay for these services. Agreements related to the sale and installation of charging equipment are arranged via a development contract under which Allego purchases and installs charging equipment at the relevant location.

In addition, Allego generates revenues from operation and maintenance of charging equipment, as well as from consulting services.

Cost of sales

Cost of sales represents the electricity cost for the charging revenues, which is billed to Allego by utility companies or directly by the markets and renewable assets connected to Allego balancing perimeters. Cost of sales related to development contracts consist of the cost of charging equipment and the third-party service cost for the installation services including the establishment of the grid connection. Cost of sales related to the operations and maintenance contracts mainly consists of the third-party service cost. Cost of sales also includes charging depreciation, land permit depreciation, and EV Cloud platform amortization.

Gross profit and gross margin

Gross profit is revenue less cost of sales. Gross margin is gross profit (loss) as a percentage of revenue.

Other income

Other income consists of government grants, income from the sale of CO_2 certificates (linked to CO_2 emission offsets, for example *hernieuwbare brandstofeenheden* in the Netherlands "HBE certificates"), the net gain or loss on the disposal of property, plant and equipment, sublease rental income, fair value gains/(losses) on derivatives (purchase options) and other items. Government grants are related to the development of the EV charging infrastructure networks in the EU and represent the reimbursement of incurred expenses. HBE certificates are issued by a Dutch government agency and are part of a program to stimulate the use of energy efficient and clean transportation. In Germany, a similar scheme is in place. Allego is periodically granted a certificate based on the number of kWh of green energy that has been sold to customers. Allego sells such certificates to companies that are required to offset their use of non-green energy through a brokerage. Other items mainly relate to reimbursements from (energy) network operators with respect to the power grid connections used. At the end of the year, Allego is reimbursed based on usage of actual grid connections used. Other items also include reimbursements that the Group has received from one of its suppliers for chargers.

Selling and distribution expenses

Selling and distribution expenses relate to Allego’s sales function and mainly comprise employee benefits, amortization of customer relationships, depreciation charges, marketing and communication costs, housing and facility costs, travelling costs, and other selling and distribution expenses.

General and administrative expenses

General and administrative expenses relate to Allego’s support functions and mainly comprise employee benefits, depreciation, amortization and impairment charges, IT costs, housing and facility costs, travelling costs, fees incurred from third parties, share-based payment expenses, and other general and administrative expenses.

Operating loss

Operating loss consists of Allego’s gross profit less other income, selling and distribution expenses, and general and administrative expenses.

Finance income/(costs)

Finance income/(costs) primarily consist of interest expenses, exchange differences, loss on debt modifications and extinguishments, fair value gains and losses on interest rate cap derivatives, and fair value gains and losses on warrant liabilities.

Income tax

Income tax represents the expected tax payable or recoverable on the taxable profit or loss for the period, using tax rates enacted for the period.

Loss for the period

Loss for the period consists of Allego’s operating loss plus its finance income/(costs) less income tax.

Results of Operations

Results of operations for the six months ended June 30, 2023 compared to the six months ended June 30, 2022

The following table summarizes Allego's historical results of operations for the six months ended June 30, 2023 and 2022:

(in € million)	For the six months ended June 30, 2023	For the six months ended June 30, 2022	Period-over-Period Change For the six months ended June 30, 2023 to 2022 Change (€)	Change (%)
Revenue	68.2	50.7	17.5	35 %
Cost of sales	(47.8)	(48.4)	0.6	(1 %)
Gross profit	**20.4**	**2.3**	**18.1**	**795 %**
Other income	4.2	9.0	(4.8)	(53 %)
Selling and distribution expenses	(1.1)	(1.7)	0.6	(35 %)
General and administrative expenses	(47.2)	(271.7)	224.5	(83 %)
Operating loss	**(23.7)**	**(262.1)**	**238.4**	**(91 %)**
Finance income/(costs)	(14.7)	15.2	(29.9)	(197 %)
Loss before income tax	**(38.4)**	**(246.9)**	**208.5**	**(84 %)**
Income tax	(0.5)	(0.2)	(0.3)	186 %
Loss for the period	**(38.9)**	**(247.1)**	**208.2**	**(84 %)**

The revenue numbers are further specified below:

(in € million)	For the six months ended June 30, 2023	For the six months ended June 30, 2022	Change €	Change %
Type of goods or service				
Charging sessions	51.1	24.0	27.1	113 %
Service revenue from the sale of charging equipment	1.5	18.4	(16.9)	(92 %)
Service revenue from installation services	10.3	6.0	4.3	72 %
Service revenue from operation and maintenance of charging equipment	2.3	1.8	0.5	27 %
Service revenue from consulting services	3.0	0.5	2.5	100 %
Total revenue from external customers	**68.2**	**50.7**	**17.5**	**35 %**

Revenue

Revenue was €68.2 million for the six months ended June 30, 2023 compared to €50.7 million for the six months ended June 30, 2022. Revenue increased €17.5 million, or 35%, as further described below.

Charging revenue

(in € million)	
Total charging revenue for the six months ended June 30, 2022	24.0
Increase related to increase in energy sold	9.0
Increase related to increase of charging prices	18.1
Total charging revenue for the six months ended June, 30 2023	**51.1**

Charging session revenue for the six months ended June 30, 2023 increased by €27.1 million, or 113%, to €51.1 million compared to €24.0 million for the six months ended June 30, 2022.

During the first half of 2023, charging revenue increased €9.0 million period-over-period as a result of an increase in energy sold. This was driven by charging sessions at both new and existing chargers. As at June 30, 2023, the Company had a 3% increase in charging points, including strong growth in installations of ultra-fast charging ports, which increased

42% since December 31, 2022. The increase in energy sold was additionally driven by a 20% increase in the number of charging sessions. The total energy sold increased from 70 GWh for the six months ended June 30, 2022 to 96 GWh in 2023, an increase of 38% due to increased EV usage from a growing number of new cars with extended battery capacity being sold during the period, and an increased installed base of charging ports. There was a 15% increase in the utilization of the chargers period-over-period. Additionally, during the year ended December 31, 2022, the total energy sold increased from 83 GWh in 2021 to 155 GWh in 2022, an increase of 87% due to an increase in EV usage and an increased installed base of charging ports.

Finally, an increase of €18.1 million in revenue was due to an increase in average charging price per kWh of 55% period-over-period. The increase in average revenue per session was due to price increases in the second half of 2022, as well as higher sales prices on ultra-fast and fast chargers compared to slow chargers.

As at June 30, 2023, Allego operated and owned charging stations predominantly in the Netherlands, Belgium and Germany.

