



# Kempower Financial Statements 2023







# Q4/2023: Outstanding year 2023



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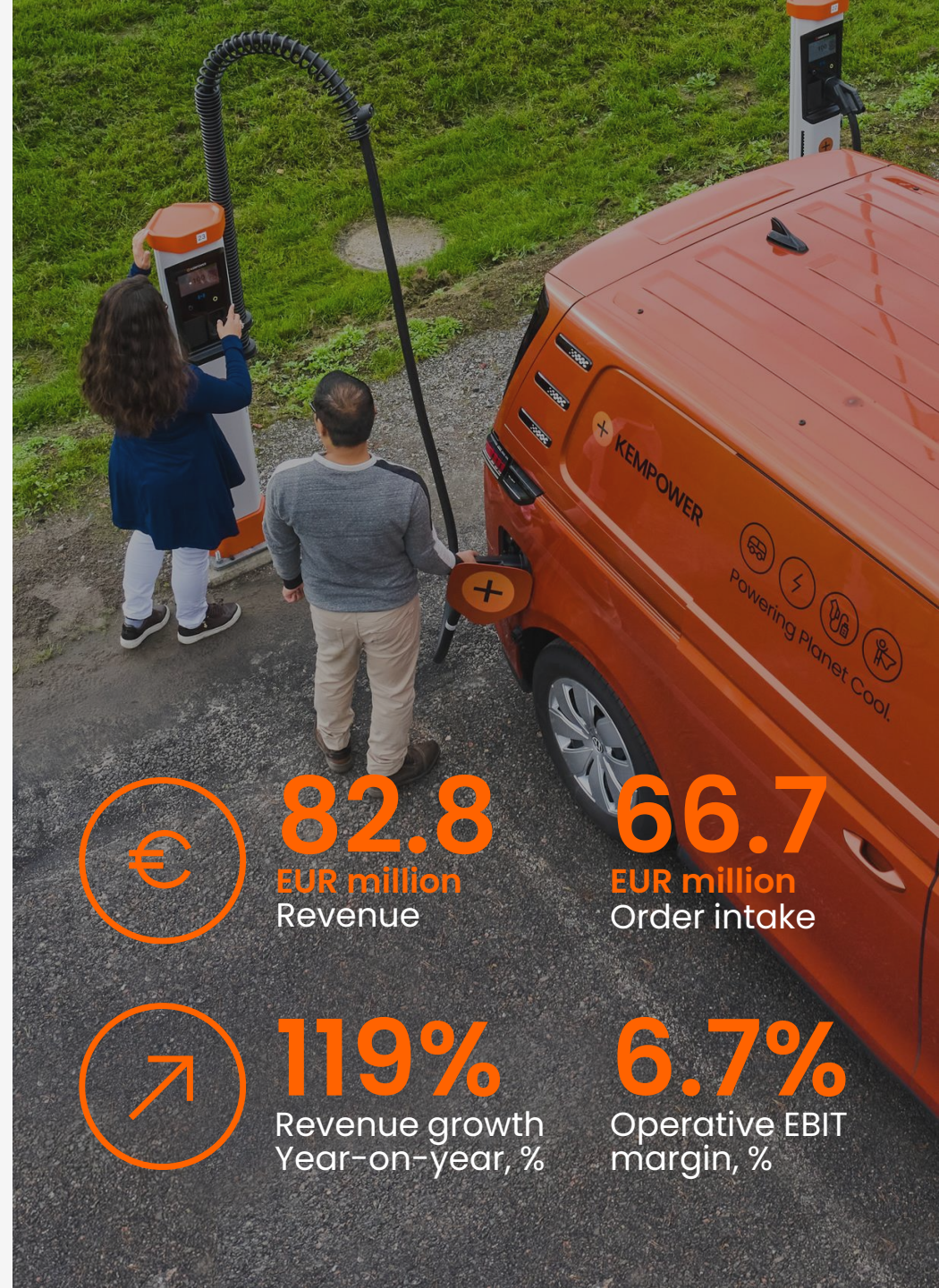
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# Quarter in brief

- **Financial Performance** – Record high revenue, good order intake and strong gross profit margin, driven by successful increase in production capacity and improved sales mix. Operative EBIT negatively affected by increased fixed costs.
- **Market Trends** – Few bottlenecks in demand as we saw some customers in Europe destocking and lower investment activity due to delays in grid connection availability. Strong growth in BEV registrations in Europe and North America and on growth trajectory in 2024.
- **North America entry** – Production started and first orders shipped to customers. Order intake from NA 10 percent of total order intake.
- **Technology** – Introduction of Megawatt Charging Program and after review period launching the next generation charging solution with silicon carbide technology (SiC).



