



# Kempower Financial Statements 2022





# Q4/2022: Growth strategy execution and business proceeded as planned



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# Q4 2022 key highlights

**Growing faster** than the market

North America market entry **progressing well**

Revenue **outside Nordics more than 50%**

Capacity expansion **continued successfully**

**Delivery reliability** remained at excellent level



**61.7**  
million EUR

Order intake in Q4 2022

**352%**

YoY growth in revenue Q4 2022

**37.8**  
million EUR

Revenue in Q4 2022

**47%**

Gross margin Q4 2022

**375**

Headcount 31 December 2022





# Growth strategy execution in Q4

## Regional expansion

9 subsidiaries in Norway, Sweden, UK, Germany, Netherlands, France, Italy, Spain, & USA

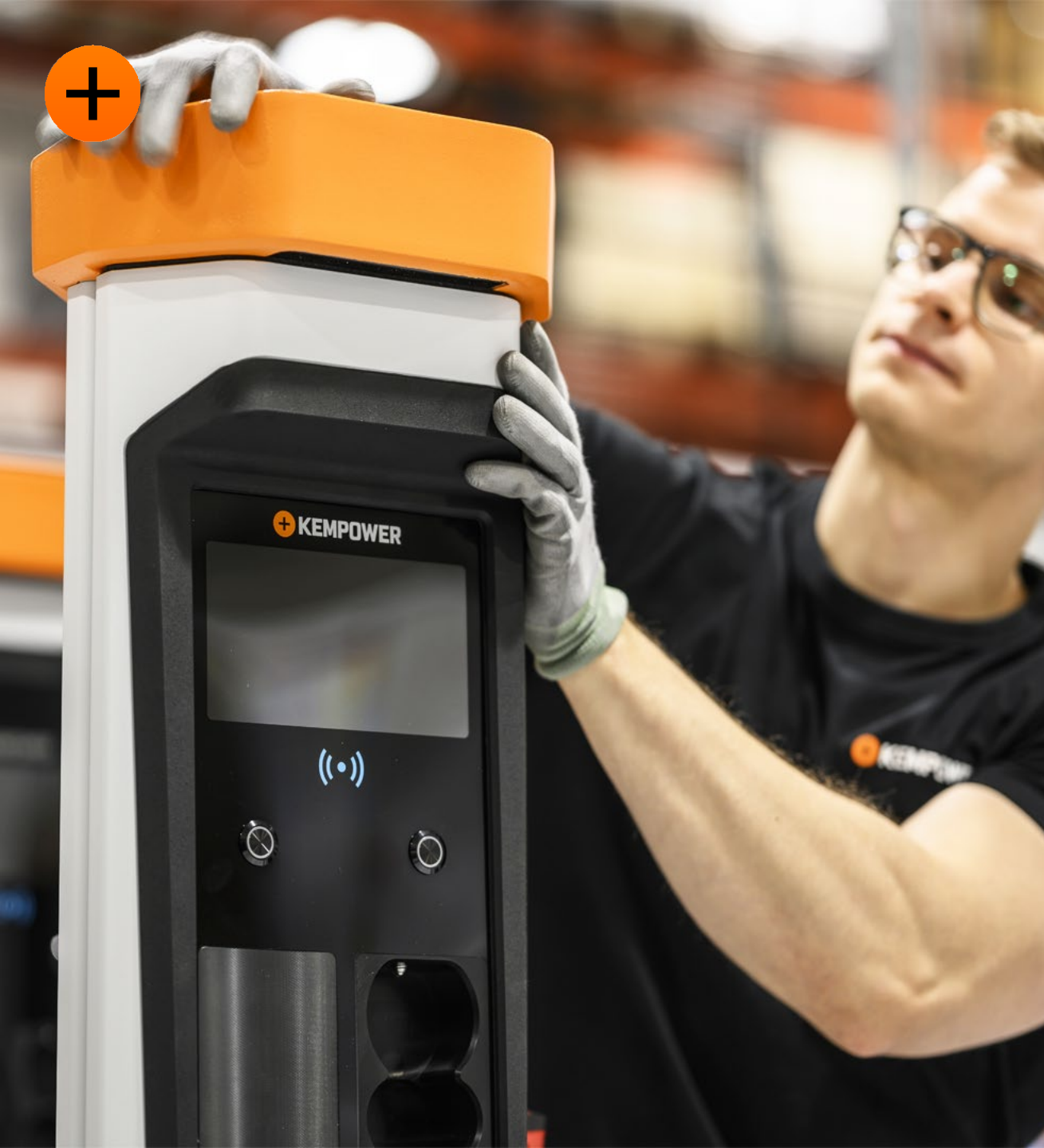
The North America entry – the state of North Carolina communicated after the review period

