



**KEMPOWER**





Electric vehicle charging solutions for

**Everyone,  
Everywhere**

KEMPOWER Capital Markets Day 2023



# Paula Savonen

Moderator



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# + Kempower Management Team



**Tomi Ristimäki**  
Chief Executive Officer



**Mikko Veikkolainen**  
Chief Technology Officer



**Jussi Vanhanen**  
Chief Market Officer



**Tommi Liuska**  
Chief Sales Officer



**Sanna Otava**  
Chief Operations Officer



**Jukka Kainulainen**  
Chief Financial Officer



**Juha-Pekka Suomela**  
Chief Service Business Officer



**Petri Korhonen**  
Chief Engineer



**Paula Savonen**  
Vice President, Communications



**Sanna Lehti**  
General Counsel



# Agenda

1. **Kempower story & Q1 2023 financial overview** – Tomi Ristimäki & Jukka Kainulainen
2. **Surging market and customer demand** – Tomi Ristimäki & Jussi Vanhanen
3. **Cutting edge DC charging technology** – Jussi Vanhanen
4. **Scalable delivery capability** – Sanna Otava

**Break at 14:40**

5. **North America accelerating the growth** – Tommi Liuska
6. **Updated growth strategy and financial targets** – Tomi Ristimäki & Juha-Pekka Suomela

**End at 16:00**

**Cocktails**





# 1. Kempower story, Q1 2023 results and financial overview



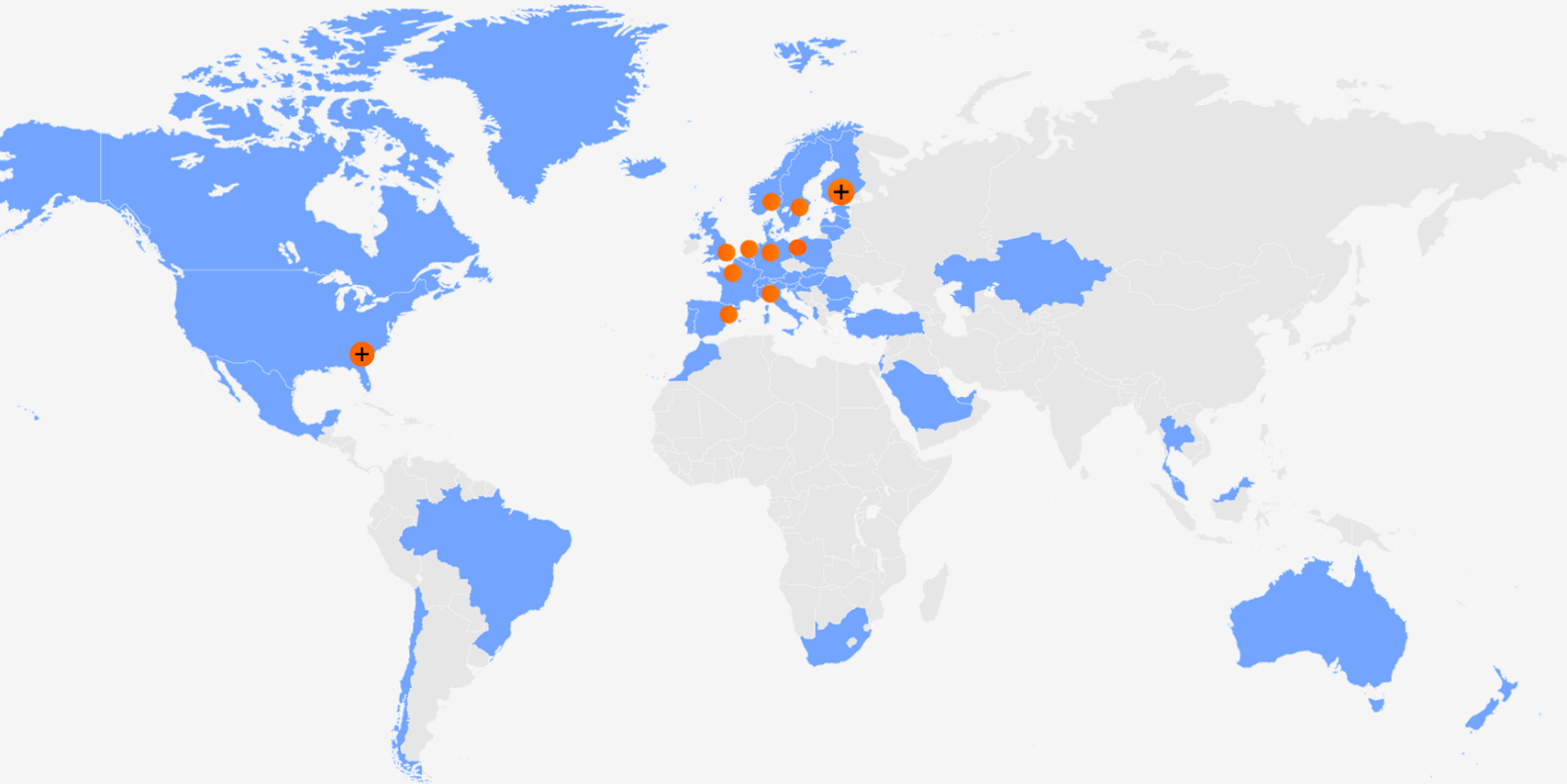




Our vision  
is to create  
the world's  
most desired  
EV charging  
solutions for  
everyone,  
everywhere.



# Kempower in brief



Top player in Nordic DC charging markets and gaining the market share in the Rest of Europe.

Two production sites in Lahti, Finland.

Subsidiaries: Germany, The Netherlands, The UK, Sweden, Norway, France, Spain, Italy, Poland and USA.

More than 30,000 shareholders.

Listed in Nasdaq First North Growth Market Finland.

The Finnish Growth Company of the Year in 2022 in Finland.

465 employees 31<sup>st</sup> of March 2023

+

# Charging applications



Private cars



Commercial vehicles



Off-highway vehicles



# + Wide customer reference base



Power Dot, Recharge, Mer, Osprey Charging, S-Group, Gilbarco Veeder-Root, FOR:EV, Allego, Virta, Einride, VINCI Autoroutes, eTerminal, Greenstation, Avia Weghorst, Neste, Vattenfall, Nobina, Vy Buss, Koiviston Auto, Keolis, Bergkvarabuss, Scania, Volvo, MINUSINES S.A., Epiroc, Normet, Swerock, Jet Charge, TSG, ZEF Energy, Vital EV



# Modular, scalable, dynamic & user-friendly charging solutions

Kempower ChargeEye



Dynamic power sharing

User-friendly Kempower Satellites  
25 – 400kW



Scalable charging:  
Kempower Power Unit

Modular  
power source

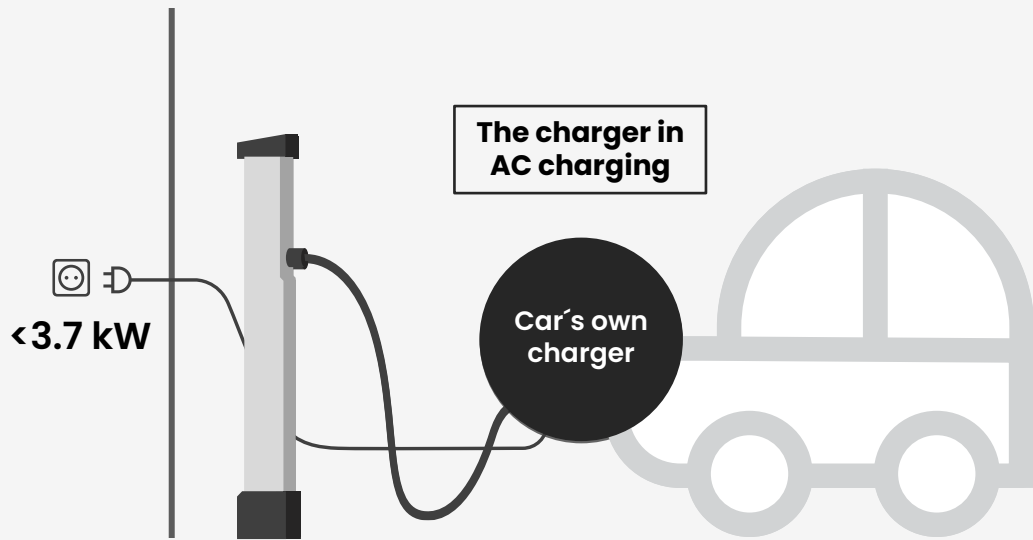


1-12x



# + We focus on DC fast charging

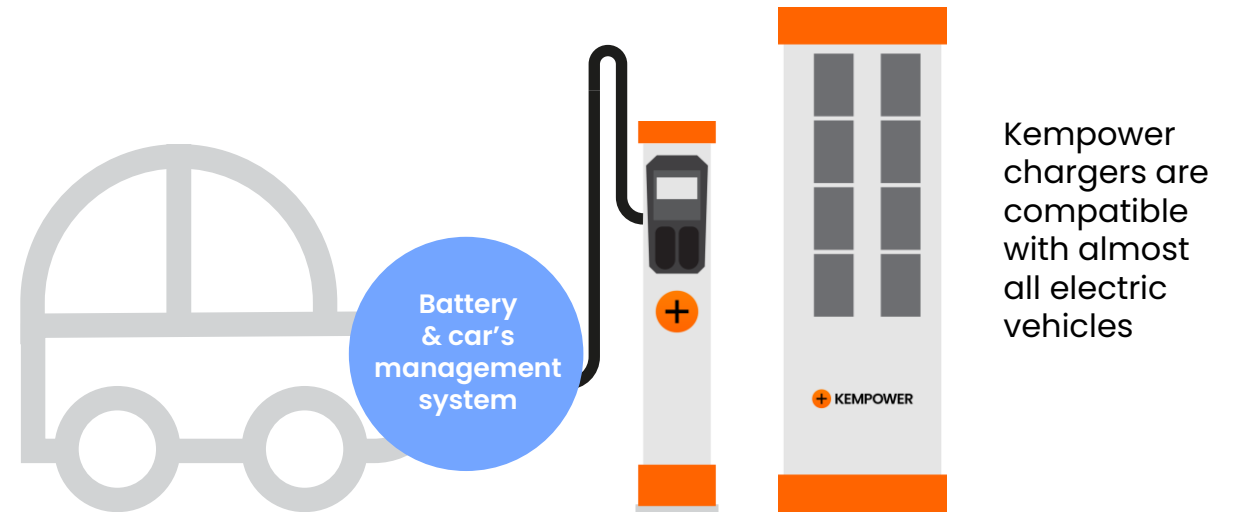
## 2–22 kW AC charger



Estimated charging time is **several hours**



## Typically > 50 kW DC charger



Estimated charging time is **minutes, less than an hour**







# Q1 2023

## Strong start of the year



**55.8**

EUR million  
Revenue

**61.4**

EUR million  
Order intake



**385%**

Revenue growth  
year-on-year, %

**12%**

Operative EBIT  
margin, %

The availability of electronic components  
**has improved from the previous year**

Revenue outside Nordics **more than 60%** of  
total revenue



# Key figures

during the review period, IFRS

EUR million	Q1/2023	Q1/2022	2022	Comments
Order backlog	124.4	29.1	118.9	<ul style="list-style-type: none"><li>• <b>Record high</b> Revenue and Gross profit</li><li>• <b>Operative EBIT margin, %</b> positive 12.4% in Q1 mainly due to strong demand and good sales mix</li><li>• <b>Total equity and liabilities EUR 177.9</b> million at the end of Q1 2023</li><li>• <b>Cash flow from operating activities</b> positive</li></ul>
Order intake	61.4	26.9	208.9	
Revenue	55.8	11.5	103.6	
Revenue growth, %	385%	393%	279%	
Gross profit	28.4	5.6	48.2	
Gross profit margin, %	50.8%	48.3%	46.5%	
Operative EBIT	6.9	-1.0	6.7	
Operative EBIT margin, %	12.4%	-8.6 %	6.4%	
Profit/loss for the period	5.6	-1.1	3.6	
Cash flow from operating activities	2.5	-2.0	-5.4	
Investments	1.6	0.6	6.2	
Net debt	-58.6	-71.5	-58.4	
Total equity and liabilities	177.9	126.4	154.2	
Headcount end of period	465	176	375	