82.8

EUR million  
Revenue

66.7

EUR million  
Order intake



119%

Revenue growth  
Year-on-year, %

6.7%

Operative EBIT  
margin, %





# Customer highlights

Kempower to deliver fast charging solutions to **St1** which is one of **the largest energy companies in Northern Europe**.

Kempower provides fast charging technology to **Sainsbury's new Smart Charge EV** charging business **in the UK**.

Kempower delivered fast charging technology to Malta's first electric bus depot with over **3 MW** of charging power.

Strategic partnership with Aqua superpower to charge next generation **e-boats**.







# Production started in North America

Kempower received the **Electrical Testing Laboratories (ETL)** certification for the production.

**First products** from North Carolina production site shipped to customers.

**Growing demand** and **trust** towards Kempower brand.

**Positive** sales pipeline development.





# We continue to **expand our** production

We produced around 5,000 charging points in Q4 of 2023.

The electricity charged through Kempower chargers in Q4 of 2023 was **70 000 MWh** (30 000).

We have now successfully ramped-up production facilities in **two continents**.

Third production facility in Lahti to be opened during **the second half of 2024**.



# + Important milestones in RDI and Technology

NACS charging standard available to all Kempower charging solutions in North America in Q1 of 2024.

Kempower Megawatt Charging Program for electric trucks and electric vehicles using power above one megawatt.

Kempower's next generation fast-charging platform utilizing silicon carbide technology (SiC) that will benefit from lower power losses at high operating frequencies, leading to increased system efficiency.







Our growth strategy



# 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\*

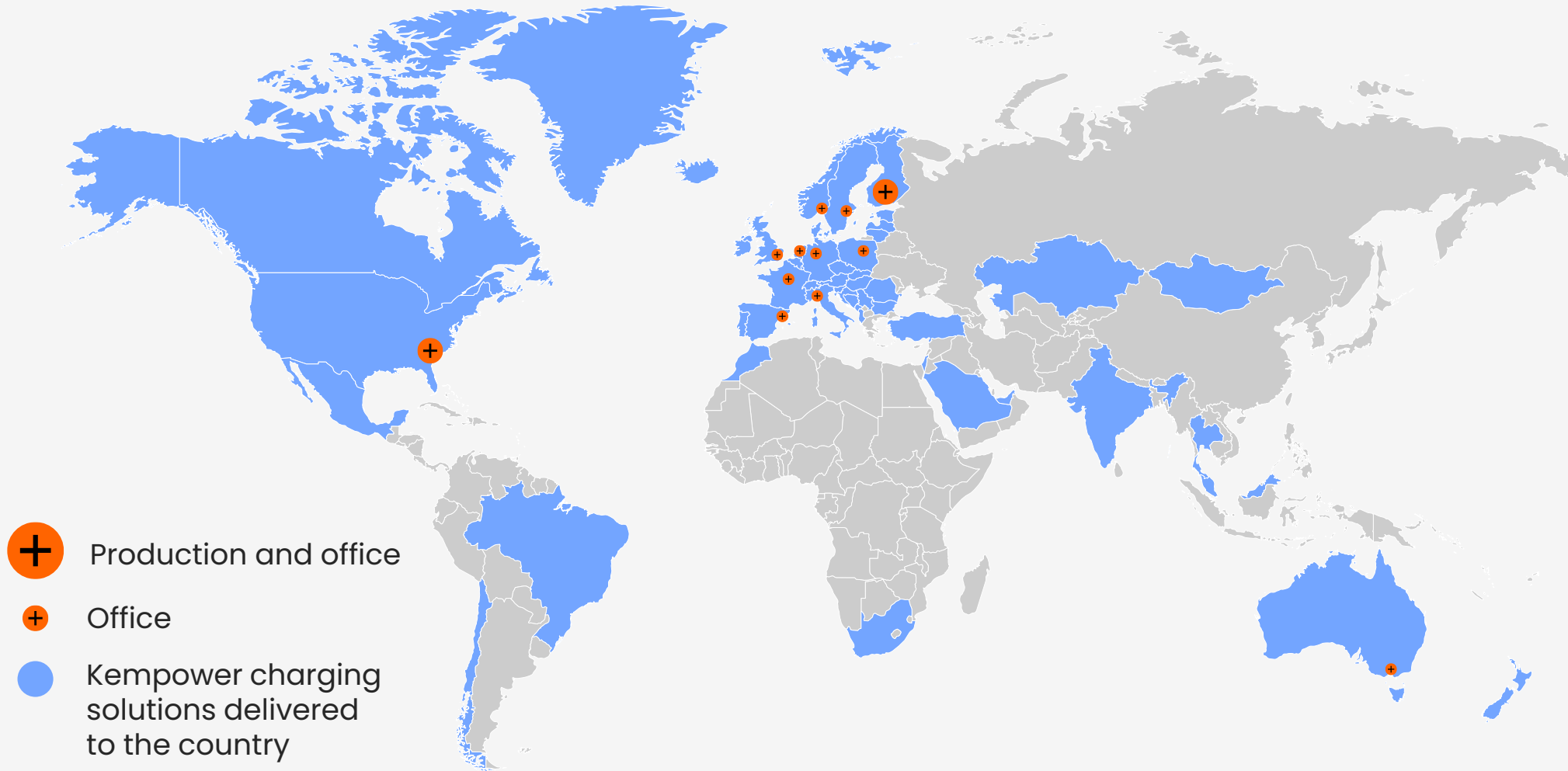
*\* currently sales via distribution partners, excluding  
China, Russia , Belarus, North Korea*