## Customers

Kempower's position in all 4 customer groups strengthened

Several contracts in truck customer group

JET Charge and Australia's largest electric vehicle logistics fleet



# Growth strategy execution in Q4

## Capacity expansion

We recruited 115 people in the second half of the year

New factory ramp up continued

## Product highlights

We started the deliveries of the adaptive voltage charging solution

We launched the bus pantograph solutions





# We continue to **scale up** the production

In 2022, we started the production in our new factory and expanded the production in the old factory space in Lahti.

## Europe

- 14,000 m<sup>2</sup> facilities in Finland with continuous production improvements
- reviewing different alternatives to increase the production capacity
- new capacity expected to be in use by the end of 2025.

## USA

- target to start the production for NEVI compliant products in North Carolina, USA by the end of 2023



# Managing the risk of component shortage

The availability of electronic components was challenging in 2022

Kempower team succeeded to source the necessary components to ensure customer deliveries

- We have a stronger position among global suppliers
- We reduce the shortage risk with dual sourcing strategy & stronger, global sourcing team

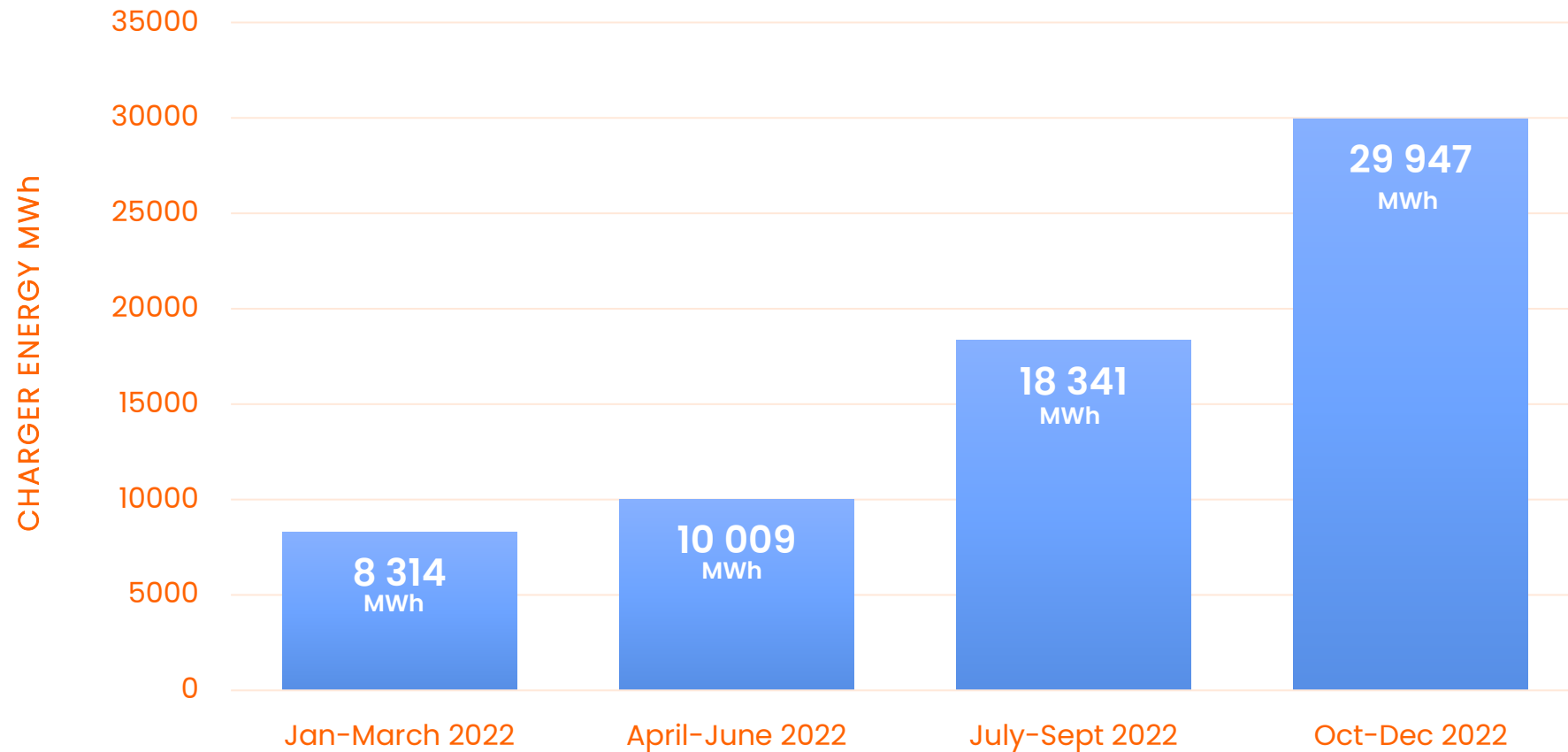
In 2023, we do not expect material or component prices to have significant adverse impact on our profitability.