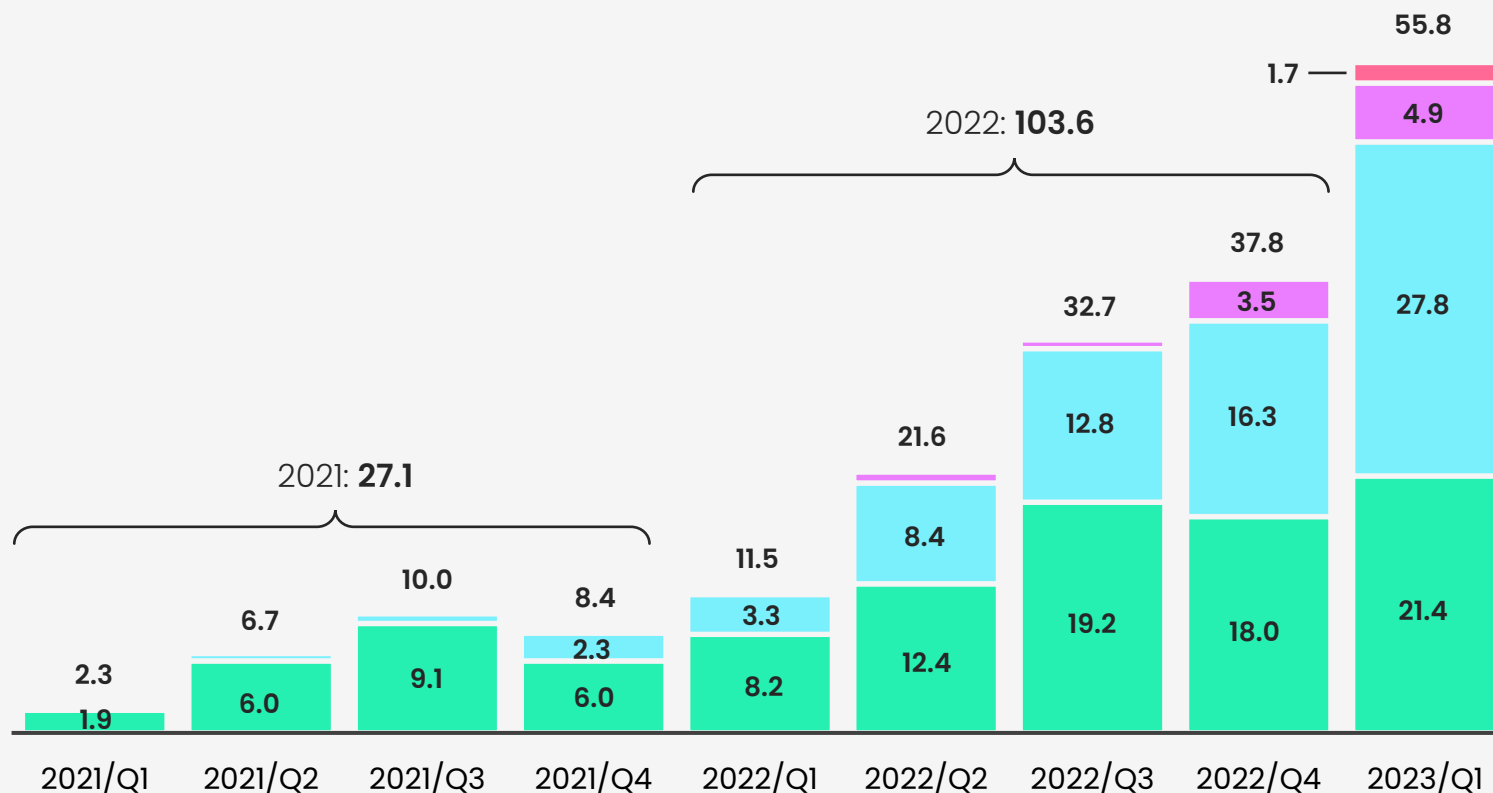
\*Operative EBIT = EBIT – items affecting comparability of operating profit/loss (items can arise from, e.g. external advisory costs related to capital reorganization & strategic projects)

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# Q1 2023 revenue growth accelerated

## Revenue by geographical area (EUR million)

## Comments



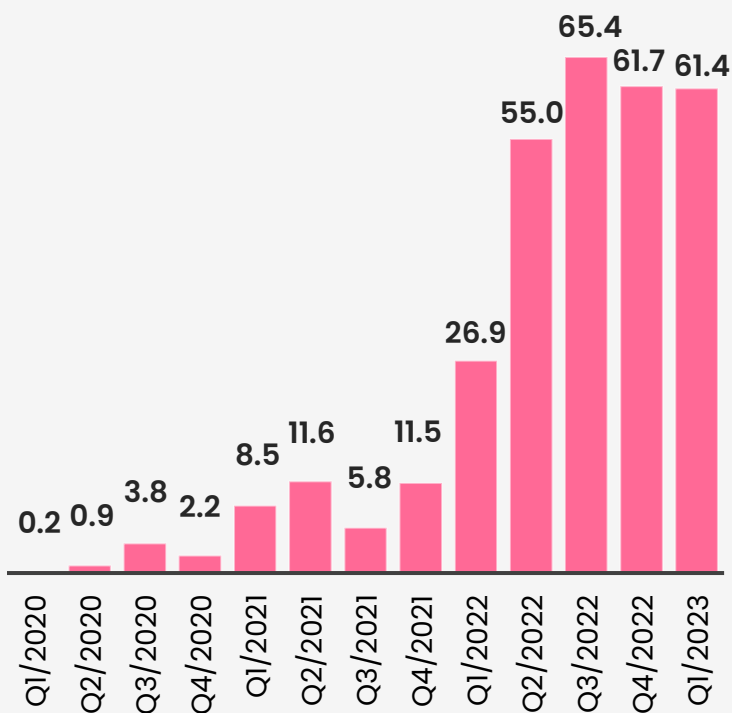
● Nordics ● Rest of Europe ● Rest of the World ● North America

- Q1 2023 **revenue** EUR **55.8** million growing **385%** year-on-year.
- In absolute and relative terms biggest year-on-year growth was in **Rest of Europe** region. Rest of Europe is now the biggest region in terms of revenue, bypassing Nordics.
- In Q1 2023 share of revenue in **Rest of Europe** was **50 %** (43% in Q4 2022) of total revenue and in **Rest of the World and North America** **12%** (9% in Q4 2022) of total revenue.

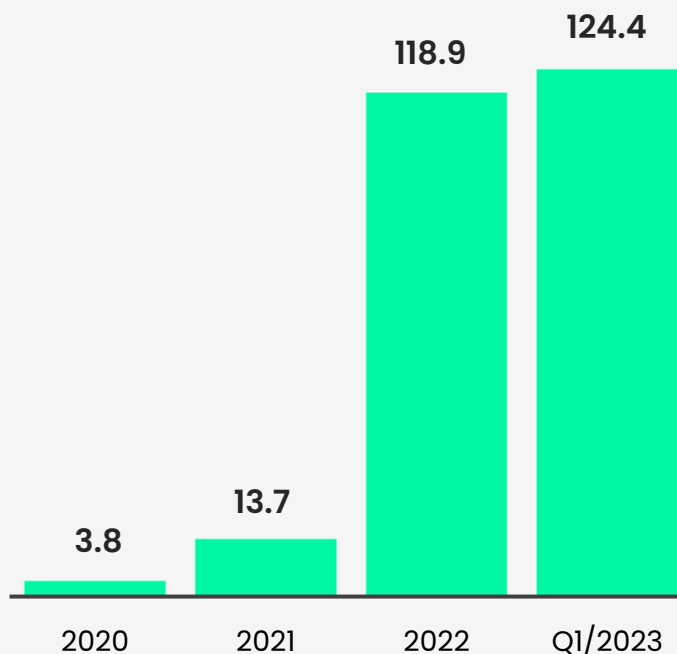


# Sales performance according to plan in Q1/2023

Order intake (EUR million)



Order backlog (EUR million)



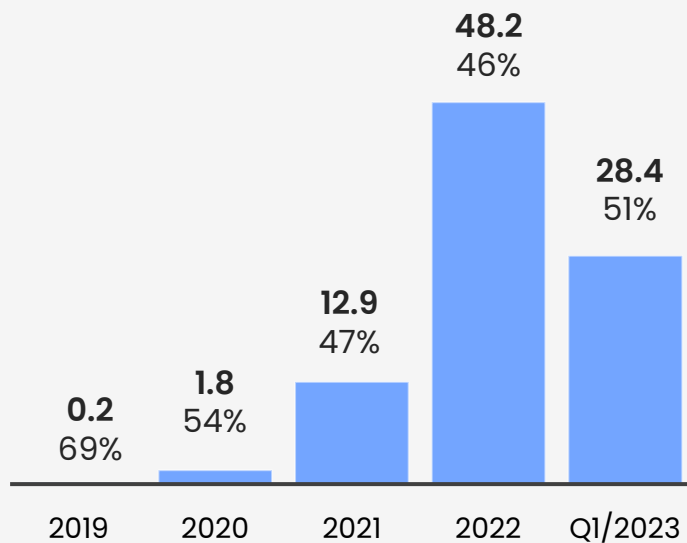
Comments

- Q1 2023 order intake growth 128% year-on-year
- At the end of Q1 2023 Order Backlog grew to EUR 124.4 million (29.1 million in Q1 2022)
- Improved lead-time in production
- Order removal EUR 5 million due to customer's financial difficulties

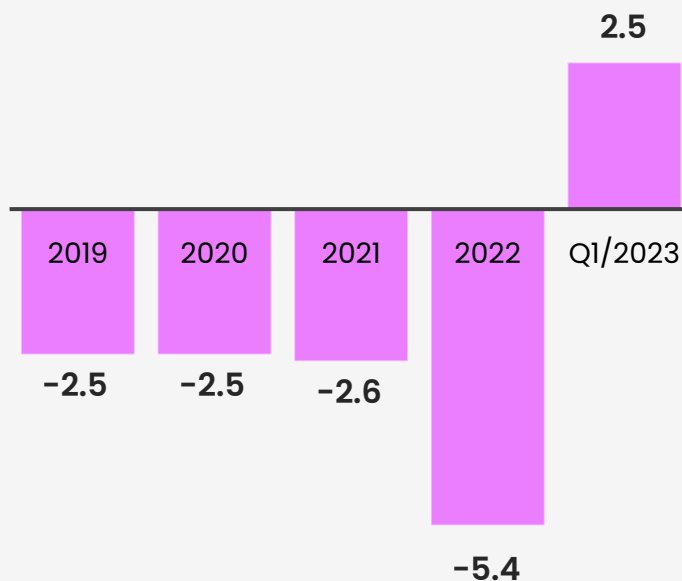


# Positive operating cash flow for the first quarter

Gross profit(EUR million)



Operating cash flow (EUR million)



Comments

- Healthy Gross profit development continued
- Operating cash flow positive EUR 2.5 million even though growth employs net working capital.

# + Kempower's new outlook for 2023

Kempower gave a positive profit warning on 14 April 2023 and raised its profit guidance for 2023.

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 2023.

Kempower expects:

- **2023 revenue**; EUR 240–270 million, assuming no major impact of foreign currency exchange rates (revenue 2022: EUR 104 million, the revenue outlook published earlier in 2023 was EUR 180–210 million)
- **2023 operative EBIT**; positive operative EBIT margin, % between 5% to 10% (the operative EBIT margin, % outlook published earlier in 2023 was a positive single digit operative EBIT margin, %)



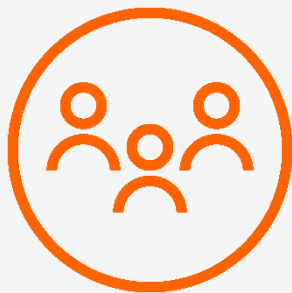


# Kempower as an investment

Excellent combination of experience, innovation and advanced technology



Rapidly growing company in an attractive market



Diversified customer base and blue-chip customer credentials



Well-positioned product offering with competitive features, compatibility with nearly all EV's



Scalable and flexible business model with limited capital expenditure needs, and efficient production



Technological knowhow and innovation heritage



Sustainability at the core of all operations



Management with strong track record and committed, skilled and engaged personnel



# 2. Surging market and customer demand







# Highlights

Faster than expected  
market growth

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Commercial vehicles  
driving customer  
demand

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North America  
accelerating growth





# Aggressive regulatory measures to speed up electrification



"Political agreement reached between the European Parliament and the Council to boost the number of publicly accessible electric recharging and hydrogen refuelling stations in particular across the European Union's main transport corridors and hubs."

*European Commission  
March 28, 2023*



"Zero emission vehicles: first 'Fit for 55' deal will end the sale of new CO<sub>2</sub> emitting cars in Europe by 2035."

*European Commission  
Oct 28, 2022*



**REUTERS**

"The Biden administration issued long-awaited final rules on its national electric vehicle charger network that require the chargers to be built in the United States immediately."