# Our global presence

Revenue, % from outside of Nordics

63%







# Market outlook unchanged

**EUR 14 billion**

DC charging market in 2030

**Europe**

EUR 7.6 billion



**North America**

EUR 6.5 billion




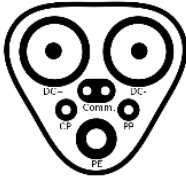




Source: : Kempower market research, ACEA European EV Charging Infrastructure Masterplan March 2022

North America = the US and Canada



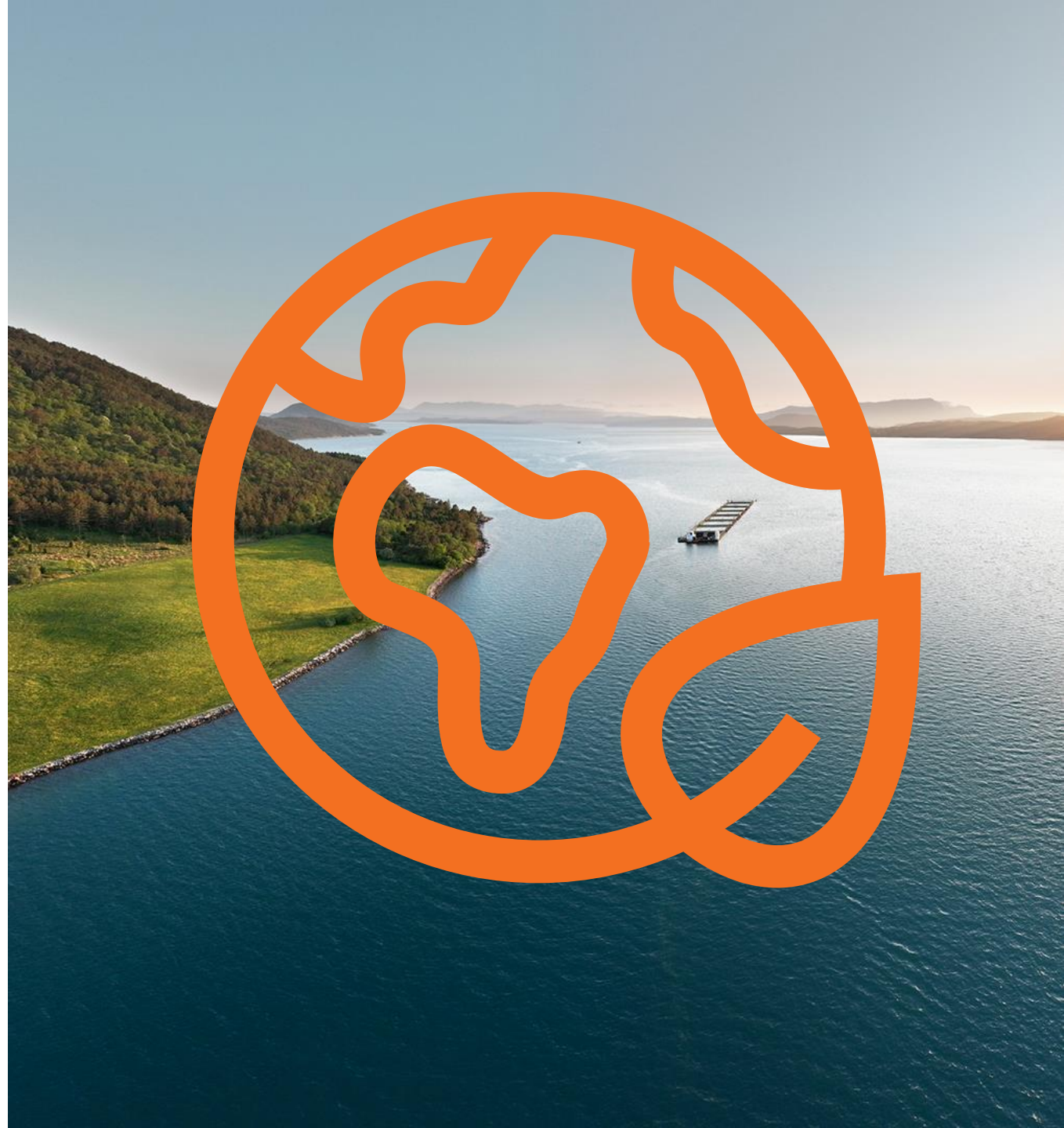
# Robust solution pipeline released as planned

