LISTING PARTICULARS

Kempower Corporation

Listing on the Official List of Nasdaq Helsinki Ltd

As at the date of these listing particulars (the "**Listing Particulars**"), Kempower Corporation's ("**Kempower**" or the "**Company**") shares (the "**Shares**") are subject to public trading on the Nasdaq First North Growth Market Finland maintained by Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") (the "**First North Growth Market**") with the trading code KEMPOWR. The Company has submitted an application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki with the trading code KEMPOWR (ISIN code: FI4000513593) (the "**Listing**"). Trading in the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about 12 June 2024.

The Company has prepared these Listing Particulars in connection with the admission to trading of the Shares on the Official List of Nasdaq Helsinki. The Company will not offer new or existing Shares in connection with the Listing. These Listing Particulars are an English language translation of the Finnish language summary and prospectus (the "**Finnish Prospectus**"), and they contain the same information as the Finnish Prospectus. The Finnish Financial Supervisory Authority (the "**FIN-FSA**") has approved the Finnish Prospectus as the competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the "**Prospectus Regulation**"). The FIN-FSA only approves the Finnish Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FIN-FSA of the Finnish Prospectus should not be considered as an endorsement of the issuer that is the subject of the Finnish Prospectus.

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States. The Shares are being offered and sold outside the United States in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**"). These Listing Particulars may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible.

For certain risk factors related to the Shares, see "*Risk Factors*".

The date of these Listing Particulars is 10 June 2024.

IMPORTANT INFORMATION

In these Listing Particulars, any reference to the "**Company**" means Kempower Corporation and "**Kempower**" and "**Group**" mean Kempower Corporation and its subsidiaries on a consolidated basis, except where it is clear from the context that the term means Kempower Corporation or a particular subsidiary or business unit only. Kempower is a subsidiary of Kemppi Group Oy and, therefore, part of the Kemppi Group Oy group (the "**Kemppi Group**") (for more information, see "*Major Shareholders—Kemppi Group Oy*"). References relating to the Shares and share capital of the Company or matters of corporate governance refer to the Shares, share capital and corporate governance of Kempower Corporation. Carnegie Investment Bank AB, Finland Branch has been appointed to act as the Company's financial adviser (the "**Financial Adviser**") in the Listing.

The Company has prepared and published these Listing Particulars in order to list the Shares on the Official List of Nasdaq Helsinki. These Listing Particulars have been prepared in accordance with the Finnish Securities Markets Act (746/2012, as amended, the "**Finnish Securities Markets Act**"), the Prospectus Regulation, Commission Delegated Regulation (EU) 2019/979 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301, as amended, Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (Annexes 3 and 12), supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended.

These Listing Particulars have been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. These Listing Particulars also contain a summary in the format required by Article 7 of the Prospectus Regulation. The journal number of the FIN-FSA's approval of the Finnish Prospectus is FIVA/2024/951. The English language Listing Particulars have not been approved by the FIN-FSA. In the event of any discrepancies between the Finnish Prospectus and these English language Listing Particulars, the Finnish Prospectus shall prevail.

Shareholders and prospective investors should rely solely on the information contained in these Listing Particulars as well as on the company and stock exchange releases published by the Company. The Company has not authorised anyone to provide any information or give any statements other than those provided in these Listing Particulars. Delivery of these Listing Particulars shall not, under any circumstances, indicate that the information presented in these Listing Particulars is correct on any day other than the date of these Listing Particulars (excluding historical financial information and the description of Kempower's history), or that there would not be any changes in the business of Kempower after the date of these Listing Particulars. However, if a significant new factor, material mistake or material inaccuracy is discovered in these Listing Particulars after the FIN-FSA has approved the Finnish Prospectus but before the Listing and such significant new factor, material mistake or material inaccuracy may be of material importance to investors, the Finnish Prospectus will be supplemented in accordance with the Prospectus Regulation. If the Finnish Prospectus is supplemented, the supplement and its English language translation will be published through a stock exchange release. Information given in these Listing Particulars is not a guarantee or grant for future events by Kempower, and shall not be considered as such. Unless otherwise stated, any estimates with respect to market development relating to Kempower or its industry are based upon the reasonable estimates of the Company's management.

The validity of the Finnish Prospectus expires when the Listing is completed. Responsibility to supplement the Finnish Prospectus in accordance with the Prospectus Regulation in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Finnish Prospectus is no longer valid.

In a number of countries, in particular in the United States, the United Kingdom, Australia, Canada or Japan, the distribution of these Listing Particulars is subject to restrictions imposed by law (such as registration, admission, qualification and other regulations). No action has been or will be taken by the Company to permit the possession or distribution of these Listing Particulars (or any other offering or publicity materials or application form(s) relating to the Listing) in any jurisdiction where such distribution may otherwise lead to a breach of any law or regulatory requirement.

The Shares have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any state of the United States and accordingly, may not be offered or sold, directly or indirectly, in or into the United States (as defined in Regulation S). The Shares are being offered and sold outside the United States in compliance with Regulation S. These Listing Particulars may not be published or distributed in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to make an offer of the Shares. The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any such countries.

The Company accepts no any legal responsibility for persons who have obtained these Listing Particulars in violation of these restrictions, irrespective of whether these persons are prospective subscribers or purchasers of the Shares.

Investors must not construe the contents of these Listing Particulars as legal, investment or tax advice. Each investor should consult such investor's own counsel, accountant or business adviser as to legal, investment and tax advice and related matters pertaining to investing in the Shares, if they deem it necessary, and make their own assessment as to the suitability of investing in the Shares.

The Listing shall be governed by the laws of Finland. Any disputes arising in connection with the Listing shall be settled by the court of competent jurisdiction in Finland.

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SUMMARY

Introduction

This summary should be read as an introduction to these Listing Particulars. Any decision to invest in the Shares should be based on consideration of these Listing Particulars as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in these Listing Particulars is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating these Listing Particulars before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including the translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of these Listing Particulars, or where it does not provide, when read together with the other parts of these Listing Particulars, key information in order to aid investors when considering whether to invest in the Shares.

The identity and contact details of the issuer are:

Company..	Kempower Corporation
Business identity code..	2856868-5
Legal entity identifier ("**LEI**")..	743700EIG9TDB5QNZS09
Domicile	Lahti, Finland
Registered office	Ala-Okeroistentie 29, FI-15700 Lahti, Finland

The Shares were entered into the book-entry securities system maintained by Euroclear Finland Oy ("**Euroclear Finland**") on 2 December 2021 and are subject to public trading on the First North Growth Market with the trading code KEMPOWR. The Company has submitted an application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki with the trading code KEMPOWR (ISIN code: FI4000513593). Trading of the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about 12 June 2024.

The FIN-FSA has, in its capacity as competent authority under the Prospectus Regulation, approved the Finnish Prospectus on 10 June 2024. The journal number of the FIN-FSA's approval of the Finnish Prospectus is FIVA/2024/951. The FIN-FSA's address is P.O. Box 103, FI-00101 Helsinki, Finland, its telephone number is +358 9 183 51 and its email address is *kirjaamo@finanssivalvonta.fi*.

Key Information on the Issuer

Who is the Issuer of the Securities?

Kempower is a Finnish public limited liability company organised under the laws of Finland and domiciled in Lahti, Finland. Kempower was registered in the trade register maintained by the Finnish Patent and Registration Office (the "**Trade Register**") on 9 October 2017, its business identity code is 2856868-5 and its LEI is 743700EIG9TDB5QNZS09.

Principal Activities

Kempower is a Finnish electric vehicle ("**EV**") fast charging solutions provider striving for growth. Kempower designs, manufactures and sells direct current ("**DC**") fast charging devices, solutions and services for EVs, such as personal and commercial vehicles, mobile off-highway machinery and electric marine vessels and boats. Kempower offers a selection of solutions to suit all EV fast charging needs – from public parking spaces to bus depots and terminal stops, for heavy-duty commercial and other EVs as well as ports and charging of electric marine vessels and boats. The modular, scalable and flexible design of Kempower's products, combined with the systems' ability to handle several vehicles' dynamic fast charging simultaneously, serves in particular customer groups that require or benefit from charging systems with multiple, high-power charging devices. Kempower's vision is to continue to enhance and expand electric mobility through its charging technology and the world's most desired EV charging solutions while simultaneously powering a better and greener future by creating a more efficient infrastructure for electric driving and its mission is to become the very best workplace for the professionals of the future.

Kempower's core geographic markets are Finland, Sweden, Norway, Denmark and Iceland (together, the "**Nordics**"), which accounted for 40 percent of Kempower's revenue for the year ended 31 December 2023 and 36 percent for the three months ended 31 March 2024, the Rest of Europe, which accounted for 51 percent of Kempower's revenue for the year ended 31 December 2023 and 48 percent for the three months ended 31 March 2024 and North America, which accounted for 4 percent of Kempower's revenue for the year ended 31 December 2023 and 9 percent for the three months ended 31 March 2024. Kempower's geographical markets also include the Rest of the World, which accounted for 5 percent of Kempower's revenue for the year ended 31 December 2023 and 7 percent for the three months ended 31 March 2024. Kempower's charging solutions have been delivered to all continents and over 50 countries. Kempower's charging solutions are designed and manufactured in Lahti, Finland, where Kempower's headquarters and two fully operational production facilities and one new production facility, which is expected to be fully operational by the end of 2024, are located, and in Durham, North Carolina, the United States, where Kempower opened a new production facility in 2023. In addition, Kempower has a R&D centres in Vaasa, Finland, at Tampere University's Hervanta Campus in Tampere, Finland and at Lappeenranta-Lahti University of Technology's campus in Lahti, Finland. As at the date of these Listing Particulars, Kempower is expanding its operations in Lahti, Finland, with a new EV charger production facility and Kempower expects the new production facility to be fully operational by the end of 2024. Kempower has offices and productions facilities in Finland and the United States as well as sales offices in Australia, France, Germany, Italy, Norway, Poland, Spain, Sweden the Netherlands and the United Kingdom.