Service revenue

(in € million)	
Total service revenue for the six months ended June 30, 2022	26.7
Decrease related to sale of charging equipment	(16.9)
Increase in installation services	4.3
Increase in operation and maintenance of charging equipment	0.5
Increase in consulting services	2.5
Total service revenue for the six months ended June 30, 2023	**17.1**

Overall service revenue for the six months ended June 30, 2023 decreased €9.6 million, or 36%, to €17.1 million compared to €26.7 million for the six months ended June 30, 2022.

Service revenue from the sale of charging equipment for the six months ended June 30, 2023 decreased €16.9 million, or 92%, to €1.5 million compared to €18.4 million for the six months ended June 30, 2022. Service revenue from installation services increased €4.3 million, or 72%, to €10.3 million for the six months ended June 30, 2023 compared to €6.0 million for the six months ended June 30, 2022. Service revenue from operation and maintenance of charging equipment was €2.3 million for the six months ended June 30, 2023 compared to €1.8 million for the six months ended June 30, 2022, an increase of €0.5 million, or 27%. Service revenue from consulting services for the six months ended June 30, 2023 increased €2.5 million or 532% to €3.0 million compared to €0.5 million for the six months ended June 30, 2022.

Overall, the decrease in service revenue was primarily due to an anticipated decrease in revenues from the projects with Carrefour and Mega-E Charging B.V. ("Mega-E"). A significant decrease of €9.9 million in service revenue was generated by project Carrefour which has slowed down compared to the first half of 2022. The acquisition of Mega-E in March 2022 has also contributed to the decrease in service revenue by €3 million since Mega-E is now consolidated by the Group. This is offset by an increase in service revenue of €0.9 million arising from a collaboration with the Dutch National Post service.

The increase in revenue from consulting services of €2.5 million is driven by the recognition of six months of revenue in 2023 as opposed to one in 2022 due to the acquisition of Modélisation, Mesures et Applications S.A. ("MOMA") being finalized at the beginning of June 2022.

Cost of sales

The cost of sales numbers are further specified below:

(in € million)	For the six months ended June 30, 2023	2022	Change €	Change %
Cost of sales - charging sessions	(37.8)	(32.3)	(5.5)	17 %
Cost of sales - sale of charging equipment	(0.6)	(13.0)	12.4	(95 %)
Cost of sales - installation services	(8.6)	(2.9)	(5.7)	197 %
Cost of sales - operation and maintenance of charging equipment	(0.8)	(0.2)	(0.6)	300 %
Total cost of sales	**(47.8)**	**(48.4)**	**0.6**	**(1 %)**

Cost of sales for the six months ended June 30, 2023 decreased €0.7 million, or 1%, to €47.8 million compared to €48.4 million for the six months ended June 30, 2022.

Cost of sales - Charging sessions

(in € million)	
Total cost of sales charging sessions for the six months ended June 30, 2022	(32.3)
Increase related to more energy sold	(4.5)
Decrease related to lower energy prices	3.5
Increase related to depreciation	(4.5)
Total cost of sales charging sessions for the six months ended June, 30 2023	**(37.8)**

The increase in cost of sales for charging sessions was substantially driven by an increase in depreciation of charging equipment due to the continued growth of Allego's portfolio of chargers, which resulted in a larger installed base of chargers driving the depreciation expense up by 62% period over period. The additional 26 GWh of energy sold during the first six months of 2023 when compared to the same period in 2022 also contributed to the increased costs. Additionally, during the six months ended June 30, 2023, maintenance costs increased by 16% as compared to the same period in 2022 due to increased installed base and energy sold. Additionally, during the year ended December 31, 2022, maintenance costs increased by 87% as compared to the year ended December 31, 2021, due to increased installed base and energy sold. This is a result of Allego's continued expansion of its portfolio of chargers, with a focus on ultra-fast chargers (including through the acquisition of Mega-E), which require higher operation and maintenance costs.

However, the increase was partially offset by the lower energy prices. In average, the cost of energy / kWh decreased by 26% during the current period.

Cost of sales - Service

(in € million)	
Total cost of sales - service for the six months ended June 30, 2022	(16.1)
Decrease related to sale of charging equipment	12.4
Increase related to installation services	(5.7)
Increase related to operation and maintenance of charging equipment	(0.6)
Total cost of sales - service for the six months ended June 30, 2023	**(10.0)**

The decrease in cost of sales for services was primarily driven by the decrease in the Carrefour and Mega-E projects cost of sales of €3.4 million and €2.6 million, respectively. This is in line with the revenue decrease for these projects due to a decrease of service provided on the Carrefour project as a result of timing differences when compared to the first six months of 2022 and the acquisition of Mega-E in March 2022, which is now consolidated by the Group.

Gross profit and gross margin

Gross profit for the six months ended June 30, 2023 increased €18.1 million, or 795%, to €20.4 million compared to €2.3 million for the six months ended June 30, 2022.The gross margin for the six months ended June 30, 2023 increased to 30% compared to 4% for the six months ended June 30, 2022. This was driven primarily by the decrease in energy prices benefited from the secured power purchase agreements and the increases in prices charged to customers. As described above, revenue increased €18.1 million period-over-period as a result of increased charging prices. On the service revenue the decrease in margin was due to the lower revenue on several projects as explained above.

Other income

Other income for the six months ended June 30, 2023 decreased €4.8 million, or 53%, to €4.2 million compared to €9.0 million for the six months ended June 30, 2022. The decrease in other income is due to the following factors:

(in € million)	2023
Other income for the six months ended June 30, 2022	9.0
Decrease in fair value gain on purchase option derivatives	(3.9)
Decrease in income generated from the sale of CO_2 tickets	(0.7)
Increase in loss on disposal of property, plant and equipment	(0.6)
Increase in government grants	0.2
Other	0.2
Other income for the six months ended June 30, 2023	**4.2**

Selling and distribution expenses

Selling and distribution expenses for the six months ended June 30, 2023 decreased €0.6 million, or 35%, to €1.1 million compared to €1.7 million for the six months ended June 30, 2022. This is mostly due to a decrease of €0.8 million in employee benefit expenses which has been partially offset by increases in other selling and distribution expenses of €0.2 million.