Plug & Charge	Eichrecht	Megawatt Charging system	Silicon Carbide semiconductors
<p>Q2/2023</p> <p><b>Kempower launches new Plug and Charge solution to simplify the EV charging experience</b></p>	<p>Q2/2023</p> <p><b>Kempower secures Eichrecht certification, enabling it to deploy chargers for public EV charging in Germany and Austria</b></p>	<p>Q4/2023</p> <p><b>Kempower introduces Megawatt Charging System for electric trucks and electric vehicles using power above one megawatt</b></p>	<p>Q1/2024</p> <p><b>Kempower introduces next generation charger platform with silicon carbide (SiC) technology</b></p>
 		 	



# Sustainability

- Kempower further committed to sustainable business practices by officially joining the United Nations (UN) **Global Compact initiative**.
- We have refined our **ESG strategy** based on double materiality assessment and preparations for the official CSRD reporting for 2024 are ongoing.
- Average eNPS (employee Net Promoter Score) for the year 2023 was **69** (80).







# Financial Review







# Key figures

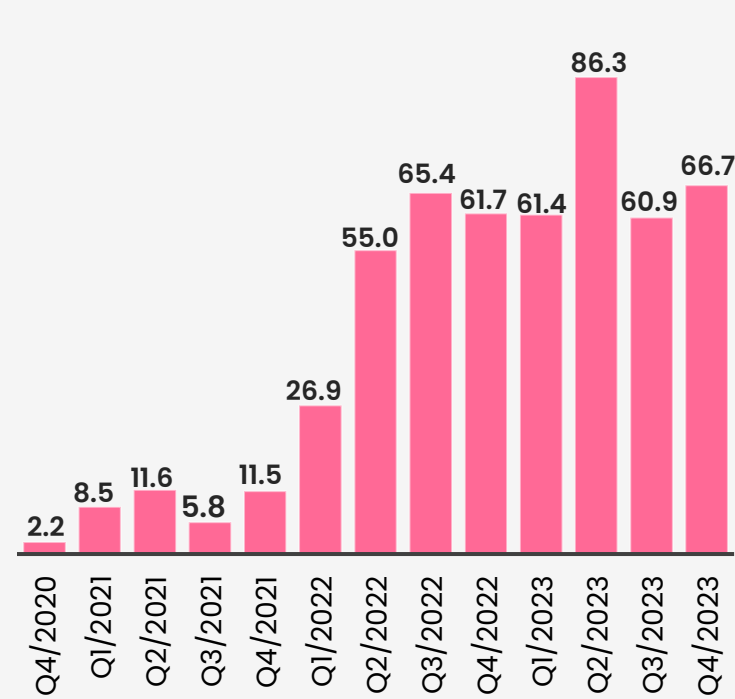
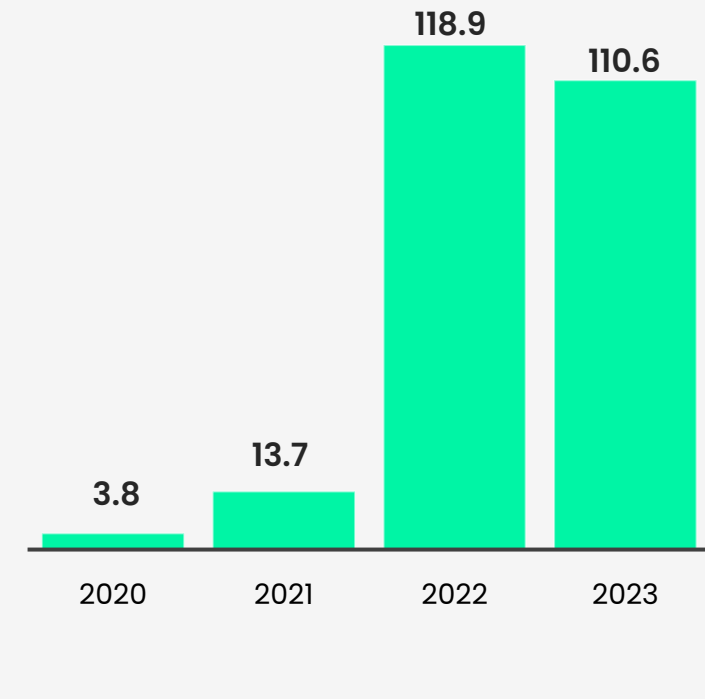
during the review period, IFRS