For the year ended 31 December 2023, Kempower's revenue was EUR 283.6 million, its operating profit/loss (EBIT) was EUR 40.6 million and its profit/loss for the period was EUR 33.7 million. For the three months ended 31 March 2024, Kempower's revenue was EUR 42.6 million, its operating profit/loss (EBIT) was EUR -10.9 million and its profit/loss for the period was EUR -8.8 million. As at 31 March 2024, Kempower had a personnel headcount of 834.

Major Shareholders

The following table sets forth the ten largest shareholders of the Company and their respective holdings that appear in the shareholders' register maintained by Euroclear Finland as at 31 May 2024:

	As at 31 May 2024	
	Number of Shares	**Share of Shares and votes**
		(percent)
Kemppi Group Oy	34,400,000	61.93
Varma Mutual Pension Insurance Company	2,572,678	4.63
Nordea Funds	616,302	1.11
Evli Fund Management Company	514,795	0.93
Ilmarinen Mutual Pension Insurance Company	508,000	0.91
Nordea Life Assurance Finland Ltd	399,326	0.72
Oy Julius Tallberg Ab	356,309	0.64
Wipunen varainhallinta Oy	350,000	0.63
Kempinvest Oy	348,432	0.63
Heikintorppa Oy	300,000	0.54
Total ten largest shareholders	40,365,842	72.68
Other shareholders	15,177,078	27.32
Total	55,542,920	100.00

The Company is controlled by Kemppi Group Oy that owns 61.93 percent of the outstanding Shares and the voting rights as at the date of these Listing Particulars.

Chief Executive Officer and the Global Leadership Team

The following table sets forth the members of the global leadership team of Kempower as at the date of these Listing Particulars:

	Position	**Citizenship**	**Year of birth**
Tomi Ristimäki	Chief Executive Officer	Finland	1975
Jukka Kainulainen	Chief Financial Officer	Finland	1982
Sanna Otava	Chief Operating Officer	Finland	1975
Jussi Vanhanen	Chief Markets Officer	Finland	1972
Tommi Liuska	Chief Sales Officer	Finland	1977
Juha-Pekka Suomela	Chief Service Business Officer	Finland	1974
Hanne Peltola	Chief People Officer	Finland	1969

The Board of Directors

The following table sets forth the members of the Board of Directors of the Company as at the date of these Listing Particulars:

	Position	Citizenship	Year of birth
Vesa Laisi	Chair	Finland	1957
Antti Kemppi	Vice Chair	Finland	1978
Teresa Kemppi-Vasama	Member	Finland	1970
Olli Laurén	Member	Finland and the United States	1959
Tuula Rytilä	Member	Finland	1967
Eriikka Söderstöm	Member	Finland	1968

Statutory Auditor

Kempower's statutory auditor is Ernst & Young Oy ("**EY**"), Authorised Public Accountants, with Authorised Public Accountant Toni Halonen as the auditor with principal responsibility. Toni Halonen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act (*tilintarkastuslaki* 1141/2015, the "**Finnish Auditing Act**") maintained by the Trade Register.

What is the Key Financial Information Regarding the Issuer?

The selected consolidated financial information set forth below has been derived from Kempower's unaudited consolidated interim financial information as at and for the three months ended 31 March 2024, prepared in accordance with "*IAS 34 – Interim Financial Reporting*" in compliance with the IFRS Accounting Standards approved in the European Union ("**IFRS Accounting Standards**"), including the unaudited comparative financial information as at and for the three months ended 31 March 2023 (the "**Interim Consolidated Financial Information**") and Kempower's audited consolidated financial statements as at and for the years ended 31 December 2023 and 2022 prepared in accordance with IFRS Accounting Standards (the "**Audited Consolidated Financial Statements**", and, together with the Interim Consolidated Financial Information, the "**Consolidated Financial Information**").

The following table sets forth Kempower's key figures as at the dates and for the periods indicated:

	As at and for the three months ended 31 March		**As at and for the year ended 31 December**	
	2024	**2023**	**2023**	**2022**
	(unaudited)		**(audited, unless otherwise indicated)**	
	(EUR in millions, unless otherwise indicated)			
Consolidated income statement data				
Revenue	42.6	55.8	283.6	103.6
Revenue growth, percent	(24)	385	174(1)	279(1)
Operating profit/loss (EBIT)	(10.9)	6.8	40.6	6.1
EBIT margin, percent	(25.5)	12.3	14.3(1)	5.9(1)
Profit/loss for the period	(8.8)	5.6	33.7	3.6
Basic and diluted earnings per share, EUR	(0.16)	0.10	0.61	0.06
Consolidated balance sheet data				
Total assets	234.5	177.9	237.7	154.2
Total equity	124.7	106.4	132.9	100.6
Net debt	(58.7)	(58.6)	(74.6)	(58.4)
Consolidated cash flow statement data				
Cash flow from operating activities	(10.2)	2.5	39.7	(5.4)
Cash flow from investing activities	5.5	(1.6)	(14.6)	(71.2)
Cash flow from financing activities	(1.2)	(0.7)	(7.5)	(3.8)

(1) Unaudited.

There are no qualifications in the audit reports relating to the Audited Consolidated Financial Statements.

What Are the Key Risks that are Specific to the Issuer?

- Kempower's ability to execute its growth strategy and to achieve its financial targets is dependent on Kempower's ability to keep up with the rapidly changing technology in the EV charging market;

- increases in costs, disruption of supply or shortage of critical components or raw materials could harm Kempower's operations;

- Kempower may fail in executing its growth strategy;
- Kempower expects to face significant competition in the future as the market for EV charging develops and Kempower might be outplayed by competitors in the competition phase, which could have a material adverse effect on Kempower's business, financial condition and/or results of operations;
- Kempower may not be able to ensure compliance with all applicable quality, safety and sustainability requirements throughout its supply chain;
- if Kempower is unable to attract and retain key employees and hire qualified management, technical, engineering, sales and R&D personnel, its ability to compete and successfully grow its business would be harmed;
- Kempower's geographical expansion involves several risks, and failure to identify suitable customers, recruit new employees and benefit from estimated competitive advantages could limit its growth and have a material adverse effect on Kempower;
- if Kempower is not able to substantially scale up its production capacity, sales activities and increase cooperation with business partners, it will be unable to achieve its business targets;
- Kempower is subject to a variety of laws and regulations, and potential violations of such laws and regulations could have an adverse effect on Kempower;
- Kempower may lose significant customers or fail to build long lasting relationships with market winning customers;
- potential product or software quality defects, performance issues, product liability or warranty claims associated with Kempower's products could have a material adverse effect on Kempower and its reputation; and
- if Kempower is unable to obtain sufficient financing at favourable terms in the future and/or is unable to generate sufficient revenue or achieve profitability, that may restrict Kempower's ability to achieve its business targets and conduct its business operations in accordance with the set targets.

Key Information on the Securities

What Are the Main Features of the Securities?

The Shares were entered into the Finnish book-entry system maintained by Euroclear Finland on 2 December 2021. As at the date of these Listing Particulars, Kempower has one share class. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company and Shares carry equal rights to dividends and other distributions by the Company (including distribution of funds in the event of the Company's insolvency). The rights attached to the Shares include, among others, pre-emptive rights to subscribe for new Shares in the Company, the right to participate and exercise voting power at the general meetings of shareholders of the Company, the right to dividend and distribution of other unrestricted equity, and the right to demand redemption at a fair price from a shareholder that holds Shares representing more than 90 percent of all the Shares and votes in the Company, as well as other rights generally available under the Finnish Limited Liability Companies Act (624/2006, as amended) (the "**Finnish Companies Act**"). The Shares are freely transferrable. The trading code of the Shares is KEMPOWR and the ISIN code is FI4000513593. As at the date of these Listing Particulars, the Company's fully paid share capital amounts to EUR 80,000, and the total number of Shares issued is 55,542,920. The Shares have no nominal value and they are dominated in euro.

The Board of Directors of the Company has adopted a dividend policy pursuant to which no dividends will be distributed in the short term. In the forthcoming years, the Company will focus on financing the growth and the development its business. The amount of any dividend to be potentially paid by the Company in any given financial years is, thus, uncertain and if the Company does not pay any dividend, an investor's potential return will depend solely on the future development of the share price. The Shares carry equal rights to dividends and other distributions of funds.

Where Will the Securities Be Traded?

As at the date of these Listing Particulars, the Shares are subject to public trading on the First North Growth Market with the trading code KEMPOWR. The Company has submitted a listing application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki with the trading code KEMPOWR. Trading in the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about 12 June 2024.

What Are the Key Risks that Are Specific to the Securities?

- The Company does not expect to pay any dividend in the short term and the amount of dividends paid by the Company in any given financial year is uncertain;

- the Listing will result in additional costs for the Company and the Company may fail to implement functions required from a listed company; and
- the interests of the largest shareholder may differ from those of other shareholders.

Key Information on the Admission to Trading on a Regulated Market

Under which Conditions and Timetable Can I Invest in this Security?

The Company will not offer new or existing Shares in connection with the Listing. The Company has submitted a listing application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki. Trading in the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about 12 June 2024. The trading code of the Shares is KEMPOWR and the ISIN code is FI4000513593.

The Company expects to pay approximately EUR 0.4 million in fees and expenses in connection with the Listing.

Why Are These Listing Particulars being Produced?

These Listing Particulars have been prepared and published by Kempower in order for the Shares to be admitted to trading on the Official List of Nasdaq Helsinki.

Reasons for the Listing

The objective of the Listing is to enable Kempower to execute its growth strategy. The Company expects the Listing to improve the liquidity of the Shares and provide additional visibility, which would improve Kempower's recognition among the public and business partners and as an employer, and thus enhance Kempower's competitiveness.

Use and Estimated Amounts of Proceeds

The Company will not receive any proceeds from the Listing.

Applicable Laws and Dispute Resolution

The Listing shall be governed by the laws of Finland. Any disputes arising in connection with the Listing shall be settled by the court of competent jurisdiction in Finland.