General and administrative expenses

General and administrative expenses for the six months ended June 30, 2023 decreased €224.5 million, or 83%, to €47.2 million compared to €271.7 million for the six months ended June 30, 2022. The decreased general and administrative expenses is due to the following factors:

(in € million)	2023
General and administrative expenses for the six months ended June 30, 2022	(271.7)
Decrease in employee benefit expenses	24.8
Decrease in legal, accounting and consulting fees	33.8
Decrease in share-based payment expenses - SPAC	159.3
Increase in depreciation and amortization expenses	(0.7)
Increase in IT costs	(0.5)
Increase in insurance costs	(3.0)
Other	10.8
General and administrative expenses for the six months ended June 30, 2023	**(47.2)**

The overall decrease in general and administrative expenses for thesix months ended June 30, 2023 is primarily driven by a decrease in employee benefit expenses incurred (June 30, 2023: €20.7 million, June 30, 2022: €45.6 million) as well as a decrease in legal, accounting and consulting fees (June 30, 2023: €15.4 million, June 30, 2022: €49.1 million). The decreases were a result of a reduction in share-based payment expenses following the completion of a share based payment arrangement with E8 Partenaires, a French société par actions simplifée ("E8 Investor") in connection with the completion of the business combination with Spartan Acquisition Corp. III in March 2022 (the "Business Combination"). Furthermore, share-based payment expenses incurred in 2022 in relation to the Business Combination of €159.3 million representing costs of service in respect of the stock exchange listing for ordinary shares of Allego immediately following the Business Combination ("Allego Ordinary Shares" or "Ordinary Shares") were not incurred in the six months ended June 30, 2023.

Operating Loss

Operating loss for the six months ended June 30, 2023 decreased €238.4 million, or 91%, to €23.7 million compared to €262.1 million for the six months ended June 30, 2022. The decreased operating loss is mostly due to the increase in gross profit and lower share-based payment expenses, partially offset by lower other income.

Finance income/(costs)

(in € million)	**2023**
Finance income/(costs) for the six months ended June 30, 2022	15.2
Increase in finance costs on borrowings	(4.4)
Fair value loss on derivatives	(2.5)
Fair value loss on warrant liabilities	(30.3)
Other	7.3
Finance income/(costs) for the six months June 30, 2023	**(14.7)**

Finance income/(costs) for the six months ended June 30, 2023 decreased €29.9 million, or 197%, to €14.7 million costs compared to €15.2 million income for the six months ended June 30, 2022. The increase in finance costs is due to fair value movements on derivatives and warrant liabilities as well as increased interest expenses on senior debt as a result of the refinancing that occurred during the year ended December 31, 2022.

Loss before income tax

Loss before income tax for the six months ended June 30, 2023 decreased €208.5 million, or 84%, to €38.4 million compared to €246.9 million for the six months ended June 30, 2022. This is due to the increase in revenue and reduction in general and other administrative expenses, which were offset by increased finance costs and lower other income. General and administrative expenses decreased due to a decrease in share-based payments subsequent to the completion of the Business Combination. Finance cost, as opposed to finance income in the six months ended June 30, 2022, is due to the fair value loss on derivatives and the increased finance costs incurred as a result of the refinanced debt facility.

Income tax

For the six months ended June 30, 2023, Allego recognized an increase in income tax of €0.3 million, or 186%, when compared to the six months ended June 30, 2022. Allego realized profits for the six months ended June 30, 2023 on its operations in Denmark, France, Germany, Sweden, Italy, Spain, Norway and Portugal, in addition to operations of MOMA, which are taxable under the respective local tax laws. The income tax with respect to the above mentioned profitable countries amounted to €0.1 million and the income tax relating to MOMA amounted to €0.4 million, bringing the total income tax for the six months ended June 30, 2023 to €0.5 million. The increase in income tax is primarily due to the income tax expense related to the MOMA entity, which increased by €0.4 million , or 3827% when compared to the six months ended June 30, 2022. This is because MOMA was acquired on 7 June 2022 and therefore the income tax expense for the six months ended June 30, 2022 represented less than a month of activity and was inconsequential, compared to a full period for the six months ended June 30, 2023.

Loss for the period

Loss for the six months ended June 30, 2023 decreased €208.1 million, or 84%, to €38.9 million compared to €247.1 million for the six months ended June 30, 2022. The increase in revenue and reduction in general and other administrative expenses has been partially offset by increased cost of sales, finance costs and lower other income.

Liquidity and Capital Resources

Sources of Liquidity

The Group's strategy requires significant capital expenditures, as well as investments in building the Group's organization aimed at increasing the scale of its operations. The Group incurred losses and experienced negative cash flows from operations since inception, including during the six months ended June 30, 2023 and expects to continue to incur losses and experience negative operating cash flows in the next twelve months from the issuance date of the interim condensed consolidated financial statements for the period ending June 30, 2023 as the Company expands its network. We believe this is typical in the industry, as builders and operators of EV charging sites often incur losses and experience negative operating cash flows in the early years of operation as the network grows and consumers begin adopting EVs. Our primary sources of liquidity have historically been bank borrowings, revenues from our various revenue streams, and the proceeds from the transactions related to the Business Combination, which was completed in the first quarter of 2022. Going forward, as discussed below, we expect to continue to rely on bank financing, other potential debt financing and strategic access to public and private capital markets to fund our current and future operations and growth plans.

The Group will be required to seek additional financing to continue to execute its growth strategy and business plan in the long-term, including strategic access to public and private capital markets, and the Company may seek to opportunistically raise such financing, which may be material, in the short-term. However, we may be unable to raise sufficient funds or enter into such other arrangements, when needed, on favorable terms, or at all. In particular, uncertain and unfavorable conditions in Europe and the United States and global macroeconomic environment, including inflationary pressures, rising interest rates, banking collapses, and financial and credit market fluctuations, could reduce our ability to access capital on favorable terms, or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our shareholders will be, or could be, diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our shareholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, or substantially reduce our expansion and development plans.

The Business Combination

On July 28, 2021, the Company and Spartan signed the Business Combination Agreement. On March 16, 2022, the Company consummated the Business Combination and became a publicly traded company on the New York Stock Exchange ("NYSE"). The Group received €146.0 million ($161.1 million) of gross proceeds (not inclusive of transaction expenses) from a combination of a Private Investment in Public Entity ("PIPE") offering of €136.0 million ($150.0 million) at €9.07 ($10.00) per share, along with €10.0 million ($11.1 million) of cash held in trust by Spartan after redemptions. Each of these amounts have been translated at the EUR/USD exchange rate as of March 16, 2022.

Additionally, we will receive the proceeds from any exercise of any warrants publicly traded ("Public Warrants") in cash. At June 30, 2023, the Group had 13,799,948 Public Warrants outstanding and no private placement warrants ("Private Warrants") outstanding, after the Private Warrant holders exercised on a cashless basis all their warrants on April 15, 2022. Public Warrants entitle the holder to convert each warrant into one Ordinary Share at an exercise price of $11.50. The aggregate amount of proceeds could be up to $266.3 million if all Public Warrants are exercised for cash. We expect to use any such proceeds for general corporate purposes, which would increase our liquidity, but do not need such proceeds to fund our operations. We believe the likelihood that warrant holders will exercise their Public Warrants, and therefore the amount of cash proceeds that we would receive, is dependent upon the market price of our Ordinary Shares. If the market price for our Ordinary Shares is less than $11.50 per share, we believe warrant holders will be unlikely to exercise their Public Warrants. As of August 23, 2023, the closing price of our Ordinary Shares was $2.20.