# Popularity of Kempower charging solutions



Data: Kempower ChargeEye

# Kempower brand has **strengthened** in Europe

## RELIABLE – FLEXIBLE – INNOVATIVE

- EV drivers appreciate Kempower charging solutions' **reliability, quality, user friendliness** and **safety**.\*
- For Kempower B2B customers, Kempower is **the favorite EV charger brand** in personal EV driving.
- Kempower Satellite is a **good match** and **highly valued** charger for heavy-users

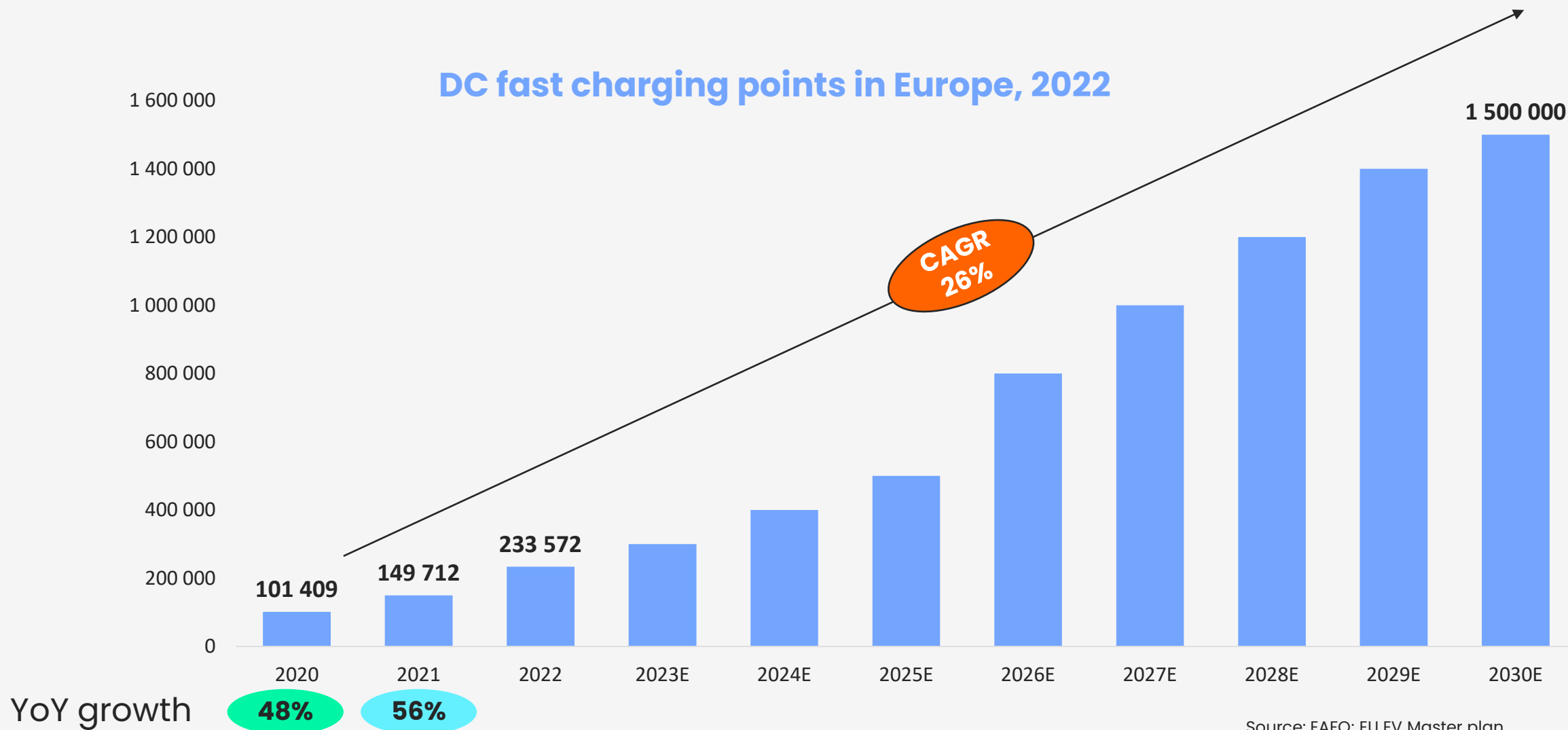
\*) Source: a survey conducted by a 3<sup>rd</sup> party in autumn 2022, interviewing Kempower's European customers and EV drivers