RISK FACTORS

An investment in Kempower involves a number of risks, many of which are inherent in Kempower's business and could be significant. Investors should carefully review the information contained in these Listing Particulars, and in particular, the risk factors described below. The following description of risk factors is based on information known and assessed on the date of these Listing Particulars and, therefore, is not necessarily exhaustive. Some of these factors are potential events that may or may not materialise. Should one or more of the risk factors described in these Listing Particulars materialise, it could have a material adverse effect on Kempower's business, financial condition and/or results of operations. Kempower also faces additional risks not currently known or not currently deemed material, which could also have a material adverse effect on Kempower's business, financial condition and/or results of operations. The market price of the Shares could decline due to the realisation of these risks, and investors could lose part or all of their investment.

The risk factors presented herein have been divided into five categories based on their nature. These categories are:

- *risks related to Kempower's operating environment;*
- *risks related to Kempower's operations;*
- *risks related to financial condition and financing;*
- *risks related to the Shares; and*
- *risks related to the Listing.*

Within each category, the risk factor estimated to be the most material on the basis of an overall evaluation of the criteria set out in the Prospectus Regulation is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialisation. The order of the categories does not represent any evaluation of the materiality of the risk factors within that category, when compared to risk factors in another category.

Risks Related to Kempower's Operating Environment

Increases in costs, disruption of supply or shortage of critical components or raw materials could harm Kempower's operations.

Kempower purchases hundreds of individual types of materials (*i.e.*, parts and components), including sub-assemblies, from its suppliers. Kempower's purchasing also entails purchasing electronic sub-assemblies, such as circuit board assemblies, that are ultimately used in the final assembly process of its products and solutions. Risks relating to the availability of the materials and the price, quality and delivery schedule in the supply chain, in particular in relation to existing important suppliers, are material for Kempower. With regard to the provision of certain critical materials for Kempower's charging stations, Kempower relies on a limited number of suppliers, such as Kemptron Oy, a subsidiary of the Company's parent company Kemppi Group Oy (see also "*Related Party Transactions*"), exposing Kempower to third-party sourcing risks. For the year ended 31 December 2023, Kempower's ten largest suppliers accounted for approximately 70 percent of Kempower's materials expenses and no individual supplier had a share of more than 30 percent of Kempower's materials expenses. Kempower's largest component and material supplier and subcontracting partner is currently Kemptron Oy and previously Kemppi Oy. For certain materials, Kempower currently relies only on one supplier, but is aiming to secure additional suppliers to limit the dependency on any single supplier. If such a supplier was unable to deliver the required materials to Kempower on time, at a competitive price or at all, Kempower could become subject to substantial additional costs arising out of arranging a substitute delivery with another supplier. Should one of the critical materials suppliers cease to deliver critical materials to Kempower, Kempower would have to find alternative sources for the critical materials. Even if Kempower finds a supplier that is capable of producing the critical materials, moving production to the new supplier is a labour-intensive and lengthy process, possibly resulting in a stoppage in Kempower's production and a decrease in sales. Technologies used in the charging market also develop rapidly, which may result in materials and sub-assemblies procured from Kempower's third-party suppliers expiring quickly. If these materials or sub-assemblies are not used and need to be scrapped, this could have an adverse effect on Kempower's margins. Kempower's impairment of inventories recorded as expenses for the year ended 31 December 2023 was EUR 3.5 million and for the year ended 31 December 2022 EUR 0.5 million.

In 2022 and 2023, there was a worldwide shortage of semiconductor components, which accentuated by problems in supply chains related to geopolitical tensions, including Russia's war in Ukraine. The shortage of semiconductor components has eased as at the date of these Listing Particulars, but there can be no assurance that there would not be a shortage of materials used by Kempower also in the future. Kempower has in the past, and may in the future, encounter problems related to its materials and sub-assembly suppliers. Problems related to Kempower's suppliers can affect the price and availability of the materials used in Kempower's products and solutions, such as circuit board assemblies. Additionally, the materials that Kempower procures from its suppliers contain considerable amounts of copper and other metals and, therefore, materials prices may continue to increase if the price of copper or other metals increase further. In addition, the component shortage during the COVID-19 pandemic resulted to some of Kempower's customers increasing their inventory levels, but as the component availability increased in 2023, the customers have reduced their inventory levels and delayed orders, which decreased the demand for Kempower's products and solutions at the end of 2023 and at the beginning of 2024. Should supply problems occur or raw material prices increase, due to, for example, continuous inflation or availability of raw materials, materials procurement costs may increase and delivery lead times lengthen. Changes in raw material and component prices may also affect the value of Kempower's inventories. Depending on the customer and the market, Kempower aims to transfer price increases to the prices of its products and solutions, but as far as Kempower does not succeed in transferring the price increases to the customer or if this happens with a significant delay, this could have an adverse effect on Kempower's profitability. Changes in the prices of materials may also indirectly have a material adverse effect on Kempower, if the price fluctuations and price increases of Kempower's products or solutions decrease its customers' willingness to invest.

Kempower may not be able to ensure compliance with all applicable quality, safety and sustainability requirements throughout its supply chain.

Kempower has multiple individual suppliers, which for Europe are mainly located in Finland, although Kempower's entry into new geographical markets has increased the number of foreign suppliers, which may also further increase in the future. The local quality, safety and sustainability requirements applicable to Kempower's suppliers in Finland and abroad may differ. Kempower aims to ensure that both its suppliers and the products they distribute satisfy certain quality, safety and sustainability requirements, however, Kempower cannot control its third-party suppliers or their business practices and Kempower's contractual remedies with respect to supplier practices are limited. Quality control in purchasing activities is based on the professional skills of Kempower's purchasers and research and development ("**R&D**") engineers, the terms and conditions of the supply agreements, the supplier audits, the suppliers' references and other customer relationships, and on how suppliers document their activities and components and whether a supplier is a member of well-known cooperation alliances or organisations for improving ethics and sustainability. A lack of compliance with local labour laws or recognised ethical or environmental standards could lead Kempower to seek alternative suppliers, which could increase its costs and result in delayed delivery of its products and solutions, product shortages or other disruptions to its operations. Violation of anti-money laundering, bribery, environmental or labour or other laws by Kempower's third-party suppliers or the divergence of a third-party supplier's labour or other practices from those generally accepted as ethical could also lead to liability and attract negative publicity for Kempower and damage Kempower's brand.

Kempower has limited or no control over its suppliers, and problems encountered by the suppliers may adversely affect Kempower's operations. For example, any unforeseen defects in Kempower's products and solutions could result in a recall, which could result in significant costs if Kempower is not able to pass the liabilities related to such product defects onto its suppliers, which could have a material adverse effect on Kempower's business, financial position, results of operations and future prospects. In addition, Kempower is exposed to a reputational risk if a supplier does not comply with applicable laws and regulations and sustainability requirements in its operations or otherwise acts contrary to generally accepted norms.

Kempower is subject to a variety of laws and regulations, and potential violations of such laws and regulations could have an adverse effect on Kempower.

Kempower must comply with laws and regulations enacted at the national level in each country Kempower operates in, state level in the United States and EU level concerning its operations in relation to matters including health, EVs, safety, marketing, country-specific technical regulation or certificates, protocols, general product safety, environment, employment, competition, company law, data protection, international trade and taxation in all countries in which it pursues business. In addition, the execution of Kempower's growth strategy and expansion of Kempower's operations to new geographic markets, such as the United States, will require Kempower to comply with laws and regulations in new jurisdictions. Failure to comply with applicable laws and regulations may cause Kempower financial losses, undermine Kempower's business opportunities and harm Kempower's reputation.

Laws, regulations and certification requirements relating to Kempower's products and solutions, its operations and production facilities are subject to change and it is possible that Kempower will have to adapt its products and solutions to meet the changed requirements. Changes in legislation concerning EVs and EV charging, for example, may increase the costs relating to Kempower's products and solutions or require the design of entirely new solution models. It may be difficult for Kempower to foresee certain regulatory or legal changes that may affect its business, and any actions required in order to respond to, or prepare for, such changes could be expensive and time-consuming.

For example, existing and future environmental laws and regulations could result in increased compliance costs or additional operating costs. Failure to comply with such laws and regulations may result in substantial fines or limitations that may adversely impact Kempower's financial results or results of operations. No environmental permits are required for Kempower's production facilities or premises; however, relevant authorities may impose rehabilitation obligations or other obligations on Kempower based on the environmental conditions of its production facilities or other properties, which could result in material costs. The realisation of any of the aforementioned risks may have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Changes to fuel economy standards and financial incentives supporting the EV market, changes in macroeconomic conditions or the success of alternative fuels may adversely affect the EV market and fast charging sales opportunities and, thus, the demand for Kempower's solutions and services.

Kempower's ability to execute its growth strategy and to achieve its financial targets is highly correlated with and, thus, dependent upon the continuing rapid adoption of EVs, which is partly driven by political decisions and regulations aiming to replace fossil fuels with alternative sources of energy. Such regulations include global climate initiatives, such as the Paris Agreement and the EU's targets to cut carbon dioxide emissions and ban the sale of new petrol and diesel cars as of 2035.

The EV market currently benefits from the availability of rebates, tax credits and other financial incentives, such as subsidies, from governments, utilities and others in many countries around the world to offset the purchase or operating cost of EVs and EV charging stations. Kempower's sales and sales growth rely on these incentives to continue the transition towards the electrification of transport, and, therefore, the demand for EV chargers. Because Kempower's business is dependent on its customers' and end customers' ability and willingness to purchase EVs and EV fast charging equipment, the reduction, modification, or elimination of such benefits could cause reduced demand for EVs and EV charging stations, which may adversely affect Kempower's results of operations. Alternatives to ICE vehicles are also constantly being developed and there can be no assurance that alternatives to EVs will not be developed, or that the fuel economy standards will not be amended in a way that will have an adverse effect on the EV market. Kempower's growth strategy and production targets partially rely on Kempower's own and partially external estimates on the demand for EVs and EV chargers in the future. However, there can be no assurance that these estimates would materialize and the demand for EVs and EV chargers would increase or remain at the current levels also in the future. Any such developments could slow down or even reduce demand for EVs, and, subsequently, Kempower's products and solutions, which could have a material adverse effect on Kempower's business, financial condition and/or results of operations. See also "*—Kempower is subject to a variety of laws and regulations, and potential violations of such laws and regulations could have an adverse effect on Kempower*" above.