Borrowings

On July 28, 2022, the Group expanded its old €120.0 million facility by an additional €50.0 million through an accordion feature of the old facility with the group of lenders thereto. Under the original terms, the old facility was due to expire in May 2026.

Additionally, on December 19, 2022, the Group entered into the renewed facility agreement with a group of lenders led by Société Générale and Banco Santander, increasing the total available facility by €230.0 million to €400.0 million, to further support its growth. The renewed facility consists of:

i. €170.0 million used to settle the old facility;

ii. up to €200.0 million to be used for financing and refinancing certain capital expenditures and permitted acquisitions (and for other permitted debt servicing uses); and

iii. up to €30.0 million to be used for issuance of guarantees and letters of credit (and when utilized by way of letters of credit, for general corporate purposes).

The renewed facility expires in December 2027 and bears interest at EURIBOR plus a margin. The principal terms and conditions of the renewed facility are as follows:

- drawdown stop when conditions precedent are not met;
- repayment in full at maturity date;
- commitment fee per year equals to 35% of the applicable margin and is payable for each undrawn facility in the period from the agreement signing date to the date being 42 months following the signing date. For the six months ended June 30, 2023, the commitment fee was 1.365% per year (equal to 35% of the margin of 3.9%).

In December 2022, the Group completed two drawdowns on the renewed facility for a total amount of €279.2 million, of which €170.0 million was used to repay the Group's old facility by a way of netting with the drawdown on the renewed facility. In June 2023, the Group completed an additional drawdown which amounted to €43.4 million.

In parallel to the renewed facility, the Group entered into interest rate caps to hedge the interest rate risk between 65% and 75% (December 31, 2022: between 65% and 85%) of the outstanding loan amounts under the renewed facility. Details about the Group's interest rate caps are included in Note 19 (Other financial assets) of the consolidated financial statements for the year ended December 31, 2022 included in the Company's most recently filed Annual Report on Form 20-F and Note 17 (Financial risk management) of the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K.

Under the terms of the renewed facility, the Group is required to comply with financial covenants, including leverage ratio and interest cover ratio, at the consolidated level of Allego N.V.

The compliance with covenants under the renewed facility agreement are tested every 6 months, with the testing period being the 12 months ending December 31 and June 30. The first testing date of the interest cover ratio was June 30, 2023, and as at that date the Group had complied with these covenants. Further details around the loan covenants is included in Note 13 (Borrowings) of the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K. The first testing date of the leverage ratio is June 30, 2024.

In the event of a covenant breach, the Group may within ten business days from the occurrence of a breach or the anticipated breach of the loan covenants remedy such default by providing evidence of receipt of new funding, sufficient to cure such breach ("***equity cure right***"). Such remediation is available for not more than two consecutive testing dates and four times over the duration of the renewed facility. In case if the covenants breach is not cured, such a breach is considered a default and could lead to the cancellation of the total undrawn commitments and the loan to become immediately due and payable.

Additionally, there are covenant ratios set as drawstop event conditions for the part of the renewed facility aimed at financing and refinancing certain capital expenditures and permitted acquisitions, which if breached prior to the anticipated utilization of the capex portion of the renewed facility – will result in the drawdown stop. Please refer to Note 13 (Borrowings) of the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K and Note 33 (Capital Management) of the consolidated financial statements for the year ended December 31, 2022 included in the Company's most recently filed Annual Report on Form 20-F for more information.

Pledged balances

The renewed facility is secured by pledges on the bank accounts (presented as part of cash and cash equivalents and non-current other financial assets), trade and other receivables and pledges on the shares in the capital of Allego Holding B.V., Allego B.V., Allego GmbH and Allego France held by the Company.

The carrying amount of assets pledged as security for the renewed facilities as of June 30, 2023 is €82.0 million. Refer to Note 13 (Borrowings) of the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K for more information.

Going concern

We believe that our sources of liquidity and capital will be able to fund the expected cash outflows in the next 12 months. Although the expectation for the coming year is that the Company will continue to have net losses and make additional investments, we believe our cash flows from operations and renewed credit facility is sufficient for at least the next 12 months from the date hereof. This is subject, to a certain extent, to general economic, financial, competitive, regulatory and other factors that are beyond our control.

Further long-term envisioned growth more than 12 months out – in line with the Group's strategy – including capital investments, development activities, and operations, may require additional financing. Currently, no commitments exist for further growth investments. The Group will be required to seek additional financing to continue to execute its growth strategy and business plan in the long-term. The realization of such financing is inherently uncertain. If we obtain additional capital by issuing equity, the interests of our existing shareholders will be diluted and, if we incur additional indebtedness, that indebtedness may contain significant financial and other covenants that may significantly restrict our operations. We cannot assure you that we could obtain additional financing on favorable terms or at all.

As at June 30, 2023, we were in compliance with the covenants under the agreements governing our indebtedness.

Contractual Obligations and Commitments

As at June 30, 2023, significant expenditures for chargers and charging infrastructure contracted for, but not recognized as liabilities, were €23.5 million. The Group uses these assets either as own chargers (property, plant and equipment) or as charging equipment to fulfill its obligations under development contracts entered into with its customers (inventory).

Additionally, our lease agreements provide for lease obligations that amounts to €58.7 million.

Treasury Policy

For information regarding the type of the Company's financial instruments used, the maturity profile of debt, currency and interest rate structure, refer to Notes 13 (Borrowings), 15 (Financial Instruments), 16 (Fair value measurement), and 17 (Financial risk management) of the unaudited interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K.

Liquidity Policy

As an early-stage company, we maintain a strong focus on liquidity and define our liquidity risk tolerance based on uses and sources to maintain a sufficient liquidity position to meet our obligations under both normal and stressed conditions. The Group invests in new stations, chargers, grid connections, and potential business acquisitions only if the Group has secured financing for such investments. Management prepares detailed liquidity forecasts and monitors cash and liquidity forecasts on a continuous basis. In assessing the going concern basis of preparation of the unaudited interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K, management had to estimate the expected cash flows for the next 12 months, incorporating current cash levels, revenue projections, detailed capital expenditures, operating expense budgets, interest payment obligations, and working capital projections, as well as compliance with covenants, the potential exercise of warrants, availability of other financial funding from banks, like those obtained in 2022, and other sources of funding, such as public and private offerings of debt and equity. These forecasts reflect potential scenarios and management plans and are dependent on securing significant contracts and related revenues.