EUR million	Q4/2023	Q4/2022	H2/2023	H2/2022	2023	2022	Comments
Order backlog	110.6	118.9	110.6	118.9	110.6	118.9	
Order intake	66.7	61.7	127.6	127.0	275.3	208.9	
Revenue	82.8	37.8	155.4	70.5	283.6	103.6	• <b>Record high</b> Revenue in Q4/2023.
Revenue growth, %	119%	352%	120%	284%	174%	279%	• <b>Operative EBIT margin, %</b> on good level and below previous quarters as expected due to increased fixed costs and additional costs from North America operations.
Gross profit	43.9	17.7	82.4	32.8	147.7	48.2	
Gross profit margin, %	53.1%	46.9%	53.0%	46.6%	52.1%	46.5%	• <b>Headcount</b> almost doubled during 2023.
Operative EBIT	5.5	3.5	19.9	5.8	40.7	6.7	
Operative EBIT margin, %	6.7%	9.1%	12.8%	8.3%	14.3%	6.4%	
Profit/loss for the period	5.3	2.5	17.0	4.1	33.7	3.6	
Cash flow from operating activities	0.7	-8.4	16.6	-1.8	39.7	-5.4	
Investments	2.9	2.2	5.7	3.8	9.6	6.2	
Net debt	-74.6	-58.4	-74.6	-58.4	-74.6	-58.4	
Total equity and liabilities	237.7	154.2	237.7	154.2	237.7	154.2	
Headcount end of period	737	375	737	375	737	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)