As 40 percent of Kempower's revenue for the year ended 31 December 2023 was derived from the Nordics, 51 percent from Rest of Europe, 4 percent from North America and 5 percent from Rest of the World (for the three months ended 31 March 2024, 36 percent, 48 percent, 9 percent and 7 percent, respectively), Kempower is currently susceptible to changes affecting Europe in particular. Demand for Kempower's solutions may be adversely affected by, among others, macroeconomic drivers such as protectionism, employment levels, salary and wage levels, inflation, high and/or increasing interest rates, tax rates and consumer confidence with respect to current and future economic conditions. Kempower cannot predict the timing or duration of any economic slowdown or the timing or strength of a subsequent economic recovery, worldwide or in the markets in which it operates. Economic uncertainty globally or in Kempower's main geographic markets could decrease spending on EVs and EV charging systems and lead to lower demand for Kempower's solutions. A decrease in sector-specific demand and investment capabilities in Kempower's customers' and potential customers' industrial sectors could decrease spending on EVs and EV fast charging systems, leading to lower demand for Kempower's solutions. Furthermore, economic conditions may be affected by various additional events that are beyond Kempower's control, such as natural disasters, epidemics and wars. For example, the Russia's ongoing war in Ukraine has caused significant disruptions in the global economy and the geographical markets in which Kempower operates. Russia's war in Ukraine has caused, for example, supply chain interruptions, lack of availability of raw materials and overall economic and financial market instability. Any reduced demand for Kempower's solutions or reduced delivery capabilities by Kempower due to the factors described above could adversely affect Kempower's revenue or otherwise have a material adverse effect on Kempower's business, financial position, results of operations and future prospects. Reduced customer demand may also result in higher than expected inventory levels of Kempower, and failure to anticipate demand and in inventory management could have an adverse effect of Kempower's profitability and/or financial condition.

Risks Related to Kempower's Operations

Kempower's ability to execute its growth strategy and to achieve its financial targets is dependent on Kempower's ability to keep up with the rapidly changing technology in the EV charging market.

Innovation is an important driver of growth for Kempower in the fast-developing EV fast charging market. Alternative sources of energy to fossil fuels are continuously being developed, which has set an urgency for the mass adoption of electric power. This has resulted in a growing demand for electric and hybrid vehicles that provide a sustainable alternative to internal combustion engine ("**ICE**") vehicles. The EV market is relatively new and developing, and consequently, the EV charging market, including the DC fast charging equipment market, is also characterised by continuously and quickly evolving technology. In order to become an established market participant, Kempower must keep up with the development of EV charging technology by developing new innovations as well as develop its existing products and solutions.

Kempower's technology risks are related to its technological competencies, R&D, protection and management of intellectual property as well as the competencies and development of its personnel. There can be no assurance that Kempower will be successful in meeting its customers' needs through innovation or in developing new products, solutions and/or technologies, or, if developed, that Kempower will be successful in commercialising such products, solutions or technologies. Kempower must also identify and respond to changes in the rapidly growing and changing EV charging market. For example, in 2022 Kempower added liquid-cooled charging cables to its solutions offering even though the number of heavy-duty vehicles that was able to receive higher charging power enabled by such cables was limited. In addition, in February 2024, Kempower introduced the next generation charger platform with silicon carbide technology that increases performance significantly. Kempower's competitive position in comparison to its competitors in its competitive landscape could be harmed if it would be unable to add such a feature to its solutions quickly enough or at all due to technological or other challenges. Furthermore, Kempower may face challenges in the future in keeping up with the digital evolution and software offering of the EV charging market. Kempower expects new digital solutions and the improvement of certain innovations, such as the Kempower ChargEye™ charging management system, to play a larger role in the future. Competitors of Kempower may be able to keep up with the development better than Kempower, which may give them a competitive advantage over Kempower and could result in a loss of Kempower's market share.

According to Kempower's growth strategy, Kempower's focus is on organic growth, but corporate or business acquisitions as well as being a party in joint ventures are also possible in the future. Kempower may not necessarily find suitable acquisition targets or partners to establish joint ventures that would support its growth strategy or otherwise be suitable for its operations, and even if Kempower does find suitable targets or partners, it may face challenges related to the integration of the target's business into its own business operations and cooperation with other joint venture parties. There can be no assurance that Kempower will succeed in the integration of the potential target's business into its own business operations or achieve its strategic goals or synergies, and, thus, the potential acquisition may not necessarily produce the expected revenue or operating profit.

Any challenges in potential acquisitions or joint ventures could adversely affect Kempower's ability to execute its growth strategy and delays in product development could adversely affect the market adoption of Kempower's solutions and weaken Kempower's competitive position, particularly if Kempower's competitors are able to develop and commercialise similar EV charging technologies and products before Kempower. The materialisation of any of these risks could have a material adverse effect on the demand for Kempower's solutions and services and, therefore, on Kempower's results of operations. See also "*—Risks related to Kempower's Operating Environment—Changes to fuel economy standards and financial incentives supporting the EV market, changes in macroeconomic conditions or the success of alternative fuels may adversely affect the EV market and fast charging sales opportunities and, thus, the demand for Kempower's products and services*" above.

Kempower may fail in executing its growth strategy.

Kempower is a Finnish EV fast charging solutions provider striving for growth. Kempower designs, manufactures and sells DC fast charging devices, solutions and services for EVs, such as personal and commercial vehicles, mobile off highway machinery and electric marine vessels and boats. Kempower's revenue has grown rapidly, and Kempower has ambitious expansion plans that will continue to generate significant expenses and require further investments. Executing Kempower's growth strategy and achieving its business targets involve greater risks and uncertainties than the operations of companies with longer operating history.

In accordance with Kempower's growth strategy, Kempower aims to become one of the top five companies in the European and North American DC charging market by 2030. Kempower already has an established presence in its main geographic market, the Nordics, and it continues to expand into the rest of Europe and North America. The market entry into new markets, such as North America, includes multiple risks, which may have a material adverse effect on Kempower's ability to execute its growth strategy, which could lead to Kempower not achieving its business targets, which could, in turn, have a material adverse effect on Kempower's business, financial condition and/or results of operations. See also "*—Kempower's geographical expansion involves several risks, and failure to identify suitable customers, recruit new employees and benefit from estimated competitive advantages could limit its growth and have a material adverse effect on Kempower*" below.

The execution of Kempower's growth strategy will place significant strain on Kempower's resources and also increase costs, which is expected to adversely affect Kempower's profitability and liquidity. See also "*—Risks Related to Financial Condition and Financing—If Kempower is unable to obtain sufficient financing at favourable terms in the future and/or is unable to generate sufficient revenue or achieve profitability, that may restrict Kempower's ability to achieve its business targets and conduct its business operations in accordance with the set targets*" below. If Kempower fails to effectively manage its growth, it could lead to Kempower not achieving its business targets in full or at all or in the need to modify its growth strategy, or even in the need to adopt a different strategy. See "*Business—Kempower's Strategy*" and "*Business—Financial Targets*". All of these difficulties associated with Kempower's growth strategy could have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Kempower expects to face significant competition in the future as the market for EV charging develops and Kempower might be outplayed by competitors in the competition phase, which could have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Kempower operates in the EV fast charging market, and as the EV charging market is relatively new and developing, there are various uncertainties related to how the market will be structured and how the competitive landscape in the charger market will develop and which companies will ultimately prevail.

Kempower's charging solutions have been delivered to all continents and over 50 countries globally. The EV charging markets in these countries are at varying stages of development, and Kempower believes that the DC fast charging equipment market remains fragmented and immature with more than 20 identified companies. However, Kempower's current core geographic markets, which consist of the Nordics, the rest of Europe and North America, are in the scale-up phase with multiple new and developing companies entering the rapidly growing EV charging market. As the EV charging market is looking for its form in the scale-up phase, it is crucial for Kempower to build value-adding solutions and differentiate itself from its competitors. However, the actions of Kempower's competitors could adversely affect Kempower's ability to become a recognised system supplier and, subsequently, its competitive position when the markets in Kempower's core markets in the Nordics, the Rest of Europe and North America, enter into the competition phase. In the competition phase, the market will mature, and competition will increase, which may further result in many scale-up phase companies either being acquired or even eliminated. Therefore, Kempower continues to invest in its R&D capabilities in order to keep its existing products and solutions competitive, to create new innovations and to maintain financial competitiveness through design improvements that lower the manufacturing costs of its products and solutions. Kempower aims to build competitiveness in the scale-up phase through software integration services and to build stickiness when the competition phase begins through advanced estimation and data driven services, up-to-date additional information (for example about charging time) during charging transactions as well as through third-party advertisements shown on charging devices' screens. Staying competitive will require Kempower to build lasting relationships in different parts of the value chain with successful customers so that Kempower is an established market participant by the time the EV charging markets in the Nordics, the Rest of Europe, the North America and Kempower's other geographic markets enter into the competition phase. However, there can be no assurance that Kempower will be able to identify the right customers, or, even if such potential customers are identified, to gain and maintain the business of such customers, which could result in Kempower being outplayed by competitors in the competition phase, which could have a material adverse effect on Kempower's business, financial condition and/or results of operations. See also "*Business—Sales*". In addition, Kempower may face more intense competition in the future if its competitors adopt aggressive pricing policies, expand their business partner networks or adapt more quickly to changes in the EV charging market. Kempower's competitors could possess larger purchasing economies of scale or lower cost bases, stronger brand recognition or entrenched relationships with suppliers, any of which may give them a competitive advantage over Kempower and could lead to a decrease in demand for Kempower's products and solutions. As Kempower is planning to expand its operations geographically, it will face competition in additional geographic markets.

If Kempower is unable to attract and retain key employees and hire qualified management, technical, engineering, sales and R&D personnel, its ability to compete and successfully grow its business would be harmed.