Cash flows

The cash flows for the six months ended June 30, 2023 are presented below and compared with the cash flows for the six months ended June 30, 2022:

	Six months ended June 30,	
(in € million)	2023	2022
Cash flows used in operating activities	(25.0)	(92.1)
Cash flows used in investing activities	(32.4)	(41.8)
Cash flows provided by (used in) financing activities	39.5	139.0
Net increase (decrease) in cash and cash equivalents	**(17.9)**	**5.1**

Cash flows used in operating activities

Cash used in operating activities for the six months ended June 30, 2023 was €25.0 million compared to cash used in operating activities of €92.1 million during the six months ended June 30, 2022

During the six months ended June 30, 2023, the cash used in operating activities primarily consisted of a net loss before income tax of €38.4 million, reduced by non-operating and non-cash elements of €43.0 million, an increase in net operating assets of €26.6 million, interest paid of €2.7 million, and income taxes paid of €0.4 million.

The major components of non-operating and non-cash elements related to other finance costs of €12.4 million, share-based payment expenses of €11.5 million fair value losses/(gains) on warrant liabilities of €2.4 million, depreciation, amortization and (reversal of) impairments of €16.1 million and net (gain)/loss on disposal of property, plant and equipment of €0.5 million. The increase in net operating assets was mainly due to an increase of €4.3 million in trade and other receivables, contract assets and prepayments, a decrease of €12.8 million in trade and other payables and contract liabilities, an increase in inventory and other financial assets of €10.4 million, as well as an increase in provisions of €0.9 million.

During the six months ended June 30, 2022, the cash used in operating activities primarily consisted of a net loss before income tax of €246.9 million, reduced by non-operating elements of €232.7 million, an increase in net operating assets of €74 million, interest paid of €3.5 million and income taxes paid of €0.3 million. The most important non-operating elements relate to finance costs, fair value gains on public and private warrants, fair value gain on derivatives, share-based payment expenses and depreciation and amortization costs of €6.1 million, €21.7 million, €3.9 million, €241.3 million and €10.8 million, respectively. The increase in net operating assets was due to an increase of €24.4 million in trade and other receivables, contract assets, prepayments and other assets, an increase of €8.0 million in inventory, an increase of €1.0 million in other financial assets, a decrease in trade and other payables and contract liabilities of €40.5 million and a decrease in provisions of €0.1 million.

Cash flows used in investing activities

Cash used in investing activities for the six months ended June 30, 2023 was €32.4 million compared to cash used in investing activities of €41.8 million during the six months ended June 30, 2022. The period-over-period movement was primarily due to a decrease in acquisition expenses of €27.9 million and increased purchases of property, plant and equipment of €19.5 million. This was partially offset by increased proceeds from investment grants of €0.2 million and a decrease in the purchases of intangible assets of €1.4 million.

Cash flows provided by financing activities

Cash from financing activities for the six months ended June 30, 2023 was €39.5 million compared to cash from financing activities of €139.0 million during the six months ended June 30, 2022. The period-over-period decrease was primarily due to a decrease in proceeds from issuing equity instruments of €142.8 million and an increase in proceeds from borrowings of €43.4 million. This was partially offset by an increase in the payment of transaction costs relating to borrowings of €1.5 million, a decrease in the payment of transaction costs relating to new equity issued of €0.9 million (given that there was no new equity issued during the six months ended June 30, 2022), and a decrease in the payment of the principal portion of lease liabilities of €0.5 million.

Non-IFRS Financial Measures

This report includes the following non-IFRS financial measures: "*EBITDA*", "*Operational EBITDA*", "*gross profit excluding depreciation and amortization*", and "*free cash flow*". Allego believes EBITDA, Operational EBITDA, gross profit excluding depreciation and amortization, and free cash flow are measures used internally to establish forecasts, budgets, and operational goals to manage and monitor its business. We present the non-IFRS measures because we consider them to be important supplemental measures of our performance, and we believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies. Management believes that investors' understanding of our performance is enhanced by including the non-IFRS measures as a reasonable basis for comparing our ongoing results of operations. By providing the non-IFRS Measures, together with reconciliations to IFRS, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives.

Allego defines EBITDA as net income (loss) before interest expense, taxes, depreciation, amortization and impairments. Allego defines Operational EBITDA as EBITDA further adjusted for share-based payment expenses, transaction costs, bonus payments to consultants, fair value gain/(losses) on certain derivatives, reorganization and severance costs, certain business optimization costs, and lease buyouts. Allego defines gross profit excluding depreciation and amortization as gross profit before depreciation and amortization expenses. Allego defines free cash flow as net cash flow from operating activities less capital expenditures and adjusted for proceeds from/repayments of investment grants.

EBITDA, Operational EBITDA, gross profit excluding depreciation and amortization, and free cash flow are not prepared in accordance with IFRS and may be different from non-IFRS financial measures used by other companies. These measures should not be considered as measures of financial performance under IFRS, and the items excluded from or included in these metrics are significant components in understanding and assessing Allego's financial performance. These metrics should not be considered as alternatives to net income (loss) or any other performance measures derived in accordance with IFRS. The following unaudited table presents the reconciliation of net loss, the most directly comparable IFRS measure to EBITDA and Operational EBITDA and the reconciliation of cash generated from operations, the most directly comparable IFRS measure to free cash flow for the six months ended June 30, 2023 and 2022:

	Six months ended June 30,	
(in € millions)	**2023**	**2022**
Loss for the year	**(38.9)**	**(247.1)**
Income tax	0.5	0.2
Finance (income)/costs	14.7	(15.2)
Amortization and impairments of intangible assets	2.4	1.7
Depreciation and impairments of right-of-use assets	3.8	3.0
Depreciation, impairments and reversal of impairments of property, plant and equipment	9.9	6.2
EBITDA	**(7.6)**	**(251.2)**
Fair value (gains)/losses on derivatives (purchase options)	—	(3.9)
Share-based payment expenses	11.5	241.3
Transaction costs	—	7.2
Bonus payments to consultants	—	—
Business optimization costs	7.7	—
Reorganization and severance	—	—
Operational EBITDA	**11.6**	**(6.5)**
Cash generated from/(used in) operations	**(25.0)**	**(92.1)**
Capital expenditures	(32.3)	(14.2)
Proceeds from/(repayment of) investment grants	—	0.2
Free cash flow	**(57.3)**	**(106.1)**
Gross profit	**20.5**	**2.3**
Depreciation expenses included in gross profit	10.7	6.2
Amortization expenses included in gross profit	1.1	1.0
Gross profit excluding depreciation and amortization	**32.2**	**9.5**

Critical Accounting Estimates

The discussion and analysis of Allego's financial condition and results of operations is based upon financial statements that have been prepared in accordance with IFRS. The preparation of these financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosures with respect to contingent liabilities and assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Certain of Allego's accounting policies require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. On an ongoing basis, Allego evaluates its estimates including those related to charging station depreciable lives, impairment of financial assets, share-based compensation and the recognition of deferred tax assets. These judgments are based on Allego's historical experience, terms of its existing contracts, evaluation of trends in the industry, information provided by its clients and information available from outside sources, as appropriate. Allego's actual results may differ from those estimates. See Note 2 to the audited consolidated financial statements for the year ended December 31, 2022 included in the Company's most recently filed Annual Report on Form 20-F for additional description of the significant accounting policies that have been followed in preparing Allego's financial statements. The accounting policies described below are those Allego considers to be the most critical to an understanding of its financial condition and results of operations and that require the most complex and subjective management judgment.