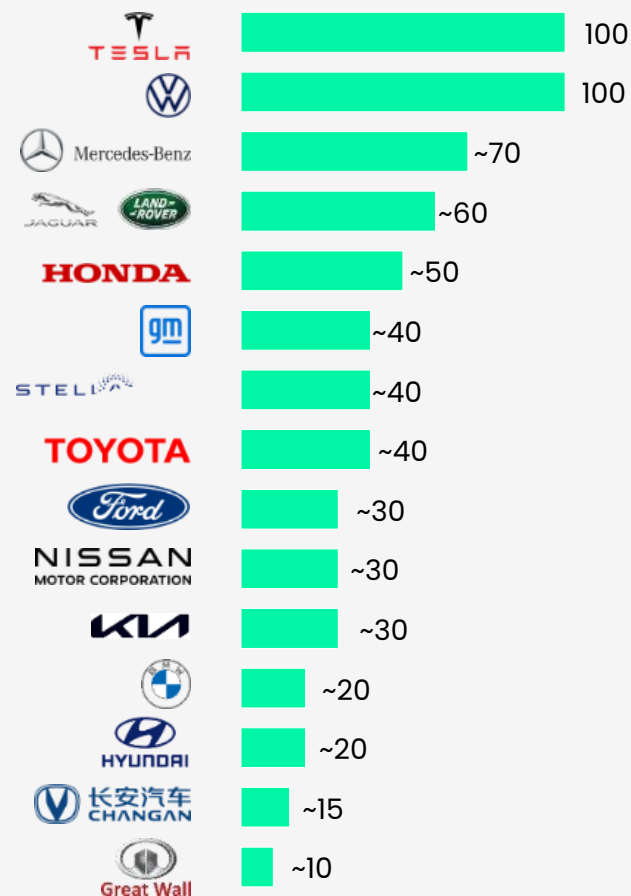
*Reuters,  
Feb 15, 2023*



# Broad support for EV adoption

Car manufacturers have announced  
US\$600bn of investment into EVs

Announced EV investments by OEM (in US\$bn)



Strong support from governments  
across Europe

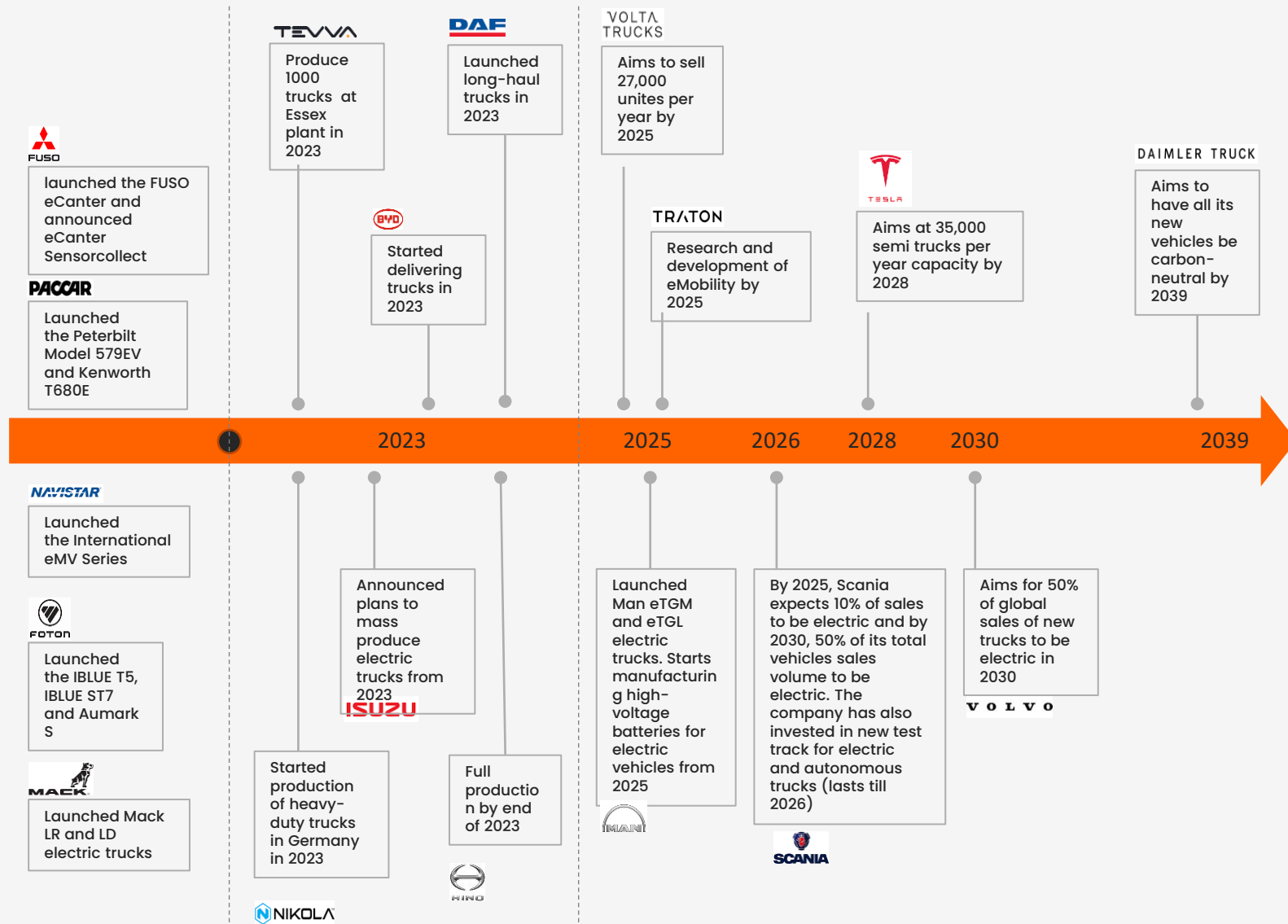
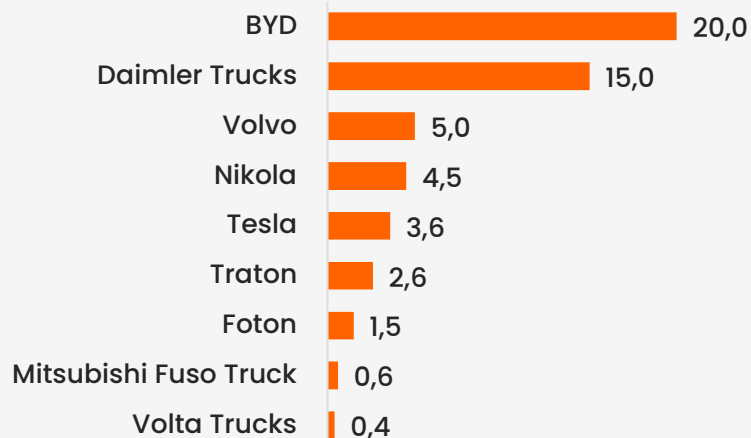
*ICE phase-out for new vehicles*





# Truck manufacturers clearly going towards electrification

Announced EV investments in (USD bn)







# USD 16 billion of capital raised in Europe and North America on building the charging networks since March 2021

Announcement Date	Company	Investor	Investment type	Amount Raised (\$mm)	
27-Feb-23	Evpass	Shell	Strategic investor	-	Q1 2023 \$2,386m
26-Feb-23	Current Trucking	Ares Infrastructure	Financial investor	250	
01-Feb-23	Powerfield	EIG / LBBW	Financial investor	546	
18-Jan-23	Volta	Shell	Strategic investor	160	
11-Jan-23	Forum Mobility	CBRE	JV	430	
05-Jan-23	Mercedes	-	Strategic investor	1,000	
20-Dec-22	Allego	Banks	Debt raise	426	H2 2022 \$4,734m
21-Oct-22	Fastned	Schroders Capital	Financial investor	73	
10-Oct-22	Zunder	Mirova (Natixis)	Financial investor	97	
28-Sep-22	-	Canada Infrastructure Bank	Government	500	
26-Sep-22	Connected Kerb	Aviva Investors	Financial investor	119	
22-Sep-22	Bump	DIF Capital Partners	Financial investor	-	
21-Sep-22	Zeplug	ICG	Financial investor	237	
13-Sep-22	TeraWatt	Vision Ridge Partners	Financial investor	1,000	
15-Aug-22	Gridserve	Infracapital	Financial investor	242	
28-Jul-22	-	BP / Iberdrola	JV	1,016	
08-Jul-22	-	Volvo / Daimler Truck / Traton	JV	509	H1 2022 \$6,830m
07-Jul-22	Raw Charging	Antin Infrastructure Partners	Financial investor	300	
06-Jul-22	EVCS	Spring Lane Capital / ABDO	Financial investor	50	
01-Jul-22	Electra	Eurazeo	Financial investor	166	
29-Jun-22	NW Storm	RGreen Invest	Financial investor	314	
28-Jun-22	Electrify America	Volkswagen / Siemens	Strategic investor	450	
15-Jun-22	Instavolt	Santander / Lloyds Bank / Investec / NIBC / Natixis	Debt raise	133	
20-May-22	Powerdot	Antin Infrastructure Partners	Financial investor	158	
27-Apr-22	Freewire	BlackRock	Financial investor	125	2021 \$2,434m
14-Feb-22	-	US Government (NEVI Funding)	Government	5,000	
01-Feb-22	Nextera Energy	BlackRock / Daimler Truck / Nextera Energy	JV	650	
24-Nov-21	Ionity	BlackRock	Financial investor	784	
24-Nov-21	Plug It	DIF Capital Partners	Financial investor	-	
18-Nov-21	TotalEnergies	-	Strategic investor	227	
02-Nov-21	Qwello	Tiger Infrastructure Partners	Financial investor	58	2021 \$2,434m
05-Aug-21	BePower	Eni	Strategic investor	894	
15-Mar-21	Motorfuel Group	-	Strategic investor	472	
Total				16,385	

Financial investment   Strategic investment   Government investment   Joint Venture

Source: Bloomberg, Company announcements, public research

Notes: \$500m to rollout of large-scale EV chargers and hydrogen refueling stations, spur the market for private investment and support economic opportunities



# Changing market dynamics impacting customer expectations

## Market growing faster than expected

- The DC charging market is growing faster than expected.
- Commercial vehicles are expected to become the largest market segment by 2030.

## Market spreads to multiple domains

- Market growth is expanding from private car charging to commercial vehicle charging, creating a whole new market opportunity.

## Various customer expectations and charging use cases

- Customer expectations vary, creating numerous use cases that need to be met.
- Customer needs ranging from a few chargers to thousands (from a few EUR 100,000 to EUR 10M+).



# DC charging market to reach EUR 14 billion by 2030





Total market opportunity

## EUR 14 billion

**Europe**

## EUR 7.6 billion





50 million EVs by 2030

	<b>44</b> million BEVs		TWh 185		<b>500,000</b> eTrucks		TWh 100
	<b>5</b> million eVans		TWh 42		<b>250,000</b> eBuses		TWh 30

**North America**

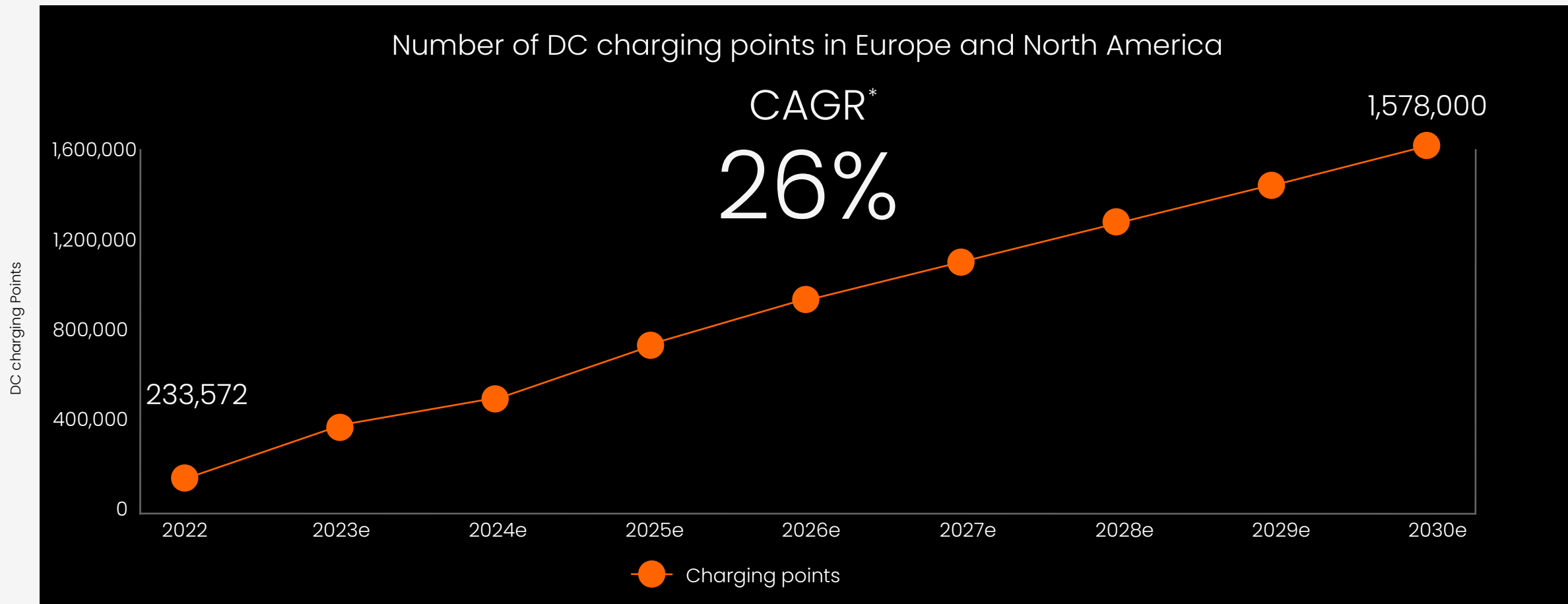
## EUR 6.5 billion

40 million EVs by 2030

	<b>36</b> million BEVs		TWh 151		<b>600,000</b> eTrucks		TWh 193
	<b>4</b> million eVans		TWh 34		<b>200,000</b> eBuses		TWh 24