# Order Intake on a Q4 on good level

Order intake (EUR million)	Order backlog (EUR million)	Comments																																						
 <table><tr><th>Period</th><th>Order intake (EUR million)</th></tr><tr><td>Q4/2020</td><td>2.2</td></tr><tr><td>Q1/2021</td><td>8.5</td></tr><tr><td>Q2/2021</td><td>11.6</td></tr><tr><td>Q3/2021</td><td>5.8</td></tr><tr><td>Q4/2021</td><td>11.5</td></tr><tr><td>Q1/2022</td><td>26.9</td></tr><tr><td>Q2/2022</td><td>55.0</td></tr><tr><td>Q3/2022</td><td>65.4</td></tr><tr><td>Q4/2022</td><td>61.7</td></tr><tr><td>Q1/2023</td><td>61.4</td></tr><tr><td>Q2/2023</td><td>86.3</td></tr><tr><td>Q3/2023</td><td>60.9</td></tr><tr><td>Q4/2023</td><td>66.7</td></tr></table>	Period	Order intake (EUR million)	Q4/2020	2.2	Q1/2021	8.5	Q2/2021	11.6	Q3/2021	5.8	Q4/2021	11.5	Q1/2022	26.9	Q2/2022	55.0	Q3/2022	65.4	Q4/2022	61.7	Q1/2023	61.4	Q2/2023	86.3	Q3/2023	60.9	Q4/2023	66.7	 <table><tr><th>Year</th><th>Order backlog (EUR million)</th></tr><tr><td>2020</td><td>3.8</td></tr><tr><td>2021</td><td>13.7</td></tr><tr><td>2022</td><td>118.9</td></tr><tr><td>2023</td><td>110.6</td></tr></table>	Year	Order backlog (EUR million)	2020	3.8	2021	13.7	2022	118.9	2023	110.6	<ul style="list-style-type: none"><li>In Q4/2023 order intake affected by customers' high inventory levels, lower investment activity due to delays in grid connection availability and launch of next generation product portfolio.</li></ul>
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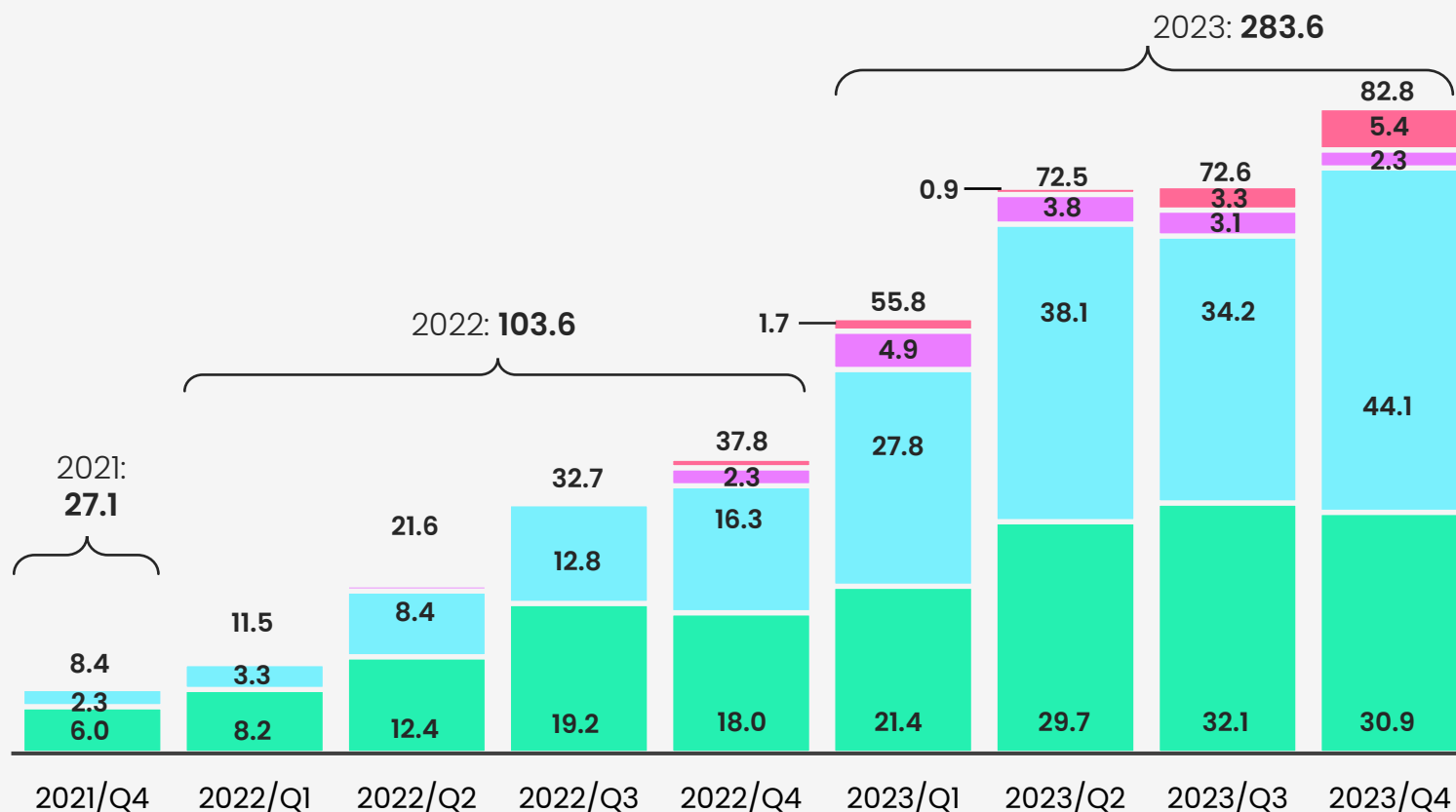