Revenue Recognition:

Allego recognizes revenue from the following activities:

- Revenue from charging sessions;
- Revenue from the sale of charging equipment to customers;
- Revenue from installation services;
- Revenue from the operation and maintenance of charging equipment owned by customers; and
- Revenue from consulting services.

Charging sessions*:* Charging revenue, which includes electricity price and a service fee, is recognized at a point in time, at the moment of charging, when the control of electricity is transferred to the customer. Allego is acting as a principal in charging transactions for charging equipment that is owned by Allego as it has primary responsibility for these services and discretion in establishing the price of electricity. Allego is considered an agent in charging transactions for charging equipment owned by third-parties as Allego does not have control over electricity. Allego has to reimburse the electricity costs to EV drivers because the charging services to homeowners and company locations are administrative in nature.

Sale of charging equipment*:* Allego has determined that the sale and installation of the equipment constitutes two distinct performance obligations since the integration of both performance obligations is limited, the installation is relatively straight forward, and these installation services can be provided by other suppliers as well. These separate performance obligations are both sold on a stand-alone basis and are distinct within the context of the contract. When the contract includes multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where such stand-alone selling prices are not directly observable, these are estimated based on expected cost-plus margin. Revenue from the sale of charging equipment is recognized at a point in time when control of the charging equipment is transferred to the customer. Depending on the terms and conditions of the contract, this can be:

- the moment when the customer has the legal title and the physical possession of the charging equipment once the delivery on premise takes place; or
- the moment when the customer has not taken physical possession of the charging equipment and the delivery on premise has not taken place, but the customer has requested Allego to hold onto the charging equipment, and has the ability to direct the use of, and obtain substantially all of the remaining benefits from the charging equipment

Installation services: Revenue from installation of charging equipment is recognized over time. Allego uses an input method in measuring progress of the installation services because there is a direct relationship between Allego's effort and the transfer of service to the customer. The input method is based on the proportion of contract costs incurred for work performed to date in proportion to the total estimated costs for the services to be provided.

Operation and maintenance of charging equipment*:* Service revenue from operation and maintenance services of charging equipment owned by customers is recognized over time. Services include the deployment of Allego's cloud based platform to monitor chargers and charging sessions, collect, share and analyze charging data as well as the maintenance of the site. Customers are invoiced monthly, and consideration is payable when invoiced. Allego recognizes revenue only when the performance obligation is satisfied, therefore any upfront billing and payments are accounted for as an advance payment.

Consulting services: The Group recognizes revenue from providing consulting services on research strategy and development of proprietary integrated tools taking the form of both software and/or hardware. Revenue from providing consulting services is recognized in the accounting period in which the services are rendered. Revenue is recognized over time using the input variable method as a measure of progress.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payments, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

Business Combination Agreement

The Business Combination is not within the scope of IFRS 3 Business Combinations as Spartan does not meet the definition of a business as per IFRS 3. In accordance with an agenda decision of the IFRS Interpretations Committee, the transaction is in scope of IFRS 2 Share-based Payment and was accounted for as a recapitalization in which Allego issued shares in exchange for the net assets of Spartan.

The excess of fair value of Allego Ordinary Shares issued over the fair value of Spartan's identifiable net assets was treated as costs for the service of obtaining a listing and expensed during the reporting period in which the transaction occurred.

Additionally, Allego Ordinary Shares were issued with respect to the PIPE offering. Allego received a total of €136 million in cash and cash equivalents in return for issuing 15 million Allego Ordinary Shares. Allego also entered into a strategic partnership with a PIPE Investor for future charging sessions. A portion of the cash received for the PIPE Investment was therefore accounted for as a contract liability in recognition of future services to be transferred to the customer. The remaining difference between the value of the proceeds on the date of the merger and the nominal value of the shares has been accounted for as share premium. Further details are disclosed in the audited consolidated financial statements.

Furthermore, Allego Ordinary Shares were issued to Madeleine Charging B.V. ("Madeleine") and E8 Investor based on their relative shareholding percentage in Allego Holding immediately before the capital reorganization. This increase in share capital has been offset by a reduction in share premium of the same amount.

Consolidation of Mega-E

On July 28, 2021, the Allego Group and Meridiam EM SAS — an indirectly wholly-owned subsidiary of Meridiam SAS, Allego's then ultimate parent — entered into a call option (the "Mega-E Option") agreement to acquire 100% of the share capital of Mega-E. Allego paid no consideration for the option. The purchase price under the option amounted to €9.5 million in accordance with the Mega-E Option agreement. The call option was exercisable by Allego at the earliest on January 15, 2022, and within the six-month period thereafter.

Until March 16, 2022, the exercise of the call option by Allego was conditioned upon completion of the Business Combination. On March 16, 2022, Allego consummated the Business Combination, thereby becoming able to exercise its call option right pursuant to the terms of the Mega-E Option agreement. Therefore, Allego reassessed its control assessment over Mega-E.

The Mega-E Option provided Allego with potential voting rights, which are considered substantive as of March 16, 2022, because as of that date all conditions under the Mega-E Option were met and Allego was able to exercise its rights thereunder. Allego concluded that these potential voting rights provided them with control over Mega-E. The acquisition of Mega-E by Allego is not considered to be a business combination within the scope of IFRS 3 as Mega-E does not meet the definition of a business as it does not contain any substantive processes. The acquisition of Mega-E has therefore been accounted for as an asset acquisition in Allego's consolidated financial statements.

Acquisition of MOMA

On June 7, 2022, Allego acquired shares representing 100% of the share capital of MOMA – an unlisted software company based in France and current service provider for the Group's EV Cloud platform. This constitutes a Business Combination (specifically referred to as the "***MOMA acquisition***") as defined in terms of IFRS 3 Business Combinations, thus the transaction has been accounted for by Allego using the acquisition method of accounting in accordance with IFRS 3. Allego has considered the following main judgements:

Purchase price allocation

Assets and liabilities of subsidiaries acquired are included at their fair value at the acquisition date. Some assets, namely the investment in equity securities, customer relationships and goodwill at acquisition date had fair values that differed significantly from its carrying values as detailed in Allego's audited consolidated financial statements.

Goodwill

The excess of the purchase price over the fair value of the identifiable assets and liabilities is recorded as goodwill. An impairment assessment is performed at least once annually, or more frequently if indicators of potential impairment exist, which includes evaluating qualitative and quantitative factors to assess the likelihood of an impairment. Such impairment assessments require management to make significant estimates and assumptions, which are further detailed in the consolidated financial statements.