# DC charging points are driving growth



**Figure.** Market studies estimate approximately 200,000 charging points to be added yearly, annual equipment sales.

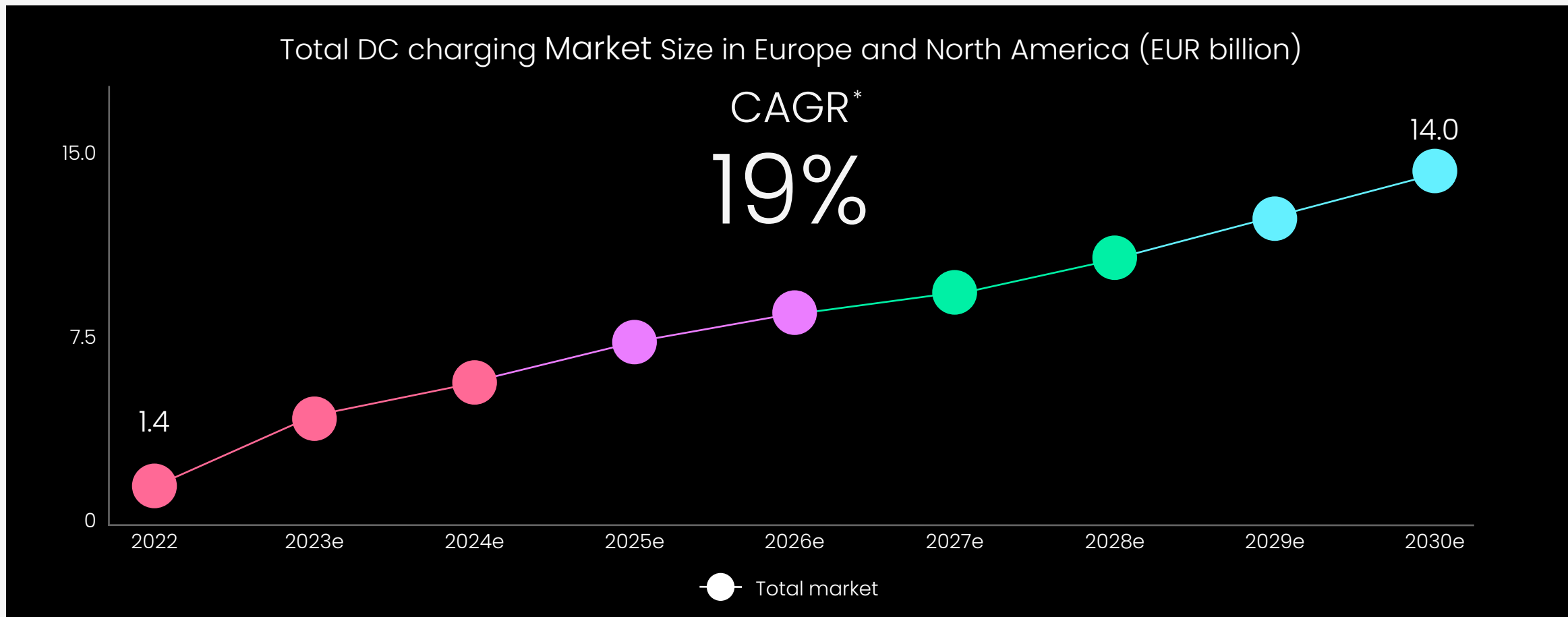
\* CAGR 2023-2030

Source: Kempower Market research



# The market growth

- Market value is growing at 19 % CAGR
- DC charging points are growing faster, up to 26 %



**Figure.** Market studies estimates market size growth 19.3% The growth will probably not be linear. Market model assumes price erosion for the forecast period.

\* CAGR 2023-2030

Source: Kempower Market research, ACEA



# Key customer groups

DC charging will be divided to two focus markets and three customer groups

Market

Private Cars

Commercial Vehicles (trucks, vans, buses)

Customer group

## Public Charging Operators

- Charge Point operators are providing charging for the end-customers: the EV drivers.
- Charging is often the main business for the Charge Point Operators.
- Charge Point Operators are strong in private car charging and will expand to commercial vehicle charging (truck stops etc).

## Original Equipment Manufacturers

- For Kempower OEMs are a customer group offering chargers together with their own product e.g. Epiroc and Scania
- Truck manufacturing play an important role for the early days of truck charging
- Off-highway sale focus on the OEM customer group in the short-term.

## Fleet Operators

- Fleets are typically commercial vehicles, mainly buses and trucks, but also, for example, rental cars.
- Public transportation operators tend to build their own depot charging networks.
- Truck fleets may build their own overnight depots, but charging at logistic centres and on-the-route charging will also play a big role.

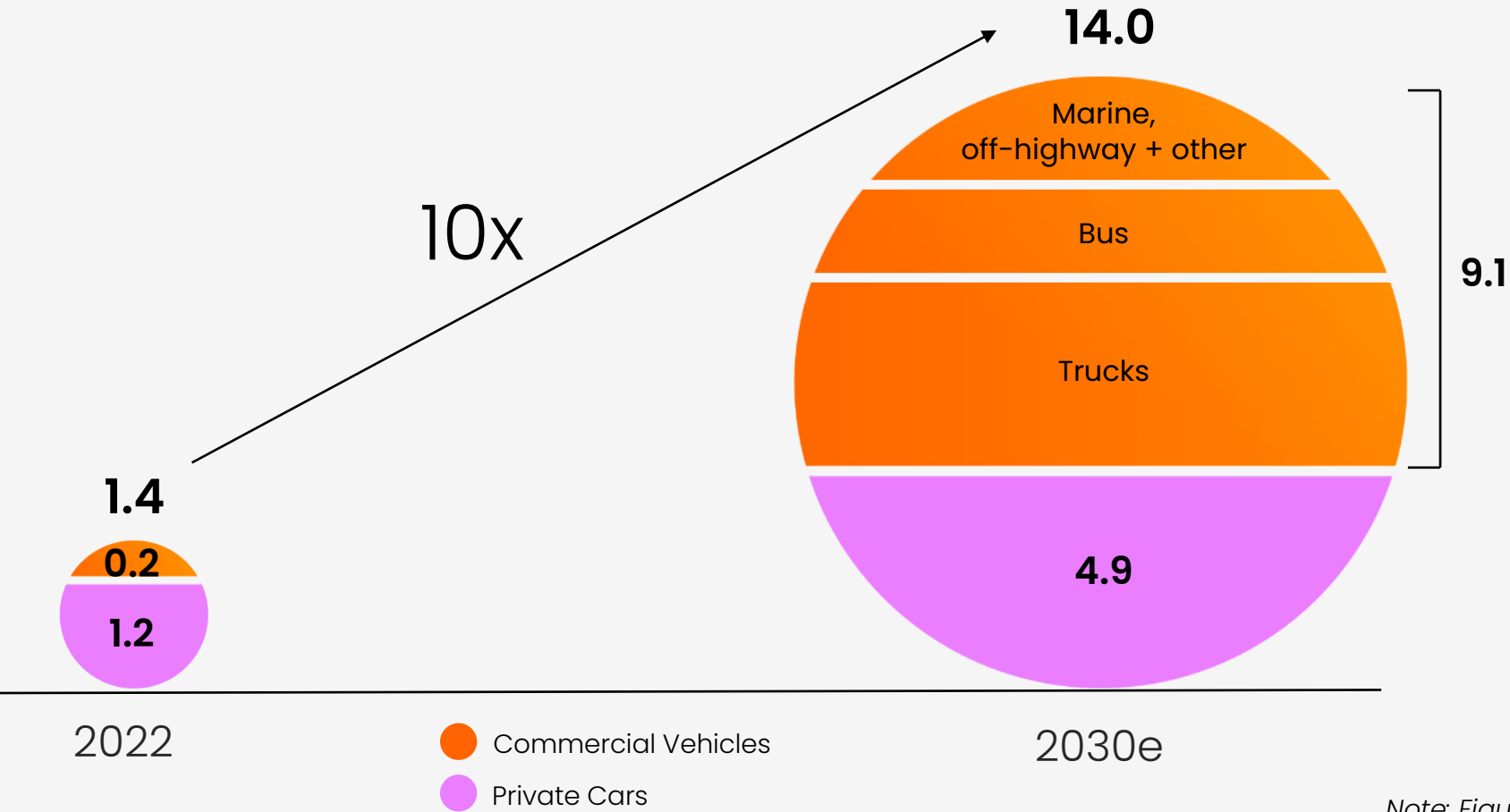
Off-highway is considered mainly a future market opportunity





# Commercial vehicles to become largest DC charging segment by 2030 in Europe and North America

DC charging market, EUR billion

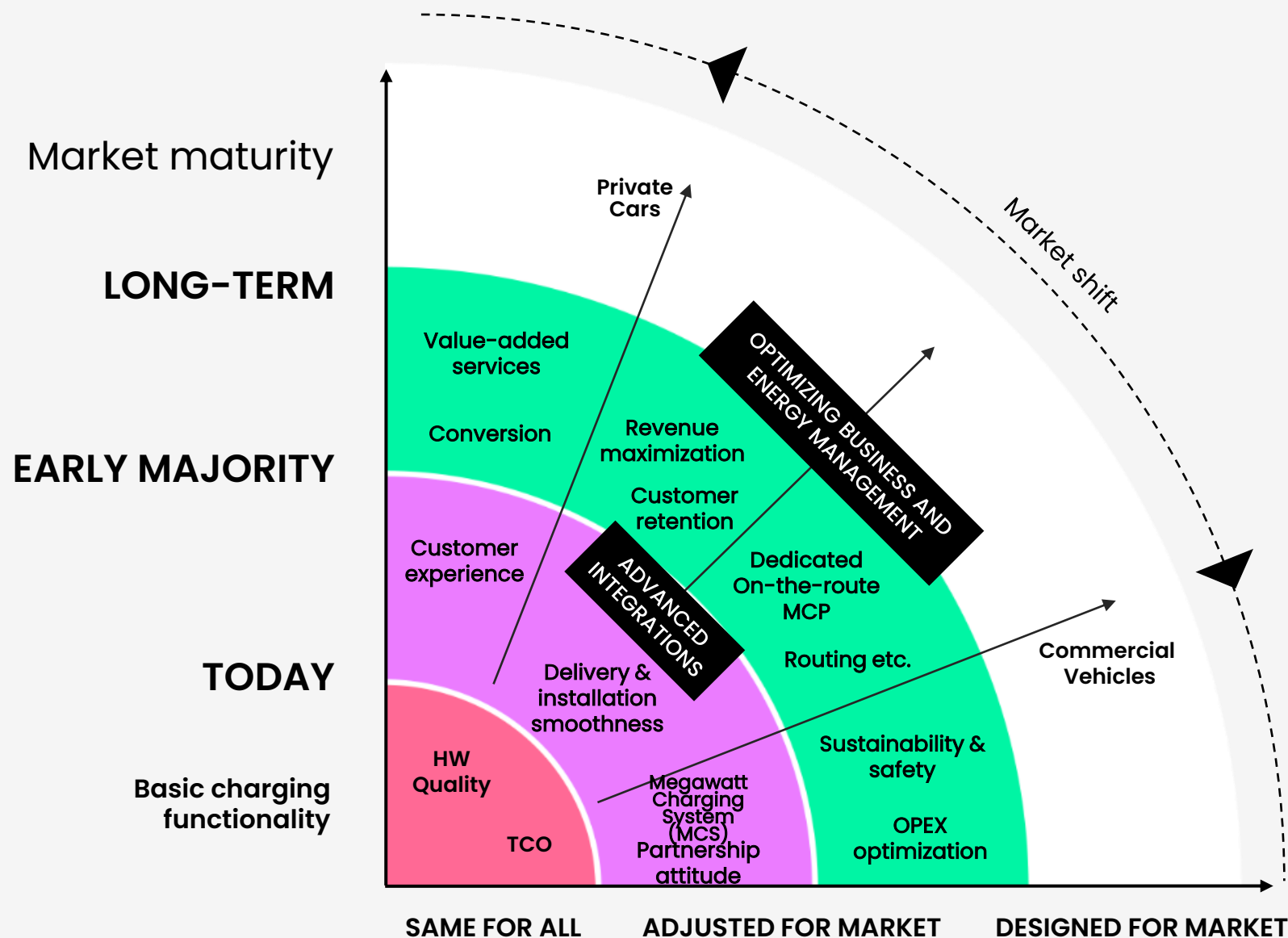


Source: Kempower Market research

Note: Figures include Europe and North America combined, hardware sales only.



# Towards a complete solution





Case Private Cars

# Revolutionizing UK's EV charging infrastructure

Kempower's fast charging technology will be rolled out by **Osprey Charging** across the UK.

Osprey Charging's rollout will see **over 150 high-powered EV charging hubs** open across the UK over the next four years.

Each hub will host **up to 12 Kempower fast charging points**, totaling 1,500 units nationwide.

Osprey launched its first **accessibly designed** fast charging hub at Marston's Paisley Pear pub and restaurant in Brackley, UK, in August 2022.





Case electric trucks

# Fast-charging technology for Sweden's largest e-truck charging station

Kempower delivered fast charging technology to Scania for the Swedish transportation and logistics company **Falkenklev Logistik's** new electric truck depot in Malmö, Sweden.

Includes **Kempower Satellite** fast charging system (1.6MW) and the **Kempower ChargeEye** cloud-based charging management.

Falkenklev has agreed to make the charging stations **publicly available for daytime charging**. Night-time charging is for the haulier's own trucks.







Case electric buses

# Powering the largest electric bus depot in the nordics

Kempower delivered DC fast charging technology to GodEnergi A/S for Tide Bus' new electric bus depot in Aalborg, Denmark.

GodEnergi A/S has installed 124 Kempower Satellites at the depot, which are connected to 18 Kempower Power Units.

The Aalborg bus depot has fast charging technology for 121 buses, and is the biggest electric bus depot in the Nordic countries.

The bus depot was opened in August 2022.





# Market presentation: Key takeaways

1.



The market is growing rapidly and will total up to **EUR 14 billion** in Europe and North America by 2030.

2.



**European** and **North American** markets will be similar in size.

3.



Market is divided between **private car** and **commercial vehicle** charging.

4.



**Truck charging** is expected to grow rapidly.

5.



The market estimates include only equipment. **Services** have additional potential.