# Up to 6.8 million public charging points required in Europe by 2030



# Sustainability is at the core of our business

## Kempower's sustainability commitments and long-term targets

### 100% Carbon Neutrality by 2035

- Decreasing relative carbon footprint annually
- Transferring to **100%** fossil free electricity by 2025
- **0%** landfill waste by 2025

### Responsible products, enabling a society powered by 100% electric transportation

- Reducing plastic packaging by **50%** by 2025
- **99%** end of lifetime recyclability rate for all Kempower EV chargers

### The Best Workplace for Future Professionals

- Reducing the accident rate to **zero**
- Secure the high **work satisfaction**
- **100%** of employees trained with first aid skills

Energy consumption  
**68 %**  
reduction in  
H2 2022\*

Scope 1+2  
reduction  
**58 %**  
in H2 2022\*

eNPS  
**80**  
in 2022





# A successful first year as a listed company

The Growth Company of the Year by  
Kauppalehti & the Internationalization  
Award of the President of the Republic of  
Finland

Becoming the top player in Nordic DC  
charging markets and gaining the market  
share in rest of Europe

Starting production in the new facility

The risk in component availability was  
successfully managed throughout the year



**EUR 103.6 million**  
annual revenue



**EUR 208.9 million**  
order intake



Market cap reached  
**EUR 1 billion**



**+239 people**  
recruited





# Financial Review





# Key figures during the review period, IFRS

MEUR	Q4/2022	Q4/2021	H2/2022	H2/2021	2022	2021
Order backlog	118.9	13.7	118.9	13.7	118.9	13.7
Order intake	61.7	11.5	127.0	17.3	208.9	37.4
Revenue	37.8	8.4	70.5	18.4	103.6	27.4
Revenue growth, %	352 %	328 %	284 %	633 %	279 %	741 %
Gross margin	17.7	3.9	32.8	8.8	48.2	12.9
Gross margin, %	47 %	47 %	47 %	48 %	46 %	47 %
Operative EBIT	3.5	-1.3	5.8	0.8	6.7	1.0
Operative EBIT margin, %	9 %	-16 %	8 %	4 %	6 %	4 %
Profit/loss for the period	2.5	-0.7	4.1	0.5	3.6	0.3
Cash flow from operating activities	-8.4	2.0	-1.8	1.4	-5.4	-2.6
Investments	2.2	0.8	3.8	1.0	6.2	1.6
Net debt	-58.4	-89.3	-58.4	-89.3	-58.4	-89.3
Total Equity and Liabilities	154.2	108.5	133.3	13.3	154.2	108.5
Headcount end of period	375	136	375	136	375	136