The success of Kempower's business and growth strategy depends on Kempower's ability to attract and retain key management, engineering, sales, R&D and other technical personnel. The loss of the services of any of Kempower's key employees, particularly those with specific technical expertise in the field of fast charging solutions, could have a material adverse effect on Kempower's business, as it may not be able to find suitable individuals to replace such employees on a timely basis, without incurring increased costs, or at all. The loss of the services of any of Kempower's key employees may also result in delays for customer deliveries and product functionalities and, in certain circumstances, the transfer of expertise to Kempower's competitors. In addition, as innovation is an important driver of growth for Kempower in the fast-developing EV charging market, Kempower must be able to hire and retain employees with different skills and professional expectations. In order to achieve its business targets and to continue its growth in accordance with its growth strategy, Kempower has chosen Europe and North America as its core markets, although it sees growth opportunities also in the rest of the world, which imposes new demands on Kempower's management and personnel and requires recruitment of additional personnel, especially within R&D, production, marketing, sales and after sales. For example, the unemployment rate in the United States is relatively low resulting in both potential challenges to hire qualified employees and high salaries. If Kempower is not successful in recruiting and retaining qualified key personnel, this may have an adverse effect on Kempower's growth strategy, business, financial condition and/or results of operations.

Kempower's geographical expansion involves several risks, and failure to identify suitable customers, recruit new employees and benefit from estimated competitive advantages could limit its growth and have a material adverse effect on Kempower.

Kempower's charging solutions have been delivered to all continents and over 50 countries globally. As at the date of these Listing Particulars, Kempower's core geographic markets include the Nordics, the Rest of Europe and North America. In Europe, Kempower has delivered charging solutions to, for example, the Nordics, the United Kingdom, Germany, the

Netherlands, Belgium, Switzerland, Spain, Italy and France. Kempower expanded its operations into the United States in 2023, when it opened a new production facility in Durham, North Carolina. While Kempower has chosen Europe and North America as its core markets, it sees growth opportunities also in the rest of the world. Geographic expansion and entry into new markets involves various risks that may adversely affect Kempower's business, profitability and growth, such as the competitive situation in the new markets, challenges in establishing new customer relationships, lack of local brand recognition and failure to hire skilled personnel, particularly sales personnel. See also "*—Kempower expects to face significant competition in the future as the market for EV charging develops and Kempower might be outplayed by competitors in the competition phase, which could have a material adverse effect on Kempower's business, financial condition and/or results of operations,*" and "*—If Kempower is unable to attract and retain key employees and hire qualified management, technical, engineering, sales and R&D personnel, its ability to compete and successfully grow its business would be harmed*" above and "*—If Kempower is not able to substantially scale up its production capacity, sales activities and increase cooperation with business partners, it will be unable to achieve its business targets*" below. Also, laws and standards regulating Kempower's products and solutions vary among its markets and Kempower has in certain instances been required to make changes to its products and solutions in order to comply with local requirements, such as requirements relating to the quality of input energy taken by its chargers and such changes might have to be made also in the future. Such changes may delay the delivery of chargers to its customers and may even result in order cancellation. In addition, adverse developments in economic and political operating environments in these markets could have an adverse effect on Kempower. Geographical expansion also places new demands on Kempower's management, personnel, internal guidelines and control and information systems, and requires recruitment of additional personnel. See also "*—If Kempower is unable to attract and retain key employees and hire qualified management, technical, engineering, sales and R&D personnel, its ability to compete and successfully grow its business would be harmed*" above. Any failure in pursuing or successfully executing such geographical expansion could stall Kempower's growth, which, in turn, would have a material adverse effect on Kempower's business, financial condition and/or results of operations.

If Kempower is not able to substantially scale up its production capacity, sales activities and increase cooperation with business partners, it will be unable to achieve its business targets.

In order to succeed, Kempower's growth strategy requires Kempower to substantially scale up its production capacity and the sales and marketing activities carried out by Kempower's personnel during the strategy period. As at the date of these Listing Particulars, Kempower is expanding its operations in Lahti, Finland, with a new EV charger production facility and Kempower expects the new production facility to be fully operational by the end of 2024. Expansion of production capacity and sales and marketing activities carried out by Kempower requires additional personnel, and Kempower may have difficulty in recruiting qualified personnel. There is also a risk that Kempower's current employees and the leadership team will not be able to transfer knowledge to new personnel in a timely or otherwise controlled manner, which may result in lowered technical production capacity. See also "*—If Kempower is unable to attract and retain key employees and hire qualified management, technical, engineering, sales and R&D personnel, its ability to compete and successfully grow its business would be harmed*" above. There is a risk that as production expands rapidly, Kempower will have difficulties ensuring consistent production, which is essential for executing Kempower's growth strategy and achieving its business targets. The risk of ensuring consistent production becomes more pronounced when entering into new markets and setting up new production facilities. Installation of Kempower's solutions is performed by Kempower's business partners. These business partners may also sell Kempower's solutions. Kempower is not responsible for the maintenance work of its solutions, however, it may offer service and maintenance contracts where the on-site servicing is performed by its business partners. When scaling up its operations, Kempower needs to create a network of these business partners that are able to install, service and potentially sell Kempower's solutions. Creating this business partner network in new geographic markets, such as the North American markets, of which Kempower has limited knowledge is especially challenging. If Kempower is unable to transfer knowledge to new employees, ensure that its sales activities meet production capacity and ensure that its network of business partners is sufficient, this may have material adverse effects on Kempower's expansion to or success in new markets.

If any of the aforementioned risks were to materialise, it could have a material adverse effect on the sales of Kempower's solutions and services and could, therefore, have a material adverse effect on Kempower's business, financial condition, operating results and/or future prospects.

Kempower may lose significant customers or fail to build long lasting relationships with market winning customers.

Kempower's customers mainly consist of charge point operators ("**CPOs**"), commercial vehicle and bus fleet operators, original equipment manufacturers ("**OEMs**") and other customer groups that are served through Kempower's distributor and installer partner network. The loss of one or more of Kempower's major customers, if not replaced on similar terms, could have a material adverse effect on Kempower's business, financial condition and/or results of operations. The importance of Kempower's top ten customers of Kempower's revenue has historically been notable. Kempower's agreements with its largest customers are typically framework agreements that include price lists for Kempower's solutions and services for a certain period of time. Deliveries to customers under the framework agreements are based on purchase orders made by customers or orders made through an electronic data interchange link, through which Kempower receives electronic orders. Framework agreements do not necessarily result in actual purchase orders as they do not include minimum purchase obligations. Actual purchase orders may not materialise due to reasons outside of Kempower's control, such as financial difficulties of the customers, or due to technical, regulatory or other challenges that arise following the execution of a framework agreement. Therefore, the number of framework agreements and their potential value is not necessarily an indication of any level of future revenues. For other customers, purchases are typically purchase orders that are based on offers by Kempower. For more information on Kempower's customers, see "*Business—Customers*".

Kempower currently has many potential customers as many companies seek to be a system operator or provide, install or resell charging solutions in other ways. The current scale-up phase of the EV charging market has created opportunities for intermediate companies that are entering the market and may adjust their position on a case-by-case basis. Kempower operates on the supply side, and many intermediate companies, may either choose the supply side, in which case they would compete with Kempower, or the demand side, in which case they could be potential customers of Kempower. As the EV charging market matures, competition is expected to increase even further and non-value adding intermediate companies are likely to leave the market, resulting in fewer competitors. Because many scale-up phase companies may be acquired or eliminated in the competition phase, it is crucial for Kempower to build long-lasting relationships with market winning customers. Failure in building long-lasting relationships with market winning customers could adversely affect Kempower's competitiveness and future revenue growth as the market matures to the competition phase.

Kempower may be unable to protect its intellectual property rights or it may be sued by third parties for alleged infringement of their intellectual property rights.

The key factors for Kempower's value creation are its deep know-how of power supply, R&D and its intellectual property rights. Therefore, know-how, intellectual property rights and other intangible property are an important part of Kempower's business. Kempower's success and ability to compete depend in part on its intellectual property rights. Kempower believes that, in addition to protecting its registered intellectual property rights, it is important for it to protect its unregistered intellectual property, such as know-how, trade secrets and copyrights. However, the steps Kempower takes to protect its intellectual property rights may be inadequate. Kempower may be required to spend significant resources to monitor and protect its intellectual property rights in all relevant geographical markets. Furthermore, as Kempower expands into new markets, the demand for protecting intellectual property rights has not only increased, but is also expected to continue rising in the future. Litigation brought to protect and enforce Kempower's intellectual property rights could be costly and time-consuming and divert management attention and could result in the impairment or loss of portions of its intellectual property rights. Furthermore, Kempower's efforts to enforce its intellectual property rights may be met with defences, counterclaims and countersuits attacking the validity and enforceability of its intellectual property rights. Kempower's failure to protect its intellectual property rights in a timely manner may also result in Kempower's competitors being able to protect their similar technologies before Kempower.

Kempower's success also depends upon not infringing upon intellectual property rights of third parties. Kempower's competitors, as well as a number of other entities and individuals, may own or claim to own intellectual property relating to Kempower's products, solutions or technology. Third parties may also claim that Kempower is infringing on their intellectual property rights. Any claims or litigation could cause Kempower to incur significant expenses and, if successfully asserted against it, could require that Kempower pays substantial damages, prevent Kempower from selling its products and solutions or require that it complies with other unfavourable terms. Even if Kempower were to prevail in such a dispute, any litigation regarding its intellectual property rights could be costly and time-consuming and divert management attention.

Any failure to protect and enforce intellectual property rights or any infringement or alleged infringement of third-party intellectual property rights could have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Potential product or software quality defects, performance issues, product liability or warranty claims associated with Kempower's products could have a material adverse effect on Kempower and its reputation.