# 3. Cutting edge DC charging technology



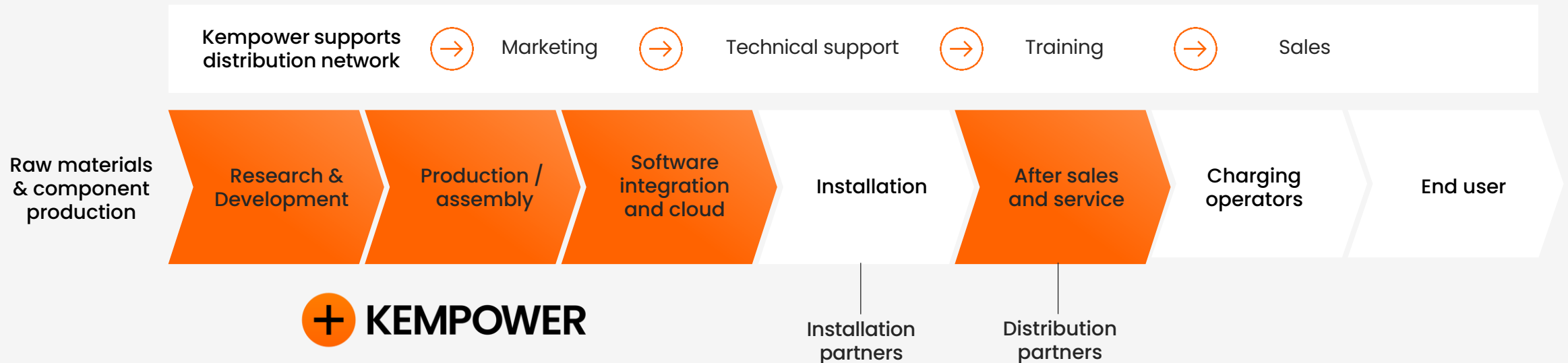




# Capturing the most value-adding parts of the value chain

## COMPETITIVE EDGE

- User experience and charging flow
- Modular technology allows for cost-efficient and scalable assembly
- Technological innovations such as dynamic power sharing
- Know-how and IP on embedded software and charging control





# Committed and reliable partner

Kempower ChargeEye



User-friendly Kempower  
Satellites 25-400 kW

Dynamic power sharing

Modular  
power source



1-12x



Scalable charging  
power unit

Reliability

User-friendly  
solutions

Dynamic power  
distribution

Data solutions &  
software

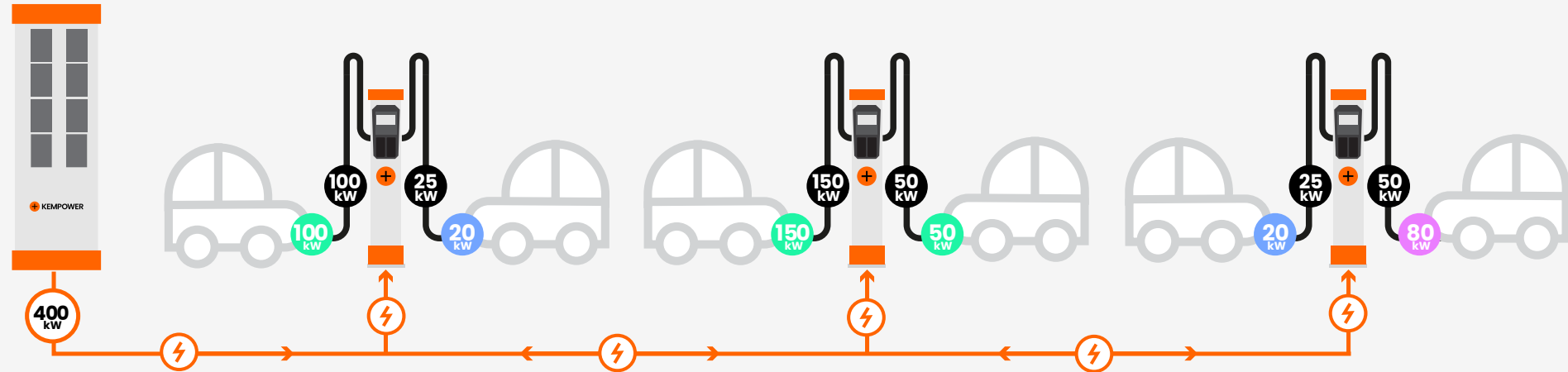
Seamless system  
integrations

Expert & convenient  
service

Ongoing development  
based on data

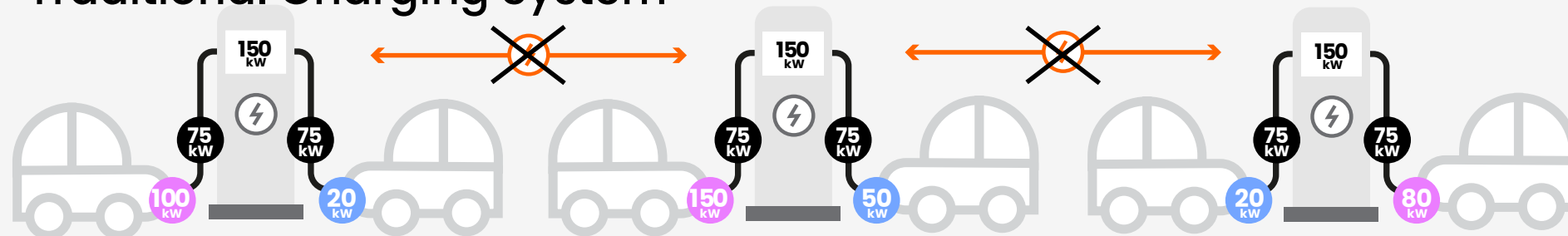
# + Advantages compared to traditional DC charging

Kempower Charging System: more power, less idle time, small grid connection



→ **390 kW** of charging can be delivered from a 400 kW power module, leaving **10 kW idle power**

## Traditional Charging System



→ **315 kW** of charging can be delivered from three 150 kW power modules (450 kW total), leaving **135 kW idle power**

● EV getting the max capacity of kW

● EV getting less kW than max capacity

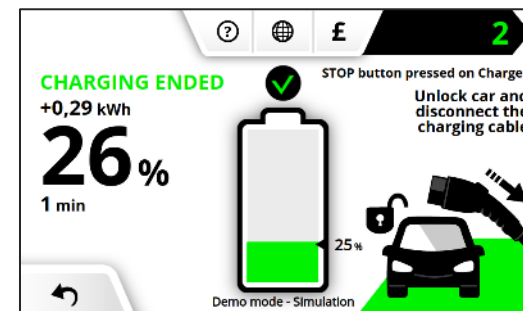
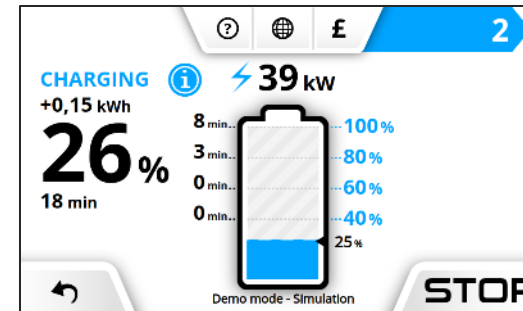
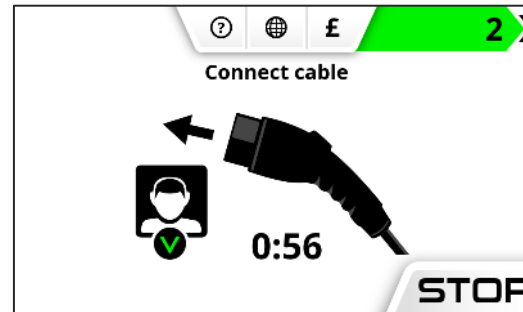
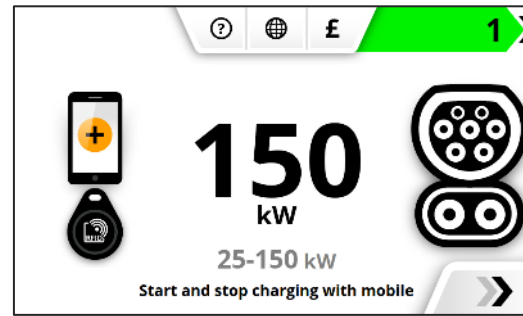
● EV's reserving more power than being able to use



# State of the art charging management system

Kempower ChargeEye is an advanced cloud-based Charging Management System that integrates charging hardware into customer's business.

- End-user experience fully integrated into customer's brand and service portfolio
- Advanced optimization of power and energy costs in overnight fleet charging
- Intelligent asset management for CPOs and service partners



## SESSION

BMW i4 M50 80.7 KWH +35.9kWh  
25.03.2023 20:32 4

max. 207 kW, +194 km  
Vehicle limits

ENDED

## SESSION TIMELINE

16 min

25.03.2023

- 20:32 **Session started**  
User presented RFID card [BMW i4 M50 80.7 kWh]
- 20:33 **Cable connected**  
After 9 seconds
- 20:33 **Charging started**  
13 %
- 20:48 **Charging ended**  
13 % ► 55 %, +35.9 kWh  
STOP button pressed on Charger
- 20:48 **EV unplugged**

## POWER GRAPH

## DETAILS



**“Before Kempower ChargeEye,  
we hired staff to stop and  
start charging at the right time  
in the evening to avoid  
energy costs”**

**–Keolis Sweden**





# Robust solution pipeline

## Plug & Charge

Plug and Charge allows **automated communication and billing processes** between the electric vehicle and the charging station without any need for RFID cards or charging apps while ensuring high IT security at the same time. The International Organization for Standardization (ISO) has defined the necessary interfaces in the ISO standard 15118.

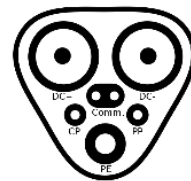


## Eichrecht

**Eichrecht is a German calibration law that requires all components involved in the collection and processing of energy to operate in a trustworthy and transparent way.** The aim of Eichrecht is to protect electricity consumers, including those who charge their EVs at stations across Germany.

## MCS

Kempower Megawatt Charging with multimodality To satisfy the market **demand of the Truck and Bus industry to charge electric heavy-duty vehicles within a reasonable time**, a new solution for high-power charging is needed.



MCS = Megawatt Charging System

## SiC

**Next generation Charger utilizing Silicon Carbide semiconductors with V2G support.**

Since there is less energy to dissipate, a SiC device can switch at higher frequencies and improve efficiency. The higher efficiency, smaller size and lower weight of SiC can create a higher-rated solution or a smaller design with reduced cooling requirements.

SiC = Silicon Carbide



# Technology presentation:

## Key takeaways

1.



Kempower charging solutions are flexible & modular, and able to serve different customer needs.

2.



All solutions include the same main system, allowing for scalability without new production facilities or sites.

3.



All products within the charging solution are fully compatible with each other.

4.



Unique Kempower ChargeEye software with data for depots and remote maintenance.

5.



Kempower solutions are user friendly with good reputation.










# 4. Scalable delivery capability





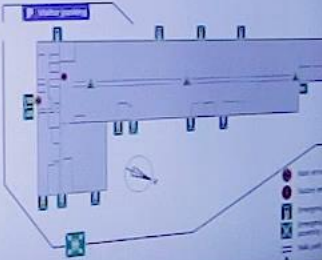
### GENERAL SAFETY RULES FOR VISITORS

-  Listen to the instructions given by your host
-  Wear the high-visibility vest given by your host
-  Stay with your host
-  Do not touch the production equipment or material
-  No photography or video recording allowed
-  In case of an emergency, follow the instructions provided by your host
-  Smoking is allowed only in the specific areas