## Comments

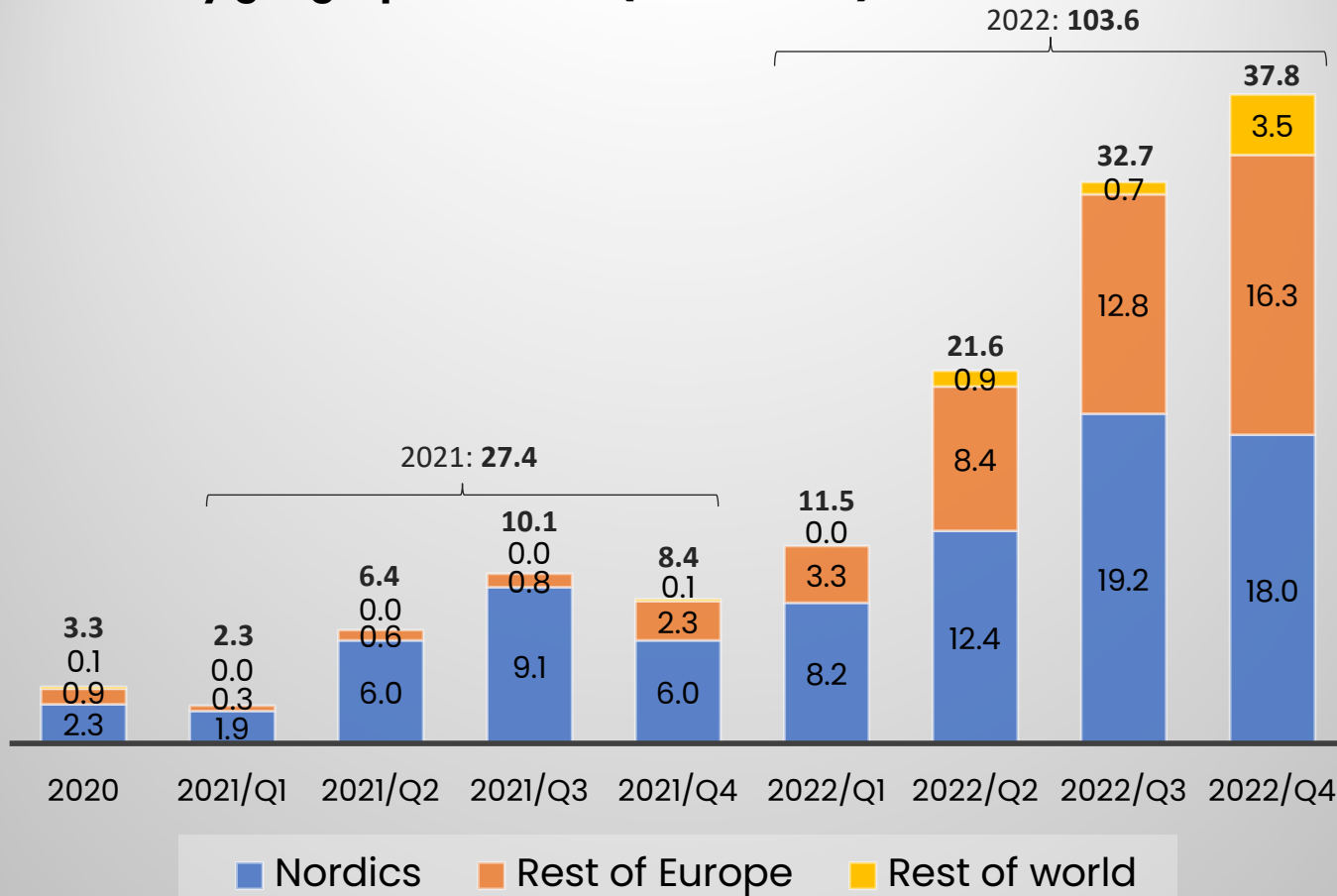
- **Record high** order backlog
- **Record high** revenue
- **Gross Margin** 46 %
- **Operative EBIT** positive 9% in Q4 and positive 6% for the whole year mainly due to strong sales performance
- **Total equity and liabilities EUR 154.2** million at the end of 2022
- **Net Debt increased** due to the growth of IFRS 16 lease liabilities amounting to EUR 15.7 (1.1) million at the end of 2022

\*Operative EBIT = EBIT – items affecting comparability of operating profit/loss (items can arise from, e.g. external advisory costs related to capital reorganization, listing expenses & strategic projects)



# Q4 2022 strong revenue growth

Revenue by geographical area (EUR million)