Kempower is exposed to various risks relating to the quality and/or safety of its products and solutions. In particular, as Kempower's products and solutions are still relatively new and subject to ongoing development work, there is an increased risk related to product quality and liability. Although Kempower always aims to ensure the quality and safety of its products and solutions, there can be no assurance that Kempower's products and solutions work as intended and that Kempower will not become subject to product liability claims or allegations regarding the quality or safety of its products and solutions. Any claims, allegations or negative publicity related to Kempower's products and solutions, the products of its competitors or the safety of charging stations in general could weaken its brand and harm its overall reputation, even if such claims or allegations are unfounded. This could, in turn, reduce demand for Kempower's solutions and services, which could adversely affect Kempower's competitive position and delay or even prevent Kempower from pursuing its expansion plans and achieving its financial targets. Although Kempower has several quality control measures in place, there can be no assurance that such measures will always be adequate for detecting potential defects in Kempower's products and solutions. Any failures in Kempower's quality control, including internal measures and third-party testing, may lead to the delivery of defective products to Kempower's customers. Any significant product quality issue may require a considerable amount of management resources. In addition, the costs incurred in correcting such defects or errors may be substantial. Responding to detected or suspected quality issues, for example, by onboarding new suppliers, proactively adjusting production processes or by switching the materials used, usually gives rise to costs that may be significant. Such issues may also lead to product recalls, product liability or warranty claims, and contractual liabilities towards Kempower's customers and/or end customers, or to third-party claims. Kempower's warranty provisions as at 31 March 2024 were EUR 12.1 million. Kempower's projects typically have relatively short development lead times from the prototype building phase to the deadline to deliver the completed project to the customer. In certain projects, due to the short development lead times, the testing phase of Kempower's solutions must be kept relatively short, which may result in technical problems once a product or a project has been delivered to the customer. Such technical problems could result in considerable warranty claims and significant maintenance costs and could also result in a loss of customers and harm Kempower's reputation. Kempower is prepared for potential warranty claims by making provisions. The amount of provisions is defined on the basis of Kempower's revenue.

Kempower's product technology may also have undetected defects, errors or bugs, which could reduce the market adoption of Kempower's products and solutions, damage Kempower's reputation with current or potential customers, and/or expose it to product liability and/or other claims that could have a material adverse effect on Kempower's business. Kempower has in the past found defects and errors in its products and solutions and it may detect new defects or errors in the future. Any real or perceived errors, failures, vulnerabilities, or bugs in its products and solutions could result in adverse publicity that could harm Kempower's reputation.

Kempower has experienced, and may in the future experience, malfunctions of internally or externally used software, website disruptions, outages and other performance problems. Such problems may be caused by a variety of factors, including infrastructure changes, human or software errors, data centre failures, viruses, cyberattacks, fraud, spikes in customer usage and denial of service issues. In some instances, Kempower may not be able to identify the cause or causes of such performance problems within an acceptable period of time. If Kempower does not accurately forecast its required operations infrastructure, its customers may experience service outages that may cause Kempower financial liabilities, customer losses and damage to Kempower's reputation, which could have a material adverse effect on Kempower's growth strategy.

The realisation of any of these risks may have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Significant disruptions in or the suspension of Kempower's production or deliveries, or damage to or destruction or closure of Kempower's production facilities or inventories, would materially undermine Kempower's ability to distribute its products and solutions.

Kempower purchases materials, including sub-assemblies, from its suppliers and performs the final assembly of its products and solutions at its own production facilities located in Lahti, Finland, and Durham, North Carolina, the United States. By assembling its products and solutions itself, Kempower manages the most critical work stages and enables customised product configurations for its customers. As Kempower's production relies on its own production facilities, events that would cause significant disruptions in or the suspension of Kempower's production facilities could materially affect Kempower's ability to deliver its products and solutions to its customers in a timely manner. Kempower's production facilities may be damaged or destroyed or they may be closed or the equipment on the premises may be damaged due to, for example, fire, accident, natural disaster or equivalent events beyond Kempower's control. Similarly, Kempower's inventories stored at its production facilities could be subject to similar events that could destroy all or part of such inventory. Furthermore, any delays or problems in the deliveries of critical materials by third party suppliers may cause unforeseen delays in Kempower's ability to deliver its products or projects on time, or at all. Such events or incidents could result in material disruptions and delays in Kempower's production and deliveries and potentially in Kempower not being able to fulfil its obligations to its customers. If Kempower were unable to locate alternative production facilities, transfer production to its other production facilities or repair the damaged premises or equipment in a timely and cost-effective manner, such conditions could have a material adverse effect on Kempower's business, financial condition and/or results of operations. Kempower is also exposed to risks related to site security and occupational health and safety at its production facilities. Any failure to maintain high levels of safety management could result in physical injury, sickness or impairment of Kempower's reputation or inability to attract and retain skilled employees. In addition, any severe problems in logistics, such as delays in delivery schedules or damage to cargo, may result in increased costs and, ultimately, adversely affect Kempower's business, financial condition and/or results of operations.

All Kempower's production facilities are leased from third parties. If a lessor were to terminate a lease agreement or refuse to renew it on commercially acceptable terms, or at all, this could, in the short term, lead to disruptions in Kempower's production, reduce Kempower's production capacity temporarily or permanently, adversely affect its ability to serve customers and/or give rise to significant costs relating to the closure or transfer of the operations of the production facility in question.

Difficulties in maintaining and updating IT infrastructure, deficiencies in IT systems, and cyber-attacks related to IT systems may have an adverse effect on Kempower.

A failure of IT systems to perform as designed could disrupt Kempower's business and have a material adverse effect on its revenue and results of operations. In addition, Kempower's IT systems may be damaged or they may cease to function for numerous reasons, such as ongoing IT system and IT service development projects, third-party service provider disruptions, catastrophes, power failures or major accidents, such as fires and natural disasters, and due to human errors, such as mistakes made by Kempower's own employees. Kempower's IT systems and infrastructure may be vulnerable to cybersecurity risks, including direct or indirect cyberattacks, such as computer viruses and worms, phishing attacks, and penetrating or bypassing security measures in order to gain unauthorised access to Kempower's information networks and systems. See also "*—Potential product or software quality defects, performance issues, product liability or warranty claims associated with Kempower's products could have a material adverse effect on Kempower and its reputation*" above. Exploitation of possible weaknesses in Kempower's security controls could disrupt its business and cause leakage of sensitive information, theft of intellectual property and damage to Kempower's reputation. Any of these risks could have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Kempower's risk management and internal controls may not necessarily be able to prevent or detect negligence, mistakes or action contrary to Kempower's guidelines or regulations.

Kempower has adopted and introduced processes, systems and controls to ensure compliance with applicable laws and regulations. These actions may not necessarily be sufficient to prevent or detect any deficient practices, negligence, fraud, mistakes, action contrary to Kempower's guidelines or regulations and illegal activity that may be pursued not only by Kempower's employees and representatives, but also by its suppliers and customers. Although Kempower's internal systems and controls seek to manage such risks and its manufacturers are required to adhere to its code of conduct, these systems and controls may not be sufficient to uncover or prevent or detect negligence, mistakes or action contrary to Kempower's guidelines or regulations. For example, Kempower, its suppliers or its customers could become subject to allegations of non-compliance with acceptable labour practices or applicable laws, including fraud, bribery or corruption, resulting from the sourcing of products in foreign markets. Any acts, wrongdoings or non-compliance with any laws, rules and regulations by Kempower, its employees and representatives or its suppliers and customers could harm Kempower's business, reputation and brand, and Kempower could be required to expend significant resources in its efforts to rebuild its business, reputation and brand. If Kempower fails to organise or maintain effective internal controls or to introduce the necessary, new or improved control procedures or if it experiences difficulties in their introduction, Kempower may fail in the correctness of reporting or prevention of abuses. Realisation of any of the aforementioned risks may have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Kempower's insurance policies provide limited coverage, potentially leaving Kempower uninsured against certain risks.

Kempower's insurance policies include, among others, property damage and business interruption insurance, cargo insurance, general and product liability insurance, accident insurance for employees, directors' and officers' liability insurance, crime insurance and cyber liability insurance for amounts believed to be consistent with industry practices. However, Kempower is not fully insured against all risks, and insurance against all types of risks and catastrophic events may not be available on reasonable economic terms, or at all. For example, Kempower's insurance coverage does not cover claims based on slowly occurring environmental damages on Kempower's properties or other properties, claims based on damages that are a consequence of pandemics, or claims based on the realisation of certain business risks that are uninsurable by nature. The occurrence of an accident that causes losses in excess of limits specified under the relevant policy or is subject to material deductibles or self-insured retentions, could have a material adverse effect on Kempower's business, financial condition and/or results of operations. In addition, Kempower could be exposed to accidents arising from events not covered by insurance policies, which are inherently unpredictable in terms of both their occurrence and severity. Moreover, any accidents could, albeit that they are covered by Kempower's insurance policies, lead to increased insurance premiums in the future and, therefore, increase Kempower's operating costs.

Risks Related to Financial Condition and Financing

If Kempower is unable to obtain sufficient financing at favourable terms in the future and/or is unable to generate sufficient revenue or achieve profitability, that may restrict Kempower's ability to achieve its business targets and conduct its business operations in accordance with the set targets.

Kempower finances its business with cash flow from operating activities and remaining cash funds from the listing on the First North Growth Market carried out in 2021. There is no assurance that Kempower's cash flow and profitability will be positive in the future. For the three months ended 31 March 2024, Kempower's operative EBIT was EUR -10.8 million and cash flow from operating activities EUR -10.2 million, Sufficient cash flow is required for Kempower's existing business and Kempower may need external debt or equity financing, for example, for the possible acceleration or execution of its expansion plans and investments possibly expected to be made in connection with the implementation of its growth strategy. There can be no assurance that Kempower will be able to secure financing to a sufficient extent and on competitive terms to finance its business and investments. Continuous inflation or changes in the macroeconomic environment or in the general financial markets may have an adverse effect on the availability, price and other terms of financing. For example, global financial markets have experienced, and may continue to experience, significant volatility and liquidity disruptions, which may adversely affect Kempower's financing costs and access to financing and ultimately affect Kempower's ability to finance its operations. Changes in the availability of equity and debt financing and in the terms of the financing available may have an effect on Kempower's ability to invest in developing and growing its business in the future. If Kempower is not able to obtain financing on competitive terms or at all, this may have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Fluctuations in foreign exchange and interest rates could have a material adverse effect on Kempower.