**CAUTION!**  
Forklifts operating in this area

Stay within the marked lines

Observe the signs in the factory





# Scalable business model enabling rapid growth

Customer driven  
asset light business model



**Precise product  
management**



**Modular product  
design**



**Secured material flow  
from dual-sourcing**



**Standardization /  
Mass customization**



**Quickly scalable make  
or buy production  
model**

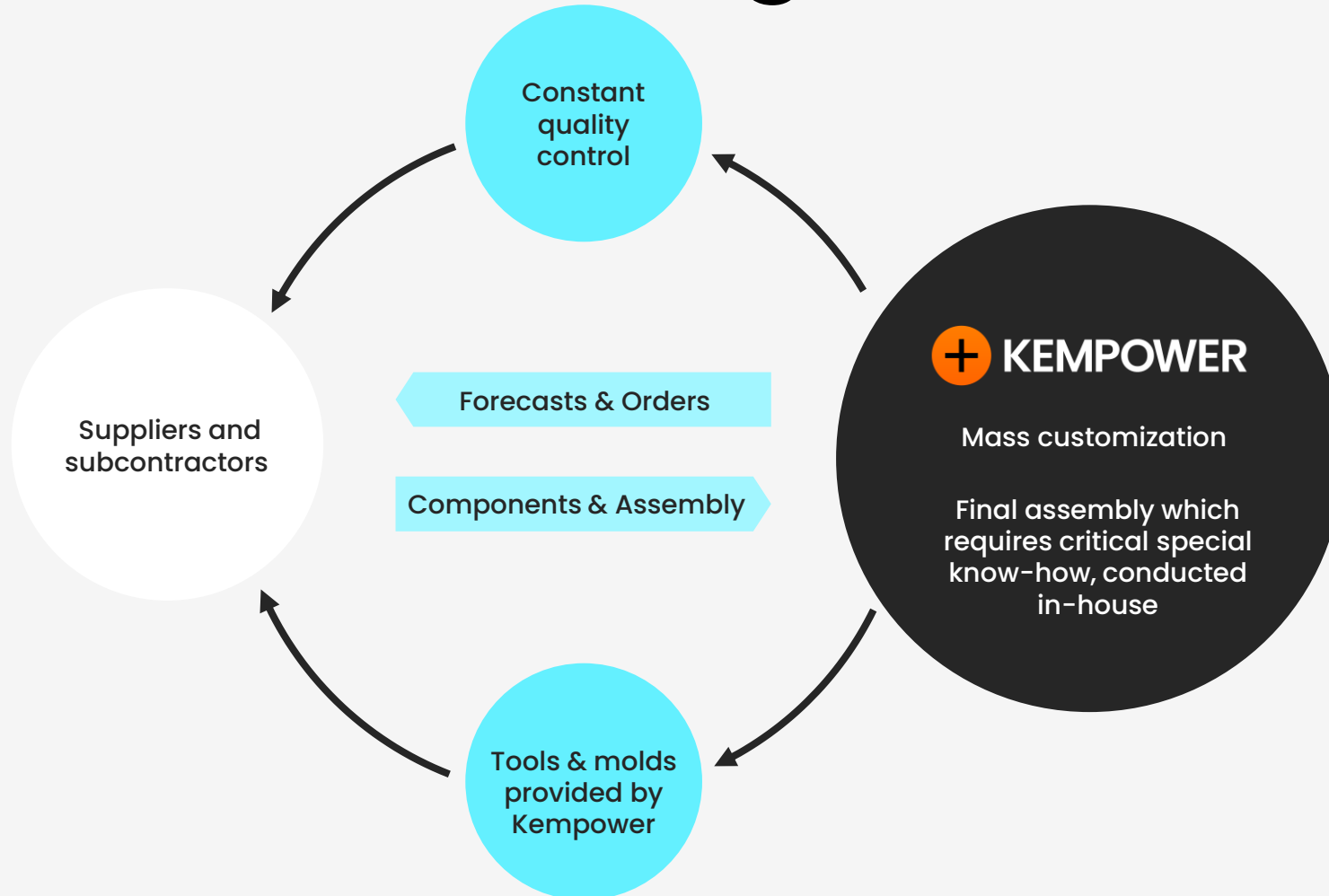


**Outsourced  
Installation  
and maintenance**





# Scalable operating platform through outsourcing



	Low capex requirements
	Flexibility
	Scalability
	Inventory with production buffer
	Dual-sourcing principle
	Sustainability in operations

Local supply chains supported by global sourcing



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

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

## Europe

- 14,000 m2 facilities in Finland with continuous production improvements
- reviewing different alternatives to increase the production capacity
- new capacity expected to be in use between 2024 and 2025

## North America

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

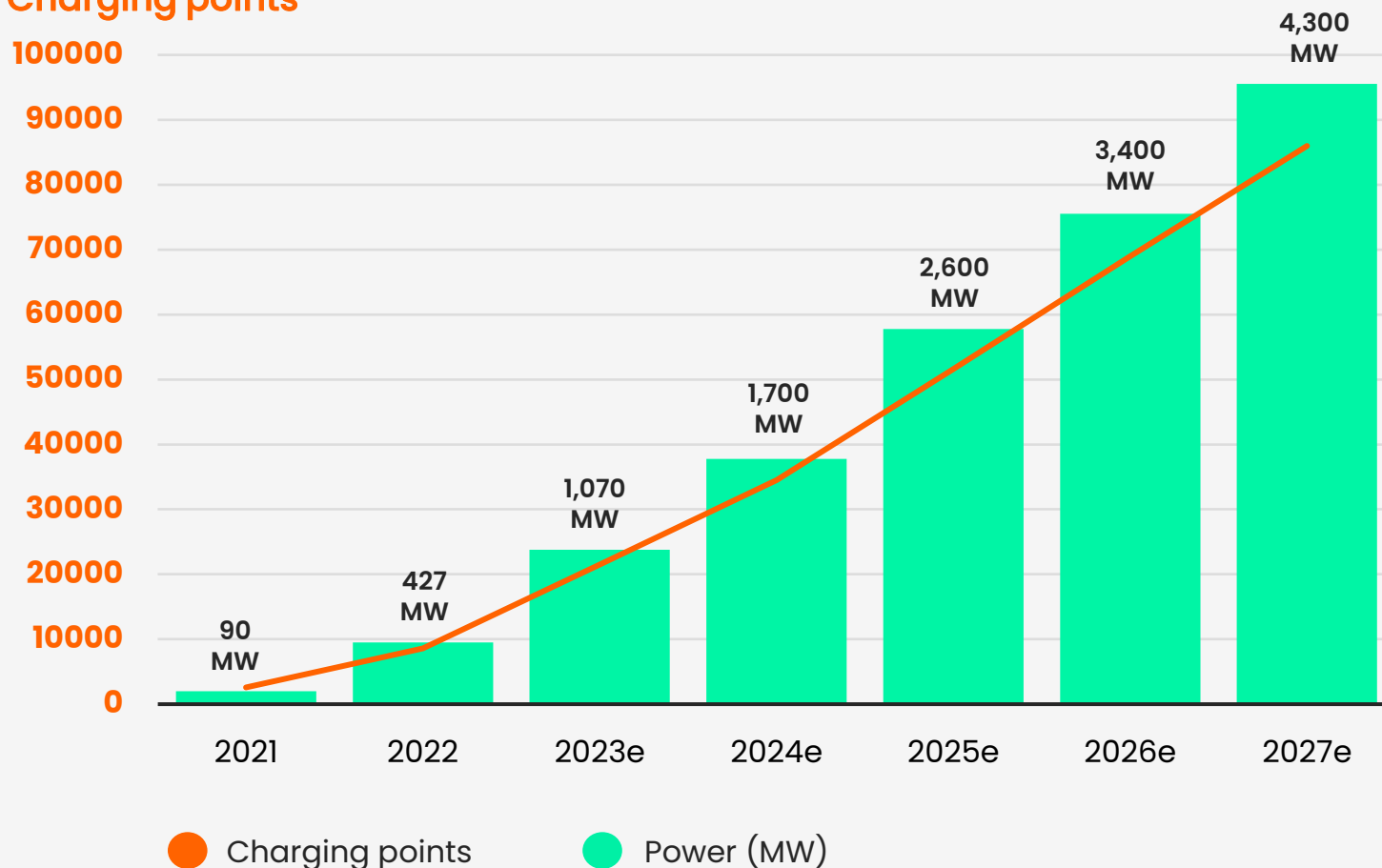


# Scalable global production capacity

Production capacity ramp-up, subject to demand

Comments

Charging points



Capacity plan includes facilities, supply chain, people and continuous improvement.

Delivery capacity plan is not the sales forecast but our enabler for fulfilling the demand and reaching our financial targets.

Capacity plan is not fixed but will be adjusted according the customer demand



# Delivery capability presentation: Key takeaways

1.



## **Rapid scalability**

In-house  
production vs.  
sub-contracting.

2.



## **Maintain flexibility**

Seamless  
co-operation with  
product design and  
manufacturing.

3.



## **Global operational excellence model**

Local supply chains  
supported by  
global sourcing.

4.



## **Sustainability**

drives  
daily  
decision-making.





# 5. North America accelerating the growth

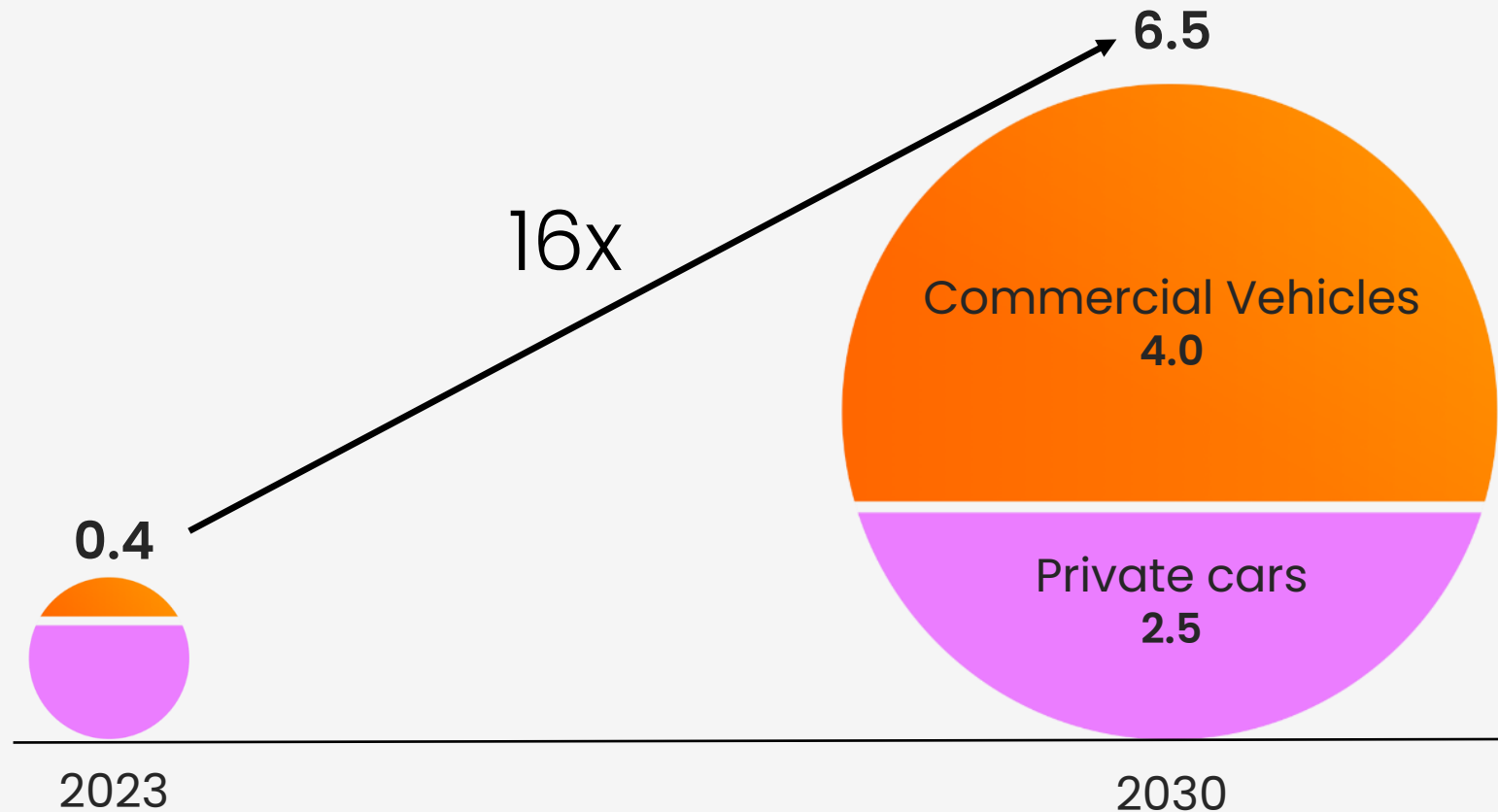






# North America will become the world's fastest-growing EV charging market

North American DC charging market EUR billion



# Significant incentives are available through the US regulatory actions started in 2023

## Buy American Act

- US-made products preferred in purchasing
- Up to 55% of the Bill Of Material (BOM) value produced in the US by 2024
- Implication is that CPO's are likely to buy compliant hardware to qualify for NEVI

## NEVI\* Program

- Support the build up of EV infrastructure
- US 7.5 billion funding for states to develop and deploy EV infrastructure
- Increasing requirements for hardware manufacturers for local content to qualify for bidding

## Inflation Reduction Act

- USD 1 trillion program to curb and reduce deficit, lower prices and invest into green domestic energy production
- Will accelerate EV adoption in the US through tax credits and funding for EV trucks and US post