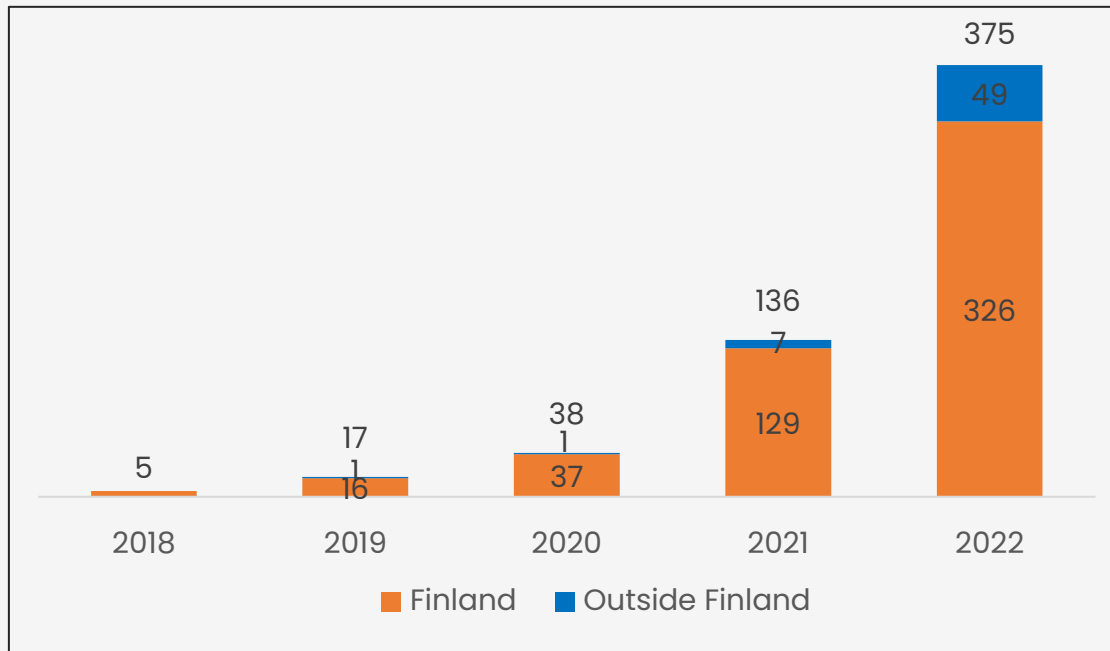
## Comments

- Q4 2022 **revenue** EUR **37.8** million **growing 352%** year-on-year.
- Revenue in Q4 2022 is EUR 10.4 million higher than whole year 2021 (EUR 27.4 million)
- In absolute and relative terms biggest year-on-year growth was in **Rest of Europe** region.
- In Q4 2022 share of revenue in **Rest of Europe** was **43%** (27% in Q4 2021) of total revenue and in **Rest of World 9%** (1% in Q4 2021) of total revenue.