Due to the international nature of Kempower's business and its ambitious expansion plans, Kempower expects its exposure to transactional and translation risks to increase. Transactional risks arise when the trade currency of the solutions is other than the domestic currency of the Company and its subsidiaries. Translation risks arise when the funds of the subsidiaries held in different currencies are translated into the Company's operating currency, the euro. In the short to medium term, Kempower expects to be exposed to transactional risk and translation risk related mainly to the U.S. dollar, the British pound sterling, the Swedish krona, the Norwegian krone and Canadian dollar. For the year ended 31 December 2023, 81 percent of Kempower's revenue was generated in euros, 11 percent in British pound sterling, 5 percent in Norwegian kroner and 3 percent in U.S. dollars, and for the three months ended 31 March 2024, 79 percent of Kempower's revenue was generated in euros, 9 percent in British pound sterling, 9 percent in Canadian dollars, 2 percent in U.S. dollars and 1 percent in Norwegian kroner. For the year ended 31 December 2023, 95 percent of Kempower's cost of sales was in euros and 5 percent in U.S. dollars, and for the three months ended 31 March 2024, 92 percent of Kempower's cost of sales was in euros and 8 percent in U.S. dollars. Kempower expects its exposure to transactional and translation risks to increase in the future, if the sales or costs in foreign currencies increase significantly. As at the date of these Listing Particulars, Kempower applies forward exchange agreements, which are used to hedge material amounts subject to transactional risk, mainly for currency hedging. With currency hedges Kempower aims to minimize exchange rate gains or losses affecting profit or loss resulting from significant exchange rate fluctuations of currency denominated balance sheet items.

Kempower has during 2023 expanded its operations into the United States, and Kempower may in the future have more subsidiaries outside the euro area, the assets, liabilities, income and expenses of which are converted into euros at appropriate periods for the financial statements purposes, and Kempower's foreign exchange risks will increase further if its sales or costs in foreign currencies increase significantly. Exchange rate fluctuations are, thus, expected to have an effect on Kempower's results of operations and this effect increases as Kempower plans to continue its expansion of operations.

As at 31 March 2024, Kempower's lease liabilities amounted to EUR 25,337 thousand. As at 31 March 2024, Kempower did not have other interest bearing liabilities. Kempower finances its business with cash flow from operating activities and remaining cash funds from the listing on the First North Growth Market carried out in 2021. Sufficient cash flow is required for Kempower's existing business and Kempower may need external debt or equity financing, for example, for the execution of expected expansion plans and investments made in connection with the possible acceleration or execution of its growth strategy. Therefore, Kempower expects its interest costs to increase in the future, if it is required to obtain external debt financing. Increases in interest rates could also have a material direct effect on the costs of available funding and Kempower's financing costs. An increase in interest rates could, thus, have an effect on the costs of Kempower's debt financing in the future. Interest rates may rise for numerous different reasons beyond Kempower's control, such as policies pursued by states and central banks.

Kempower's tax costs could increase as a result of changes to tax laws or their application or as a result of a tax audit.

Kempower's tax burden depends on certain tax laws and regulations and their application and interpretation (for example, with regard to transfer pricing rules). Changes in tax laws and regulations or their interpretation and application may increase Kempower's tax costs to a significant degree, which could have an adverse effect on Kempower's financial condition and/or results of operations. See also "*—Risks Related to Kempower's Operating Environment—Changes to fuel economy standards and financial incentives supporting the EV market, changes in macroeconomic conditions or the success of alternative fuels may adversely affect the EV market and fast charging sales opportunities and, thus, the demand for Kempower's solutions and services*" above.

Especially expansion to new markets increases tax risks due to different requirements of local tax authorities. Kempower expanded its operations into the United States in 2023 and may resolve to further expand its operations, which may increase Kempower's tax requirements in the future. Kempower may also not have sufficient resources to monitor changes of applicable tax laws and regulations in each country, which could cause additional costs to Kempower. In addition, Kempower may at times be subject to tax audits conducted by national tax authorities. Tax audits or other auditing measures carried out by tax or other authorities, such as customs officials, could result in an imposition of additional taxes (such as income taxes, taxes at source and property, capital, transfer and value-added taxes), which could lead to an increase in Kempower's tax liability.

Kempower is exposed to credit and counterparty risks.

Kempower is exposed to credit and counterparty risks in its business, for example, in relation to customers and suppliers. Credit and counterparty risk refers to the risk of a supplier being unable or unwilling to fulfil its obligation to Kempower or a customer not acting according to agreed terms of payment. Credit risk related to Kempower's customers arises from outstanding receivables or long-term agreements and long payment terms. Kempower's customers are generally large corporations and other entities, whose negotiating power is typically high. Therefore, Kempower's customer agreements may include long payment terms. Although Kempower's customers and suppliers are generally financially stable corporations and other entities, they also include corporations and other entities that have only recently entered the EV charging business. Although Kempower has not recorded any significant credit losses for the three months ended 31 March 2024 or the years ended 31 December 2023 and 2022, it has protected its trade receivables with an insurance and it conducts customer due diligence and overall financial risk assessment in connection with larger sales projects, there can be no assurance that Kempower will not be exposed to higher credit losses in the future or that the insurance covers these risks sufficiently. If one or more of Kempower's contractual partners encounters payment difficulties or bankruptcy, the amount of Kempower's credit losses may increase or its production be disturbed due to supply problems, which could result in a reduction of Kempower's liquidity and consequently have a material adverse effect on Kempower's business, financial condition and/or results of operations.

Kempower's money market investment portfolio may be unprofitable and Kempower may lose its investments.

Kempower's investment portfolio consists of deposits and investments in money markets, with a diversification across different investment instruments and counterparties. As at 31 March 2024, the value of Kempower's investments in money markets was EUR 62.7 million. There can be no assurance that Kempower's investment portfolio will be successful and profitable. Furthermore, if Kempower's investments under its money market investment portfolio are unsuccessful, Kempower may lose all or part of its investments, which could have an effect on Kempower's ability to make investments and Kempower's financial condition. In addition, increases in the interest rates may affect Kempower's investment portfolio and incur additional costs and reduce the profits from the investments. See also "*—Fluctuations in foreign exchange and interest rates could have a material adverse effect on Kempower*" above.

Risks Related to the Shares

The Company does not expect to pay any dividend in the short term and the amount of dividends paid by the Company in any given financial year is uncertain.

The Company has not distributed dividends since its establishment. Under the provisions of the Finnish Companies Act, the amount distributed by the Company as dividends may not exceed the amount of distributable funds shown on its latest unconsolidated parent company audited financial statements adopted by the general meeting of shareholders. Any possible distribution of dividends in respect of a financial period depends on the Company's and its subsidiaries' results of operations, financial condition, cash flow, need for working capital, investments, future outlook, terms of its financing agreements and other factors. Under the Finnish Companies Act, the distribution of dividends is not permitted if it would jeopardise the Company's solvency. In the forthcoming years, Kempower will focus on financing the growth and the development of its business. The Company has adopted a dividend policy based on which the Company expects to distribute no dividends in the short term. The amount of any dividends to be potentially paid by the Company in any given financial year in the future is, thus, uncertain, and if the Company does not pay any dividend, an investor's potential return will depend solely on the future development of the share price. Furthermore, the dividends paid by the Company for a certain financial period are not an indication of the dividends to be paid for financial periods in the future, if any. See also "*Dividends and Dividend Policy*".

The interests of the largest shareholder may differ from those of other shareholders.

As at the date of these Listing Particulars, Kemppi Group Oy holds approximately 61.93 percent of all Shares and voting rights in the Company. See "*Major Shareholders*". After the Listing, Kemppi Group Oy will continue to have significant ownership in the Company and it will be able to control, among other things, the composition of the Board of Directors of the Company and the distribution of dividends. Kemppi Group Oy will also have the ability to block decisions required to be made at the general meeting of the shareholders of the Company, including, among other things, the approval of the financial statements, capital increases, decisions regarding changes to the articles of association and certain corporate transactions, such as mergers and demergers. There can be no assurance that the interests of Kemppi Group Oy will be aligned with those of other shareholders of the Company.

Future share issues and sales of significant number of Shares may reduce the price of the Shares and the future share issues may dilute the share of ownership of the current shareholders.

An issuance or sale of a significant number of Shares, or an understanding that such an issuance or sale may occur in the future, could have an adverse effect on the market price of the Shares and on the Company's ability to raise funds through share issues in the future. Also, due to the large percentage of Shares held by Kemppi Group Oy, there can be no assurance that Kemppi Group Oy will not affect trading and transaction volumes by using its decision-making power in the Company or by making decisions concerning its shareholding in the Company, which could have an adverse effect on the prevailing market price of the Shares. Further, the perception that any such large sell down by large shareholders may occur in the future may have an adverse effect on the development of the price of the Shares. Furthermore, any possible future directed share issue, or a rights issue where any existing shareholders decide not to exercise their subscription rights, could dilute shareholders' relative share of the Shares and voting rights in the Company.

Holders of nominee-registered Shares cannot necessarily exercise their voting rights.

The holders of nominee-registered Shares cannot necessarily exercise their voting rights unless their ownership has been temporarily registered under their own name in Euroclear Finland by the date stated in the notice to the Company's general meeting of shareholders. The Company cannot give any assurances that the holders of nominee-registered Shares would receive a notice to the general meeting of shareholders in time to instruct their account operators to either temporarily register their Shares or otherwise exercise their voting rights as the actual owners wish. See "*The Finnish Securities Markets—Finnish Book-entry Securities System*".

Certain foreign shareholders may not necessarily be able to exercise their subscription rights.

Under Finnish legislation, shareholders have specific subscription rights in proportion to their holdings when the Company issues new Shares or securities entitling the subscription of new Shares in the Company. Certain shareholders of the Company who reside or will reside in, or whose registered address is located in, certain countries other than Finland may not be able to exercise their subscription rights in possible future share issues, unless the Shares have been registered according to the securities legislation of the country in question or in an otherwise similar manner, or unless a derogation from the registration or other equivalent regulations provided in the applicable legislation is available. This may lead to the dilution of such shareholders' ownership in the Company. Further, if the number of shareholders who are not able to exercise their subscription rights is high and if the subscription rights of such shareholders are sold on the market, it could have an adverse effect on the price of the subscription rights. A foreign shareholder's right to have access to information concerning share issues and important transactions may also be restricted due to the legislation of the country in question. See "*Description of the Shares and Share Capital—Shareholder Rights*".

Risks Related to the Listing

The Listing will result in additional costs for the Company and the Company may fail to implement functions required from a listed company.