\* NEVI= National Vehicle Infrastructure Act in the US

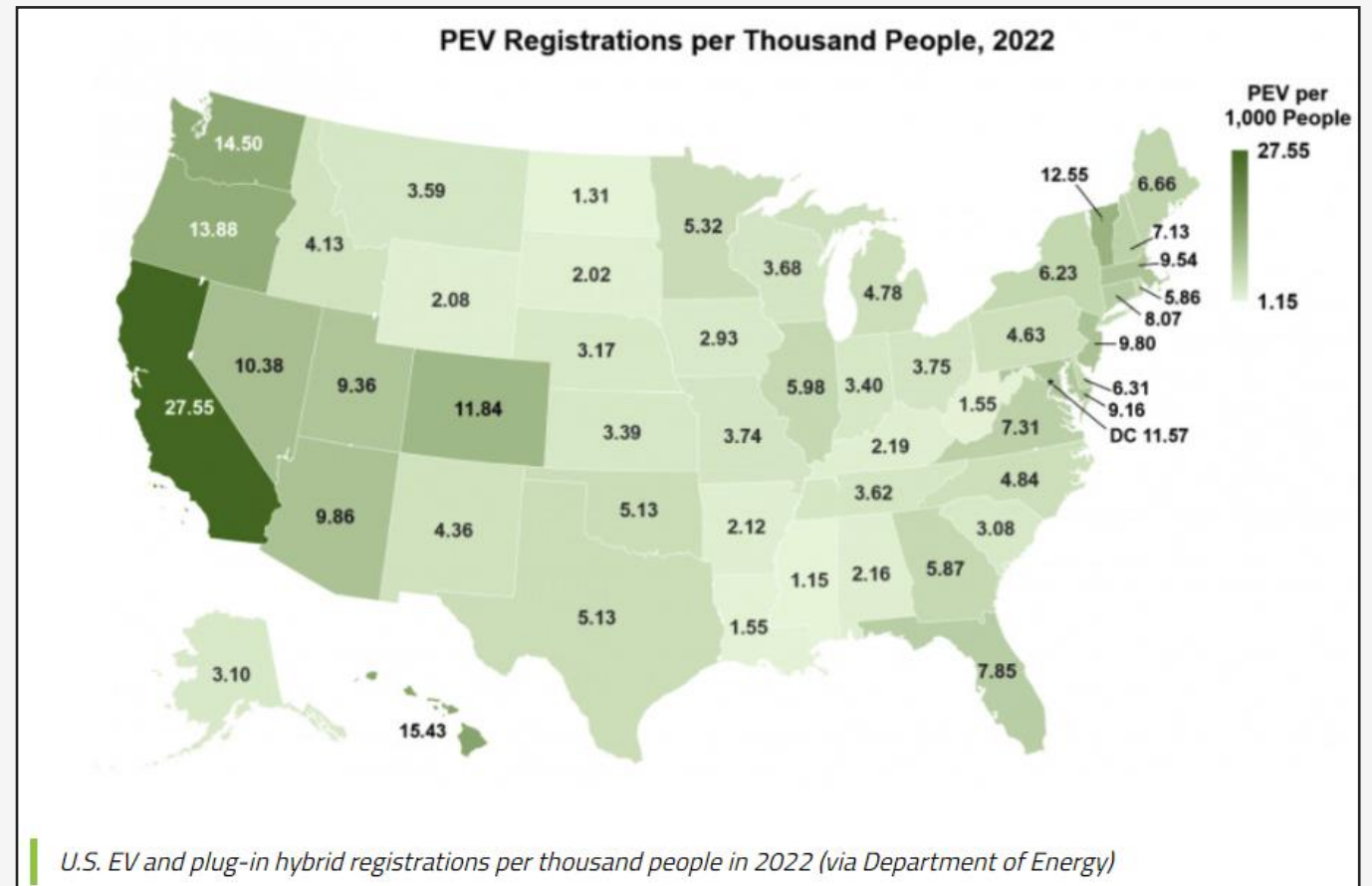


# California is the forerunner in electrification

In the US the following states were leading with plug-in car registrations in 2022:

- California
- Hawaii
- Washington
- Oregon
- District of Columbia
- Vermont
- Colorado
- Nevada

BEV registrations in United States increased to 5.6 percent of light-vehicle registrations in 2022, compared to 3.1 percent in 2021



\* Source: Automotive news



# Why did we choose Durham in North Carolina?

Kempower chose Durham as the location for the new EV charging production site in the USA after careful evaluation

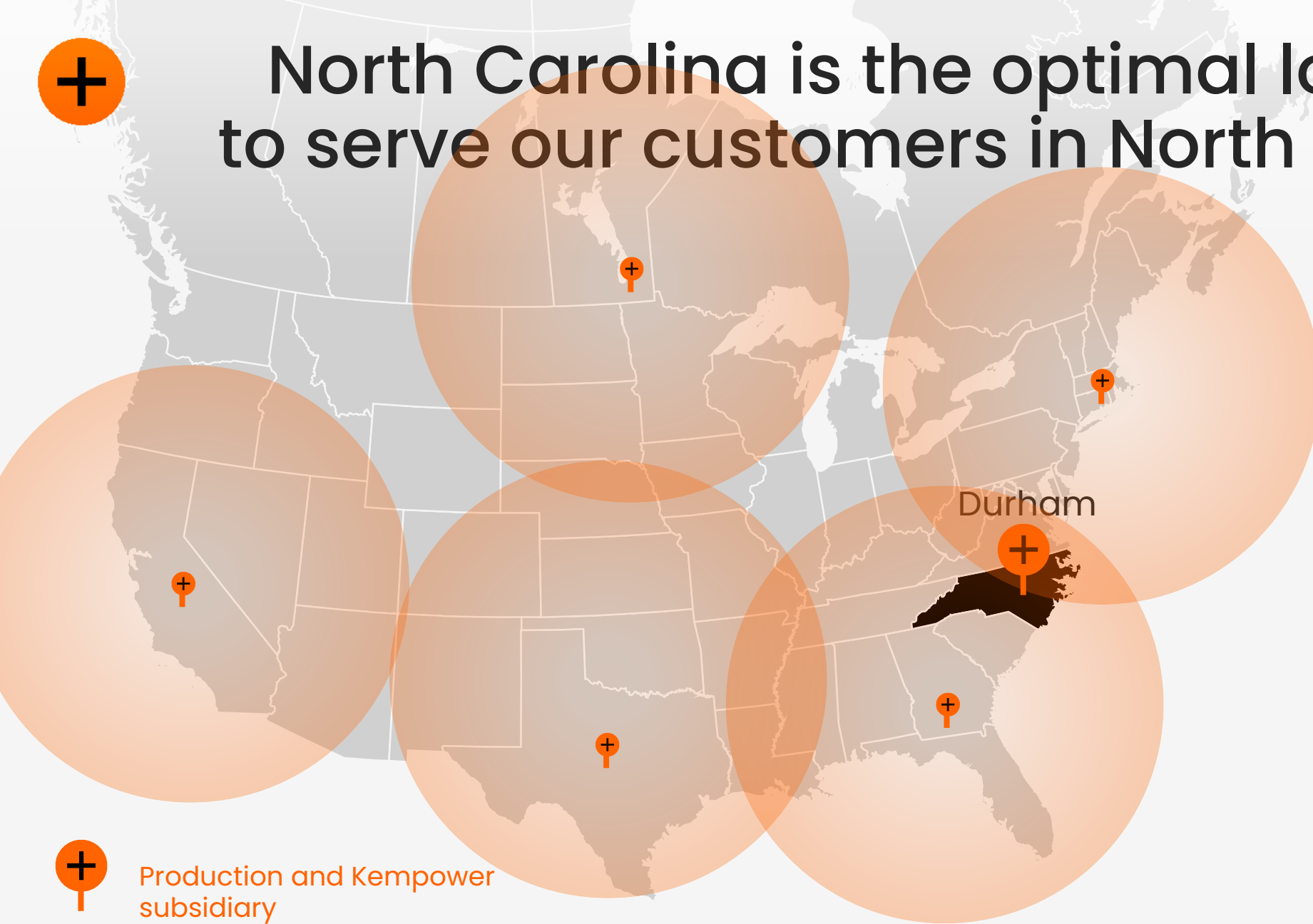
**The selection was based on for example:**

- level of local supply chain
- cleantech hub
- top universities
- state incentives
- ESG values
- time zone
- talent pool
- attractive region for professionals





# North Carolina is the optimal location to serve our customers in North America



## Our Channels

- Regional sales organizations
- Global key account managers
- Sales partner network





# North Carolina production facility

The new facility is in **Durham, North Carolina** with more than 154,000 square feet (around 14,000 square meters) of space.

In the first phase, Kempower scales up the local assembly to produce **NEVI-compliant Kempower charging systems**.

Kempower has a planned project investment of approx. **USD 40 million** during the next five years and will create around **300 new jobs** in the area in the medium-term.





# This is how we will grow in North America

## Schedule

- Market certifications already completed
- First customer deliveries ongoing from Europe
- Organization ramp up ongoing
- Manufacturing up and running by the end of 2023

## Products

- Existing offering portfolio is a good fit for the North American market
- Local engineering resources for market adaptation

## Go-to-market

- Following European success story
- Forming structures in the new market
- Truck charging in significant role

## Operational excellence

- Establishing existing operating model
- Local supply chain supported by global sourcing



# North America presentation: Key takeaways

1.



North America will  
become the  
fastest growing  
EV charging  
market.

2.



Following European  
success story.

3.



North Carolina is an  
optimal location  
for Kempower.

4.

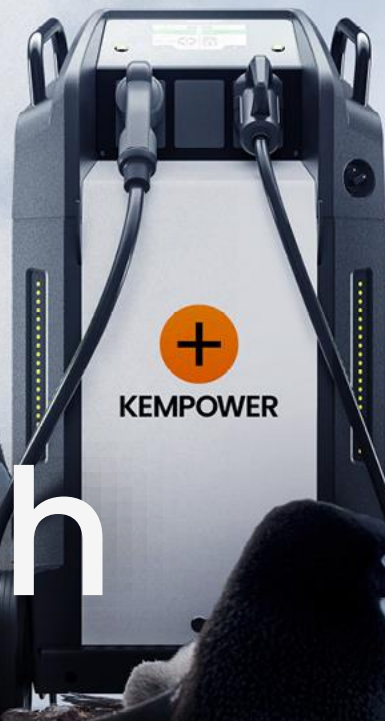


Our manufacturing  
facility will be the  
same size as the  
current Lahti  
factories.





# 6. Updated growth strategy and financial targets







# This is what our strategy update is all about

1.



Focus: Private car and commercial vehicles charging.

2.



Full solution delivery capabilities.

3.



All main continents established.

4.



Software and services business build-up.

5.



People and competences development.



# Dedicated and reliable EV charging solution partner

TOP 5 PLAYER IN EUROPE AND NORTH AMERICA BY 2030

## Europe

*Top position in the Nordics  
and increasing market  
share in the Rest of Europe*

## North America

*Rapidly growing market,  
entry in 2023*

## Rest of the World

*Business development stage  
to screen key markets\*\**

*\*\* currently sales via distribution partners, excluding  
China, Russia and Belarus*



# Kempower's new financial targets

## Financial targets

### Growth

- revenue of **EUR 750 million** in the medium term (years 2026-2028)

### Profitability

- operative EBIT margin of **10 percent** to **15 percent** reached in the medium term (years 2026-2028) and operative EBIT margin of at least **15 percent** in the long term

## Dividend policy

### Dividend

- Short term: no dividends

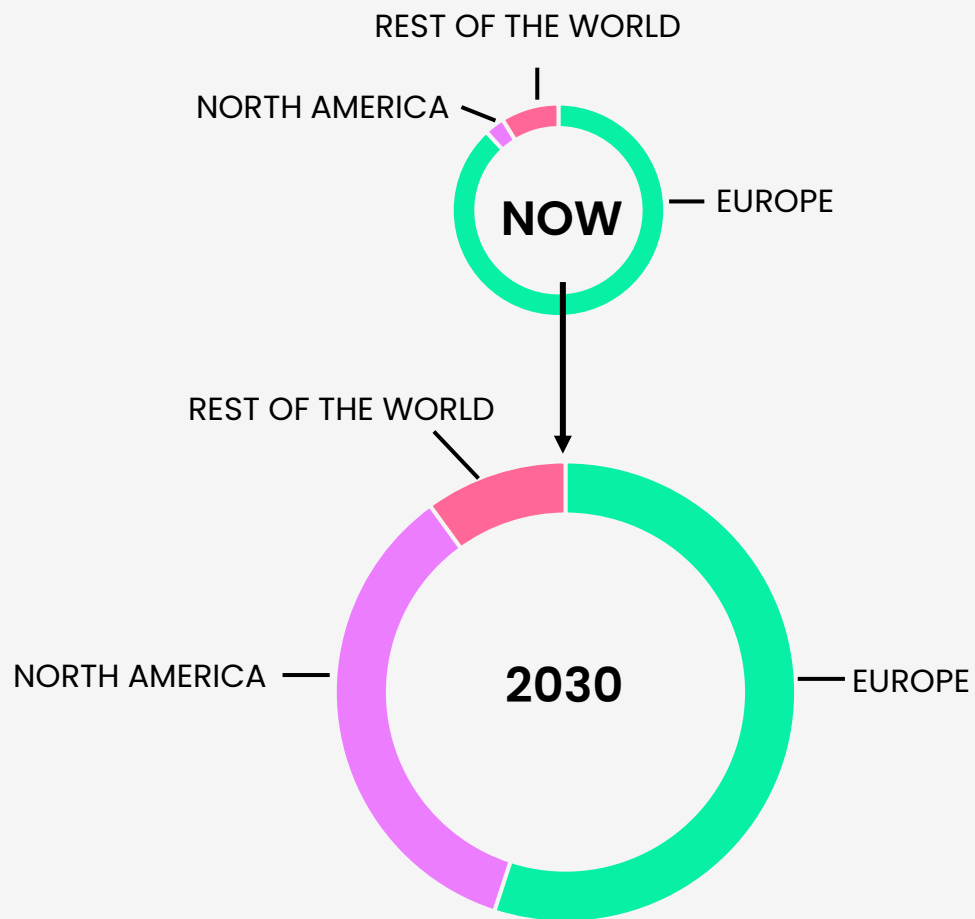
1) Operative EBIT = EBIT – items affecting comparability of operating profit/loss (items can arise from, e.g. external advisory costs related to capital reorganization & strategic projects)