Valuation of share-based payment awards

First Special Fees Agreement

A first share-based payment arrangement was provided to E8 Investor via the First Special Fees Agreement. For more information, see "*Item 7.B. Major Shareholders and Related Party Transactions—Related Party Transactions*" and Note 11.1 ("First Special Fees Agreement") in the consolidated financial statements for the year ended December 31, 2022 included in the Company's most recently filed Annual Report on Form 20-F. The fair value of the share-based payment arrangement granted under the First Special Fees Agreement was recognized as an expense, with a corresponding increase in accumulated deficit. The total amount to be expensed was determined by reference to the fair value of the share-based payment arrangement, including market performance conditions. The fair value excludes the impact of any service and non-market performance vesting conditions.

For the First Special Fees Agreement, the expense was recognized over the service period. Allego may revise its estimate of the length of the service period, if necessary, if subsequent information indicates that the length of the service period differs from previous estimates. This may result in the reversal of expenses if the estimated service period is extended.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model and making assumptions about them. For the measurement of the fair value of equity-settled transactions with E8 Investor under the First Special Fees Agreement at the grant date (and subsequent measurement dates to determine the fair value of consulting services received, for the portion of share-payment expenses that relates to compensation for external consulting services), Allego uses a valuation model which takes into account how the fees payable in cash and equity instruments will depend on the equity value of Allego at the time of a future liquidity event as defined in the First Special Fees Agreement.

Second Special Fees Agreement

A second share-based payment arrangement is provided to E8 Investor via the Second Special Fees Agreement. For more information, see "*Item 7.B. Major Shareholders and Related Party Transactions—Related Party Transactions*" included in the Company's most recently filed Annual Report on Form 20-F and Note 7.1 (Second Special Fees Agreement) of the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K. The fair value of the share-based payment arrangement granted under the Second Special Fees Agreement is recognized as an expense, with a corresponding increase in accumulated deficit as long as the agreement remained in place between Madeleine and the consulting firm. The Second Special Fees Agreement was novated from Madeleine to Allego during the reporting period and as a result, the fair value of the share-based payment arrangement granted under the Second Special Fees Agreement is recognized as an expense, with corresponding movements in the provision recognized as part of the novation. The total amount to be expensed is determined by reference to the fair value of the share-based payment arrangement, including market performance conditions. The fair value excludes the impact of any service and non-market performance vesting conditions.

For the Second Special Fees Agreement, the expenses are recognized over the service periods. Allego may revise its estimate of the length of the service period, if necessary, if subsequent information indicates that the length of the service period differs from previous estimates. This may result in the reversal of expenses if the estimated service period is extended.

For the measurement of the fair value of equity-settled transactions with an external consulting firm under the Second Special Fees Agreement at the grant date (and subsequent measurement dates until the novation of the Second Special Fees Agreement to determine the fair value of consulting services received, for the portion of share-payment expenses that relates to compensation for external consulting services) and at the novation date, Allego uses a valuation model which takes into account how the fees payable in cash will depend on the equity value following future equity injection events as defined in the Second Special Fees Agreement. The same valuation model is used for the measurement of the fair value of cash-settled transactions with an external consulting firm under the Second Special Fees Agreement for measurement dates subsequent to the novation of the Second Special Fees Agreement.

The assumptions and model used for estimating the fair value for share-based payment transactions under the First and Second Special Fees Agreements are disclosed in Note 11.1 (First Special Fees Agreement) to the consolidated financial statements for the year ended December 31, 2022 included in the Company's most recently filed Annual Report on Form 20-F and Note 7.1 (Second Special Fees Agreement) to the interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K.

Management Incentive Plan

A share-based payment arrangement is in place related to the Management Incentive Plan. As part of this plan, a key management employee was granted options, with performance vesting criteria attached to some of these options.

The grant date fair value of grant options is recognized as an operating expense with a corresponding increase in accumulated deficit. The fair value is determined at the grant date and the total expense is recognized immediately since the participants are not required to complete a specified period of service period before becoming unconditionally entitled to these equity instruments.

The grant date fair value of the performance options (options subject to predefined performance conditions and the expiry of the blocking period) is recognized as an operating expense with a corresponding increase in accumulated deficit. The fair value is determined at the grant date and the total expense is recognized over the vesting period. At the end of each reporting period, Allego revises the expense for the services received based on the non-market vesting and service conditions. The impact is recognized in the consolidated statement of profit or loss with the corresponding increase in accumulated deficit.

The grant options and performance options do not include any market conditions or non-vesting conditions that should be included in their fair value. The grant date fair value remains the same over time.

As the exercise price applicable to the options is negligible, no specific option-pricing models are used by Allego and the fair value of options granted under Allego’s management incentive plan is determined by reference to the fair value of Allego’s share at the grant date, excluding the impact of any service and non-market performance vesting conditions (e.g. operational EBITDA, financing targets, compliance and reporting, engagement with investors and remaining an employee of the company over a specified time period). The options do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition.

In April 2023, certain non-market performance conditions included in the Company's management incentive plan agreement were modified together with their respective service periods, while the other existing terms have not been modified. These changes resulted in an increased number of awards being expected to vest but do not have an impact on the fair value of the options.

Long-term Incentive Plan

A share-based payment arrangement is in place related to the Long-term Incentive Plan ("LTIP"). As part of the plan, certain members of the board of directors, executive officers and employees received awards in the form of share options ("LTIP Performance Options"), restricted stock units ("RSUs") or share grants ("IPO Grant Shares") with different vesting conditions.

The issued awards are recognized at grant date fair value as an operating expense with the corresponding increase in retained earnings, over the vesting period being the period over which all of the specified vesting conditions are satisfied. For all awards the service period is concluded to start on May 24, 2023, the grant date, as at that date there was a valid expectation of an award and a corresponding obligation by the Group. The RSUs awarded to employees and the LTIP Performance Options awarded to executive officers are recognized over the relevant service period (three years for RSUs to employees and two years for LTIP Performance Options starting from May 24, 2023), being the period specified in the LTIP. For the IPO Grant Shares awards and the RSUs awarded to eligible members of the board of directors, there are no vesting conditions, the vesting date being the grant date and the expenses are recognized immediately.

At the end of each period, the Group revises its estimates of the number of RSUs that are expected to vest based on the service conditions, actual and expected forfeitures. It recognizes the impact of the revision to original estimates, if any, in operating expenses, with a corresponding adjustment to retained earnings.

When the awards are vested, the Group transfers the appropriate number of shares to the employee. Where awards are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such shares are reversed effective from the date of the forfeiture.