# A record high revenue in Q4 and good revenue growth in North America

Revenue by geographical area (EUR million)

Comments



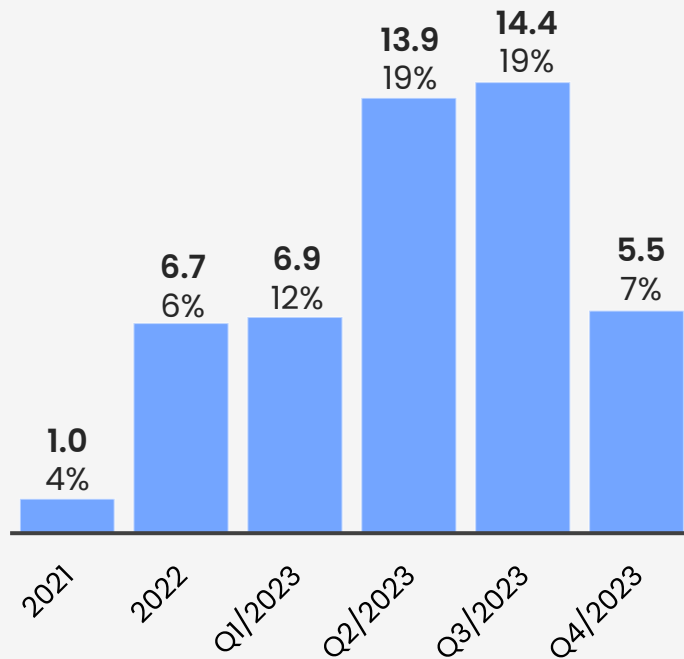
- In 2023 revenue growth +174% and Q4/2023 revenue growth +119%.
- In Q4/2023 strong revenue growth in Rest of Europe (+170%) and North America (+343%)
- In Q4/2023 share of revenue in Rest of Europe was 53% (43% in Q4/2022) of total revenue and in Rest of the World and North America 9% (9% in Q4/2022) of total revenue.

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

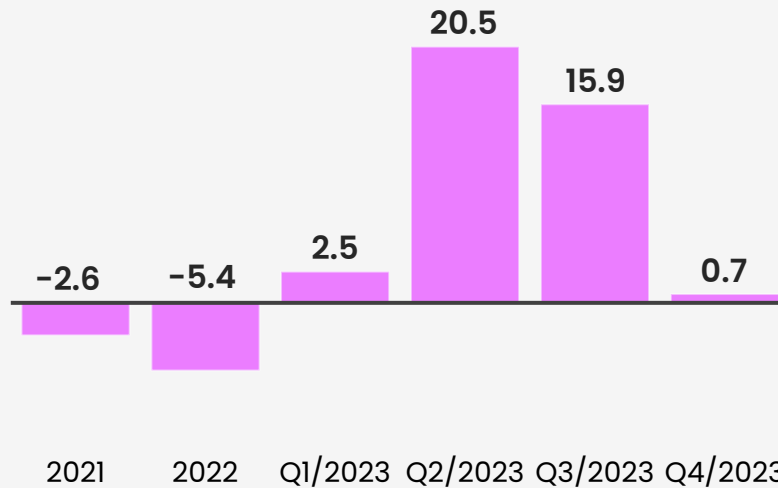


# Profitable growth continued

## Operative EBIT (EUR million)



## Operating cash flow (EUR million)



## Comments

- **Operative EBIT margin, %** on good level and below previous quarters as expected due to increased fixed costs, additional provisions and additional costs from North America operations.
- **Positive operating cash flow** was driven by revenue growth, strong margins and relatively improved working capital situation in 2023.





# Kempower's outlook for 2024

Kempower remains committed to strive for rapid and profitable growth.

## **Kempower expects:**

- 2024 revenue; between **EUR 360 million and EUR 410 million**, assuming no major impact from foreign currency exchange rates (revenue 2023: EUR 283,6 million),
- 2024 operative EBIT margin, %; **between 5% – 10%**

Customers high inventory levels and the launch of the next generation product portfolio impacted our order intake towards the end of 2023 and beginning of 2024 reflecting to Q1/2024 financials. The launch has delayed the purchasing decisions of some customers as they prefer the latest technology in their purchasing decisions:

- In Q1 of 2024 Kempower expects revenue to be between EUR 51 million and EUR 56 million and operative EBIT to be significantly below the Q1 of 2023.



# Kempower's 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)





# Q&A