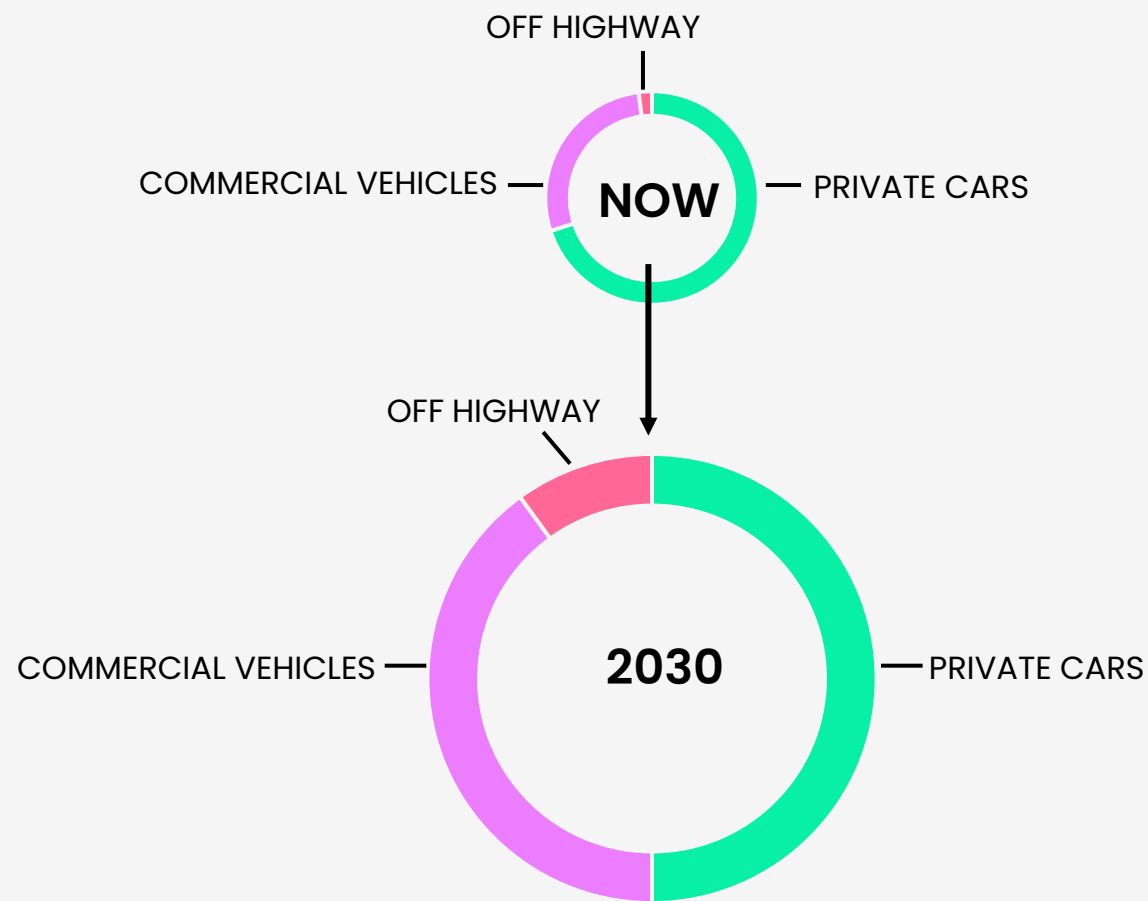
# Our ambition

is to be top 5 player in DC charging in selected markets and geographies

Kempower revenue by geography



Kempower revenue by charging application





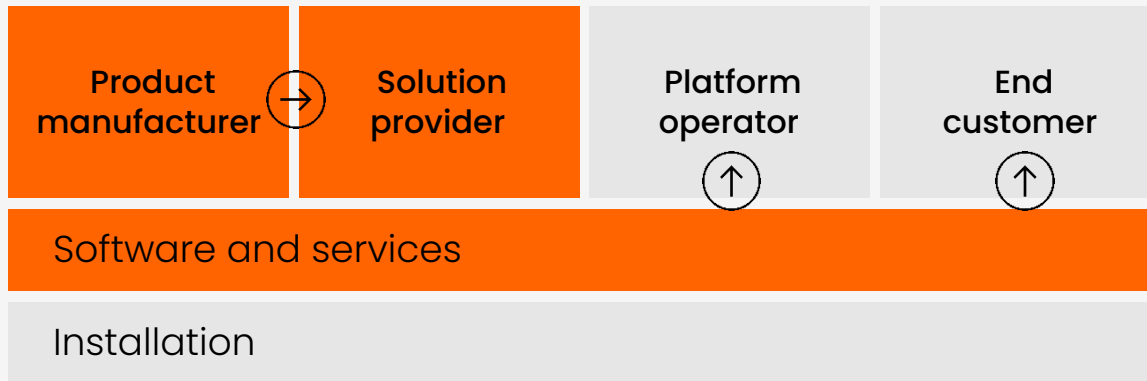


# Kempower positioning

Customers are looking for electric mobility charging partner

## Value chain position

Dedicated and reliable Charging Solution provider



## Offering position

Full solution integrated to customers' business processes



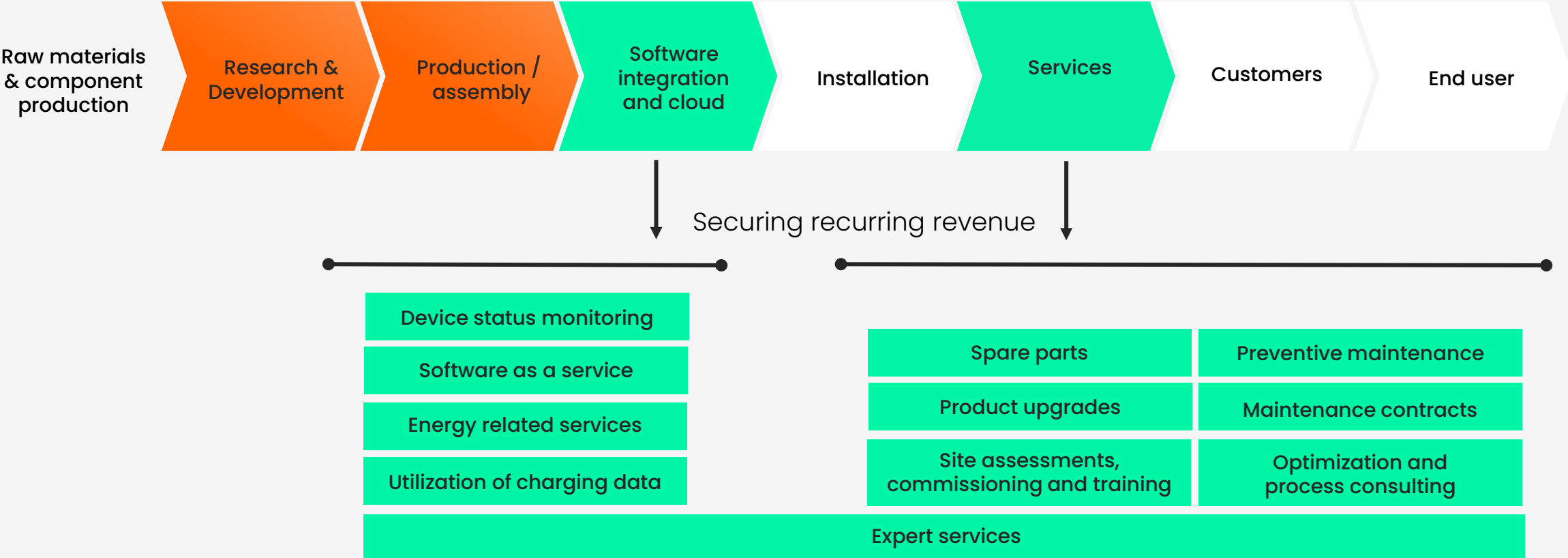
Kempower's primary roles



Desired directions for value chain shifts / position strengthening



# Services offering becoming an important part of the overall solution

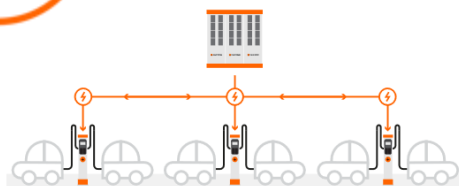




# Our vision: Use cases for private cars

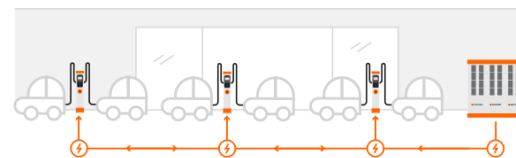


## Overnight Street parking



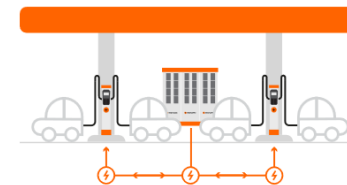
- ⌚ Charging availability: 6-8h
- ⚡ 25-50 kW
- 🔌 CCS

## Destination Supermarkets Restaurants



- ⌚ Charging availability: 30min-2h
- ⚡ 25-100 kW
- 🔌 CCS

## On-The-Move Highway stops Urban hubs



- ⌚ Charging availability: 10-30 min
- ⚡ 100-400 kW
- 🔌 CCS

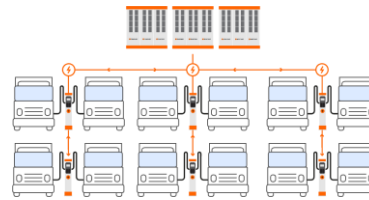


# Our vision: Use cases for commercial vehicles



## Overnight

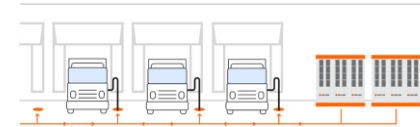
Depots, Truck Stops



- ⌚ Charging availability: 6-8h
- ⚡ 50-100kW
- 🔌 CCS

## Destination

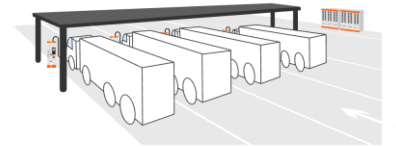
Warehouses,  
Distribution Centers



- ⌚ Charging availability: 30min-2h
- ⚡ 150-350kW
- 🔌 CCS

## On- The- Move

Urban Nodes,  
Highways



- ⌚ Charging availability: 45min
- ⚡ 500-1200kW
- 🔌 CCS & MCS





# Strategy execution

Identified development areas in people and competences for successful strategy execution



**Agile organization adapted for fast growth mindset**



**Best practices and knowledge sharing**



**Innovation and customer understanding in each team**



**Competences and skills development & recruitment**



**Career and incentive models**





# Kempower setting the standard for business sustainability

**Talouselämä**

"100% of Kempower's revenue and 100% of capital expenditure are in line with the EU taxonomy. Few large Finnish companies meet the EU's new criteria for sustainable financing, or EU taxonomy, according to a Danske Bank report. Kempower gets full marks in this comparison."

*Talouselämä, April 2023*



"Kempower receives Green Equity Designation from Nasdaq. According to an assessment carried out by CICERO Green, in 2021 100% of Kempower's revenue and 100% of investments (CAPEX) are shaded Dark Green."

*Nasdaq Sep 1, 2022*



"Kempower's activities are fully aligned with the EU Taxonomy Regulation. All its activities substantially contribute to climate change mitigation. Based on the current evaluation, Kempower activities do not cause any significant harm to any of the other environmental objectives, and the social safeguards in place are in line with the taxonomy." *EU Taxonomy Regulation (EU) 2020/852 criteria*



# Value creation Our impacts

## SOCIAL



Accessible, safe and remotely  
controllable charging units

Engaged and motivated  
employees

Better air quality

## ENVIRONMENTAL



-86% emissions/100 km from fully  
electric passenger car in traffic  
compared to ICE passenger cars\*

390 MWh charging energy to  
end customers daily

Circular design:  
Reusable components

100% Carbon free electricity used in  
the main factory

## ECONOMIC



Corporate income taxes

Wages, salaries, other  
employment expenses and  
pensions EUR 22 million in  
2022

\* Based on the data provided by The Finnish Transport and Communications Agency Traficom



# Strategy and concluding remarks

## Market demand and strategic choices

- Market potential estimate for DC charging equipment totalling **EUR 14 billion** by 2030 in Europe and North America.
- The market is becoming increasingly structured and is divided into **private car** and **commercial vehicle** charging, both being very significant parts of the total market by 2030. Price erosion in public charging hinders the value growth that is not yet seen in commercial fleets.
- **The truck market** is growing rapidly and is estimated to be the largest category within commercial vehicles (and overall), worth up to EUR 6 billion by 2030.

## Value creation

How Kempower gains the fair share of the market

Aim for the **Top 5 player in Europe and North America**

Develop growth in five dimensions

1. Secure existing private car charging business and grow this business fast
2. Develop new stronghold in electric trucks
3. Replicate Nordic success in other geographies, in Europe and North America. Explore opportunities in the Rest of the World.
4. Secure recurring revenue and sales throughout entire lifecycle, aiming for everlasting customer relationships
5. Mid- and long-term profitability

## Value capture

Execution for success

- Differentiation in Customer Experience and User Experience
- Moving from product sales to solution sales, transformation towards larger customers and deals
- Product vision for public charging and commercial fleets
- Mastering supply chain and operations towards greater scalability
- Focus on product design and lean operating model
- Innovation across the organization and teams, not only product-related



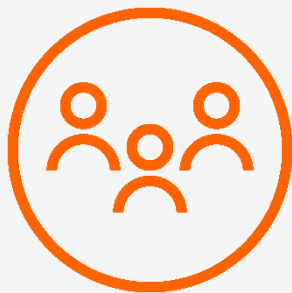


# Kempower as an investment

Excellent combination of experience, innovation and advanced technology



Rapidly growing company in an attractive market



Diversified customer base and blue-chip customer credentials



Well-positioned product offering with competitive features, compatibility with nearly all EV's



Scalable and flexible business model with limited capital expenditure needs, and efficient production



Technological knowhow and innovation heritage



Sustainability at the core of all operations



Management with strong track record and committed, skilled and engaged personnel





Thank You.



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