As the exercise price applicable to the options under the Company's LTIP is negligible, no specific option-pricing models are used by the Company and the fair value of options granted is determined by reference to the fair value of the Company’s share at the grant date, excluding the impact of any service and non-market performance vesting conditions (e.g. operational EBITDA, financing targets, compliance and reporting, engagement with investors and remaining an employee of the company over a specified time period). The options do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition.

As there is no exercise price applicable to the RSUs and IPO Grant Shares under the LTIP, no specific option-pricing models are used by the Company and the fair value of awards granted under these plans is determined by reference to the fair value of the Company's share at the grant date. The awards do not include any market conditions or non-vesting conditions that should be included in the fair value at recognition.

Impairment of non-financial assets (including goodwill)

At each reporting date, Allego assesses an asset or a group of assets for impairment whenever there is an indication that the carrying amounts of the asset or group of assets may not be recoverable. In such event Allego compares the assets or group of assets carrying value with its recoverable amount, which is the higher of the value in use and the fair value less costs of disposal.

Goodwill impairment testing is performed annually or more frequently if indicators of potential impairment exist, which includes evaluating qualitative and quantitative factors to assess the likelihood of an impairment. In such case the carrying amount of goodwill is compared with the recoverable amount of the Cash Generating Units ("***CGU")*** it was allocated to, which is the higher of the CGU's value in use and the CGU's fair value less cost to sell.

Allego uses a discounted cash flow ("***DCF***") model to determine the value-in-use. The cash flow projections contain assumptions and estimates of future expectations. This value in use is determined using cash flow projections from financial budgets approved by senior management covering a five-year period, cash flows beyond the five-year period are extrapolated using a growth rate and the future cash flows are discounted. The value in use amount is sensitive to the discount rate used in the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Recognition of deferred tax assets

Deferred tax assets are carried on the basis of the tax consequences of the realization or settlement of assets, provisions, liabilities or accruals and deferred income as planned by Allego at the reporting date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available for set-off. In this assessment, Allego includes the availability of deferred tax liabilities set-off, the possibility of planning of fiscal results and the level of future taxable profits in combination with the time and/or period in which the deferred tax assets are realized.

Valuation of warrant liabilities

Public and Private Placement Warrants originally issued by Spartan to its public shareholders and its sponsors were converted on the closing date of the Business Combination Agreement into a right to acquire one Allego Ordinary Share on substantially the same terms as were in effect immediately prior to the closing date.

On the closing date of the Business Combination Agreement (March 16, 2022), Allego assumed and converted Warrants previously issued to registered holders of Spartan's Public and Private Placement Warrants. Allego assumed these Warrants on the same terms as before (unless the options were exercised during the period).

According to management's assessment, the Warrants fall within the scope of IAS 32 and have been classified as a derivative financial liability. In accordance with IFRS 9, derivatives that are classified as financial liabilities shall be measured at fair value with subsequent changes in fair value to be recognized in the consolidated statement of profit or loss.

The Warrants qualified for the level 3 category in the fair value hierarchy at the time of their issuance due to the fact that they were not traded in an active market at the time and their fair value was determined using a binomial tree framework. Since As at June 30, 2022, the Warrants qualify for the level 1 category in the fair value hierarchy due to the fact that their fair value is determined based on quoted market inputs. On April 15, 2022, the Private Placement Warrants were exercised with the fair value on that date being determined based on quoted market inputs such as the spot price per share.

Valuation of purchase options

During the year ended December 31, 2021, Allego entered into two purchase option agreements to acquire an unlisted software company, MOMA, and into a purchase option agreement to acquire Mega-E. The fair value of the purchase options recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active stock markets. Their fair value is therefore measured using an option pricing model, i.e. Black-Scholes pricing model. The inputs to this model are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing the fair value. Judgements include considerations of inputs such as the market value of the underlying assets (*i.e.*, spot price per share) and volatility. Changes in assumptions relating to these factors could affect the reported fair value of the purchase options.

Due to the exercise of the MOMA options and the consolidation of Mega-E during the year ended December 31, 2022, as of June 30, 2023, these options are no longer presented on the condensed consolidated statement of financial position.

Research and Development

Allego has invested a significant amount of time and expense into the research and development of its platform technologies. Allego's ability to maintain its leadership position depends in part on its ongoing research and development activities. Allego's technical teams are responsible for defining technical solutions for all of the services Allego provides, from hardware specifications to the technical layout for installation, to the development of its software platform.
Allego has a software development team that develops its platform technologies, as well as the different components that comprise such platforms. For specific development needs, Allego will sometimes use external parties that are closely supervised by Allego.

Intellectual Property

Allego relies on a combination of trademark, copyright, unfair competition and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish, maintain and protect its proprietary rights. Allego's success depends in part upon its ability to obtain and maintain proprietary protection over Allego's products, services, solutions, technology and knowhow, to operate without infringing the proprietary rights of others, and to prevent others from infringing upon Allego's proprietary rights. Allego's key trademarks are Allego, Smoov™, EVCloud™, and Allamo™.

Related Party Transactions

See Note 19 of Allego's interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K for more information regarding transactions with related parties.

Recent Accounting Pronouncements

See Note 2.4 of Allego's interim condensed consolidated financial statements for the six months ended June 30, 2023 included elsewhere in this Form 6-K for more information regarding recently issued accounting pronouncements.

Internal Control Over Financial Reporting

In connection with the preparation and audit of Allego's consolidated financial statements as of and for the years ended December 31, 2022, and December 31, 2021, material weaknesses were identified in its internal control over financial reporting. See the subsection entitled "*Item 3.B. Risk Factors—Allego has identified material weaknesses in its internal control over financial reporting. If Allego is unable to remediate these material weaknesses, or if Allego identifies additional material weaknesses in the future or otherwise fails to maintain an effective system of internal control over financial reporting, this may result in material misstatements of Allego consolidated financial statements or cause Allego to fail to meet its periodic reporting obligations, which may have an adverse effect on the share price*" and "*Item 15.Controls and Procedures*" in the Company's Annual Report on Form 20-F for the year ended December 31, 2022.

Allego has continued to implement remediation plans and activities to address each of the material weaknesses, including, but not limited to, accounting policies and procedures, segregation of duties, manual journal entries, and adequately documenting of controls over certain information technology ("IT") general controls.

JOBS Act

On April 5, 2012, the JOBS Act was signed into law in the United States. The JOBS Act contains provisions that, among other things, relax certain reporting requirements for qualifying public companies. Allego qualifies as an "*emerging growth company*" under the JOBS Act and is allowed to comply with new or revised accounting pronouncements based on the effective date for private (not publicly traded) companies. As an "emerging growth company," Allego is not required to, among other things, provide an auditor's attestation report on our system of internal control over financial reporting and comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis). These exemptions will apply for a period of five years following the completion of a business combination or until we otherwise no longer qualify as an "*emerging growth company.*"

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