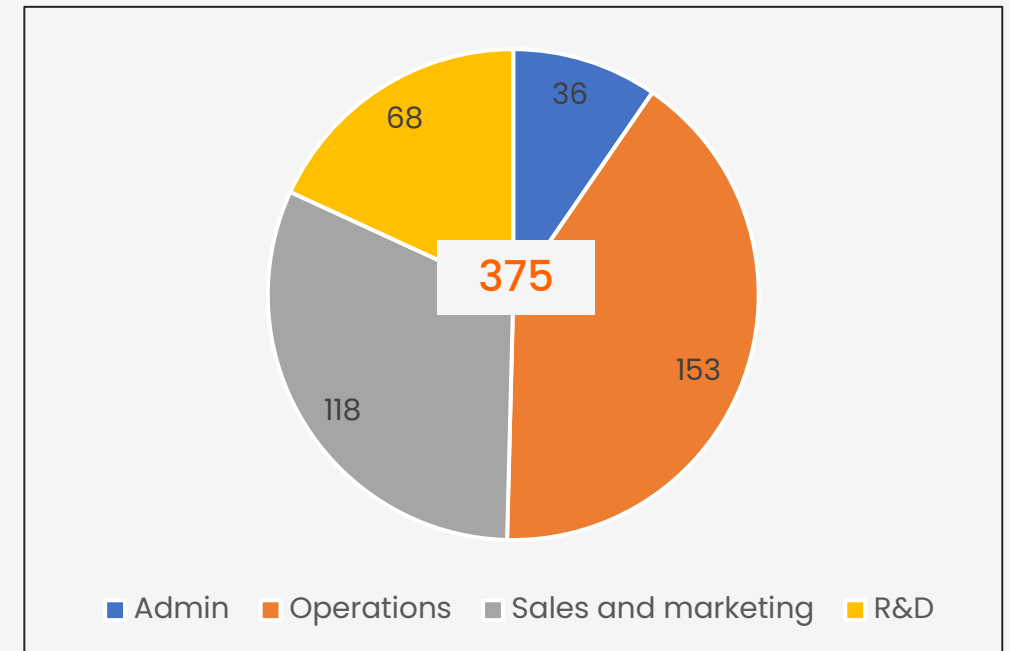


# Kempower organisation growing globally

Headcount, at the end of the period



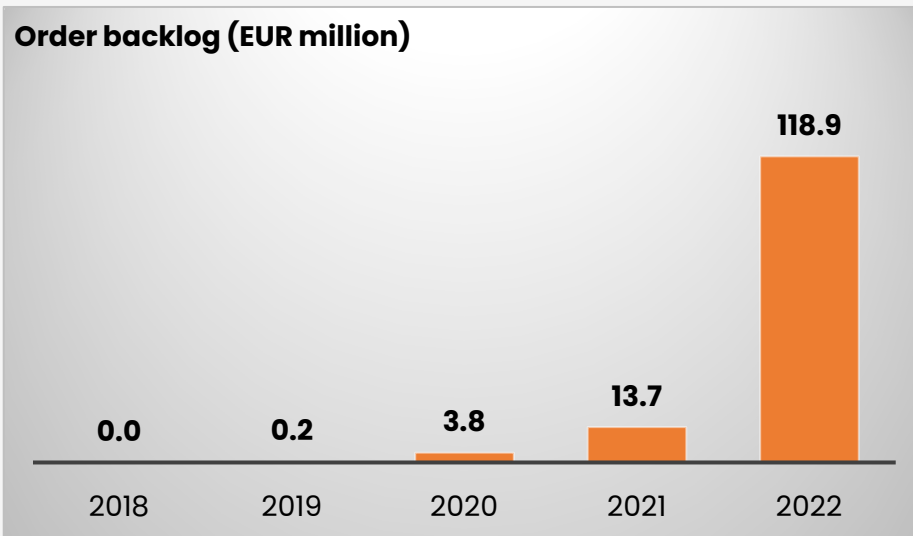
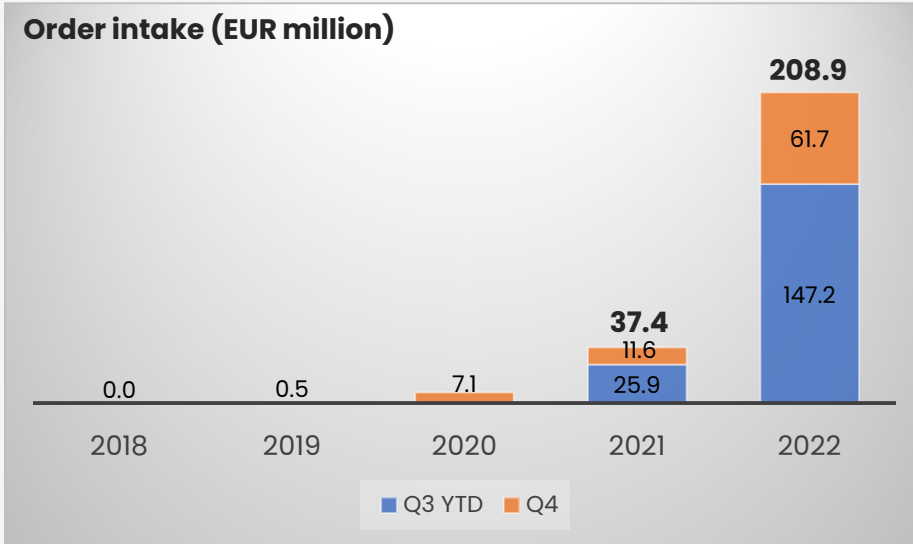
Headcount by functions, at the end of the period







# Strong performance in sales continued whole year 2022



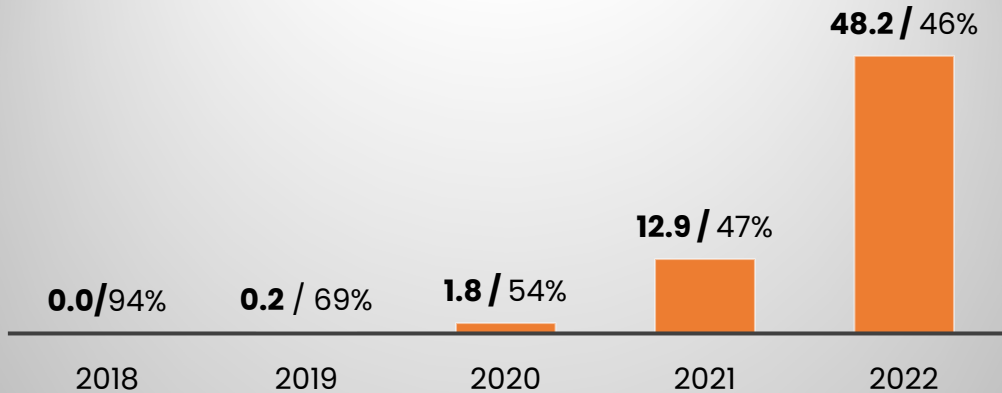
## Comments

- Order intake year-on-year growth continued in **all regions**
- Q4 2022 and 2022 order intake growing **more than 400 %** year-on-year
- At the end of the Q4 of 2022 **order backlog** grew to **EUR 118.9 million** (13.7 million in Q4 of 2021)

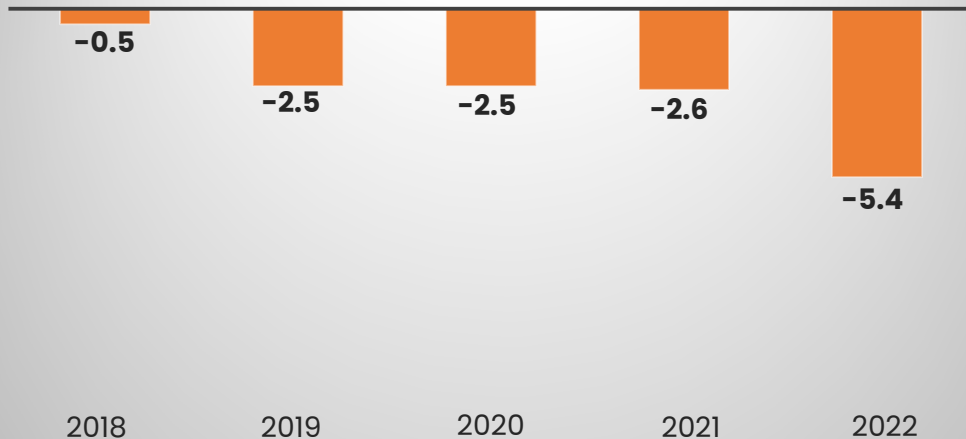


# Healthy growth employs the capital

Gross margin (EUR million)



Operating cash flow (EUR million)



## Comments

- **Gross Margin** Q4 2022 47% and full year 46%
- In 2022 **operating cash flow** impacted by **Net Working Capital (NWC)**
- NWC increases driven by **revenue growth** and mitigation of **component availability risk**



# Kempower's short-term outlook and financial targets

Kempower continues to seek strong growth in a profitable manner. The advanced entry to North American markets in 2023 impacts Kempower's operative EBIT due to additional costs relating to recruitments and the new factory ramp up. The new manufacturing capacity in the USA is targeted to be available by the end of the 2023.

Kempower expects:

- **2023 revenue**; EUR 180 – 210 million (2022: EUR 104 million), assuming no major impact of foreign currency exchange rates.
- **2023 operative EBIT**; positive a single digit operative EBIT margin, %.

The company's mid- and long-term financial targets are no longer current, and they will be updated in conjunction with the Capital Markets Day in April 2023.





# 2023 strategic priorities

1. Growth in Europe
2. North America market entry
3. Production efficiency increase in Finland
4. Recruitment of top talents
5. Supply chain development
6. More plugs & more power







Q&A



Save the date!

Kempower Capital  
Markets Day  
20 April 2023





Thank You.