The Company has submitted a listing application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki. Although the Shares have been listed on the First North Growth Market since 2021, the requirements for the Companies listed on the Official List of Nasdaq Helsinki are broader and stricter. In addition to non-recurring costs of approximately EUR 0.4 million, the Listing will result in significant ongoing administrative costs for the Company also after the Listing, which could have an adverse effect on Kempower's financial condition and/or results of operations. As a consequence of the Listing, the Company will be required to meet regulatory requirements pertaining to entities with shares admitted to trading on the Official List of Nasdaq Helsinki, in particular with respect to financial reporting, and allocate staff and resources to such purposes. Such additional costs could have a material adverse effect on Kempower's financial condition and/or results of operations.

It is possible that the implementation of the required operations and processes and the staff and resources adjustment requires more resources than planned and these tasks cannot be performed with the same level of quality as previously or that such operations will be suspended. Furthermore, Kempower must assign employees and other resources for these purposes. It is also possible that Kempower will fail to implement and organise the functions required from a listed company or to maintain these functions partly or entirely. If Kempower fails to implement and organise the functions required from a listed company, Nasdaq Helsinki may not accept the Company's listing application, which could incur additional expenses for Kempower.

Tight communication schedules and dependence on data systems and key employees to carry out required operations and processes may pose challenges to the correctness of financial and other information and to the timely release of such information. If information published by the Company turns out to be incorrect, misleading or otherwise not in compliance with all applicable laws, rules and regulations, the Company may lose the trust of its investors and other interest groups and face sanctions as a result of such actions.

The Listing may not be completed.

Although the Company considers it to meet the criteria set for companies listed on the Official List of Nasdaq Helsinki, there can be no assurance that the Listing will be completed. The Listing may fail due to, for example, matters relating to the decisions of authorities, requirements set by Nasdaq Helsinki or other factors, some of which are beyond the Company's control. It is also possible that Nasdaq Helsinki does not accept the Company's listing application, which may lead to a delay in the Listing or its cancellation and cause significant additional costs and administrative burden. Delay or failure of the Listing may have a material adverse effect on the Company’s business, financial condition and/or results of operations, due to, for example, additional costs.

CERTAIN MATTERS

Statement Regarding Information in these Listing Particulars

The Company is responsible for the information included in these Listing Particulars. To the best of the Company's knowledge, the information contained in these Listing Particulars is in accordance with the facts and these Listing Particulars makes no omission likely to affect its import.

10 June 2024

Kempower Corporation

Special Cautionary Notice Regarding Forward-looking Statements

These Listing Particulars contains forward-looking statements about Kempower that are not historical facts, but statements about future expectations. When used in these Listing Particulars, the words "aims", "anticipates", "assumes", "believes", "could", "estimates", "expects", "intends", "may", "plans", "should", "will", "would" and similar expressions as they relate to Kempower or its management, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in these Listing Particulars, including in the sections "*Summary*", "*Risk Factors*", "*Dividends and Dividend Policy*", "*Reasons for the Listing*", "*Capitalisation and Indebtedness*" and "*Business*" and wherever these Listing Particulars include information on the future results, plans and expectations with regard to Kempower, the future growth and profitability of Kempower and the future general economic conditions to which Kempower is exposed.

No Incorporation of Website Information

The Finnish Prospectus will be published on Kempower's website at *investors.kempower.com/fi/listautuminen-2024* and these Listing Particulars at *investors.kempower.com/listing-2024* on or about 10 June 2024.

These Listing Particulars, the documents incorporated by reference as well as possible supplements to these Listing Particulars that will form a part of these Listing Particulars will be published on Kempower's website. However, other information on Kempower's website or any other website, do not form a part of these Listing Particulars, and prospective investors should not rely on such information in making their decision to invest in the Shares.

Presentation of Financial Information

Historical Financial Statements and Interim Financial Information

The historical financial information included in these Listing Particulars has been derived from Kempower's unaudited consolidated financial information as at and for the three months ended 31 March 2024 including the unaudited comparative financial information as at and for the three months ended 31 March 2023 (*i.e.*, the Interim Consolidated Financial Information) and Kempower's audited consolidated financial statements as at and for the years ended 31 December 2023 and 2022 (*i.e.*, the Audited Consolidated Financial Statements) incorporated by reference into these Listing Particulars.

The Interim Consolidated Financial Information incorporated by reference into these Listing Particulars has been prepared in accordance with "*IAS 34 – Interim Financial Reporting*" in compliance with IFRS Accounting Standards and the Audited Consolidated Financial Statements incorporated by reference into these Listing Particulars have been prepared in accordance with IFRS Accounting Standards. The financial information included in the tables of these Listing Particulars has been indicated as audited when the information has been derived from the Audited Consolidated Financial Statements.

The Audited Consolidated Financial Statements as at and for the years ended 31 December 2023 and 2022 have been audited by EY, Authorised Public Accountants, with Toni Halonen, Authorised Public Accountant, as the auditor with principal responsibility. Toni Halonen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register.

Alternative Performance Measures

Kempower presents in these Listing Particulars certain performance measures of historical financial performance, financial position and cash flows, which in accordance with the "*Alternative Performance Measures*" guidance issued by the European Securities and Markets Authority are not accounting measures defined or specified in IFRS Accounting Standards and are, therefore, considered alternative performance measures (together, the "**Alternative Performance Measures**").

These Alternative Performance Measures are:

- revenue growth;

- gross profit;
- gross profit margin;
- EBIT margin;
- operative EBIT;
- operative EBIT margin;
- equity ratio;
- investments;
- net debt; and
- items affecting comparability.

For more information on the reasons for the use of the Alternative Performance Measures and definitions and basis of calculation of the Alternative Performance Measures, see "*Selected Consolidated Financial Information*".

Kempower presents Alternative Performance Measures as additional information to financial measures presented in the consolidated income statement, consolidated statement of financial position and consolidated statement of cash flow prepared in accordance with IFRS Accounting Standards. In Kempower's view, the Alternative Performance Measures provide the management and investors, securities analysts and other parties with significant additional information related to Kempower's results of operations, financial condition or cash flows and are widely used by analysts, investors and other parties.

The Alternative Performance Measures should not be considered in isolation or as substitute to the measures under IFRS Accounting Standards. All companies do not calculate Alternative Performance Measures in a uniform way, and, therefore, the Alternative Performance Measures presented in these Listing Particulars may not be comparable with similarly named measures presented by other companies. The Alternative Performance Measures presented in these Listing Particulars are unaudited.

Market and Industry Information

These Listing Particulars contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Kempower's business and markets. Such information is based on Kempower's estimates and/or analysis of multiple sources and information otherwise obtained, unless otherwise indicated.

The Company confirms that third party information has been reproduced accurately in these Listing Particulars. As far as the Company is aware and is able to ascertain from information published by these third parties, no facts have been omitted that would render the reproduced information misleading or inaccurate.

These Listing Particulars also contains estimates regarding the market position of Kempower that cannot be gathered from publications by market research institutions or any other independent sources. In many cases, there is no publicly available information on such data, for example from industry associations, public authorities or other organisations and institutions. The Company believes that its internal estimates of market data and information derived therefrom and included in these Listing Particulars are helpful in order to give investors a better understanding of the industry in which Kempower operates as well as its position within this industry. Although the Company believes that its internal market estimates are fair, they have not been reviewed or verified by any external experts and the Company cannot guarantee that a third-party expert using different methods would obtain or generate the same results.

Certain Other Information

Financial information set forth in these Listing Particulars has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total amount given for that column or row.

All references in these Listing Particulars to "**euro**" and "**EUR**" refer to the currency of Economic and Monetary Union of the EU, those to the "**British pound sterling**" and "**GBP**" refer to the currency of the United Kingdom of Great Britain and Northern Ireland, those to the "**Canadian dollar**" and "**CAD**" refer to the currency of Canada, those to the "**Danish krone**" and "**DKK**" refer to the currency of the Kingdom of Denmark, those to the "**Norwegian krone**" and "**NOK**" refer to the currency of the Kingdom of Norway, those to the "**Swedish krona**" and "**SEK**" refer to the currency of the Kingdom of Sweden and those to the "**U.S. dollar**" and "**USD**" refer to the currency of the United States of America.

DIVIDENDS AND DIVIDEND POLICY

The Board of Directors of the Company has adopted a dividend policy pursuant to which no dividends will be distributed in the short term. In the forthcoming years, the Company will focus on financing the growth and the development its business. The amount of any dividend to be potentially paid by the Company in any given financial years is, thus, uncertain and if the Company does not pay any dividend, an investor's potential return will depend solely on the future development of the share price.

The payment of dividends, if any, by the Company and the amounts and timing thereof will depend on a number of factors, including Kempower's capital structure, future revenue, profits, financial position, general economic and business conditions, and future prospects; the ability of the Company's subsidiaries to pay dividends or otherwise transfer funds to the Company; and such other factors as the Board of Directors of the Company may deem relevant.

There can be no assurance that a dividend will be declared in any given year. Moreover, any dividend paid in a given year will not be indicative of any dividends to be paid in any subsequent year. If any dividend is distributed, all of the Shares will be entitled to the same dividend.

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company's financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than those for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, such financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorise the Board of Directors to decide upon payment of dividends and other distribution of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount resolved by the general meeting of shareholders. The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company since the financial statements were prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent.

No dividend has been paid by the Company for the years ended 31 December 2023 and 2022. See "*Certain Matters—Presentation of Financial Information*" and "*Description of the Shares and Share Capital—Shareholder Rights—Dividends and Other Distributions of Funds*".

Dividends paid to shareholders who are non-residents of Finland will generally be subject to Finnish withholding tax. Currently, the withholding tax rate is 20 percent of the dividend paid to non-resident corporate entities and 30 percent for all other non-residents. The amount of withholding tax may be reduced pursuant to an applicable tax treaty to which Finland is a party. For a summary of certain tax consequences for shareholders, see "*Taxation*".

REASONS FOR THE LISTING

Reasons for the Listing

The objective of the Listing is to enable Kempower to execute its growth strategy. The Company expects the Listing to improve the liquidity of the Shares and provide additional visibility, which would improve Kempower's recognition among the public and business partners and as an employer, and thus enhance Kempower's competitiveness.

Fees and Expenses

The Company expects to pay approximately EUR 0.4 million in fees and expenses in connection with the Listing. The Company will not receive any proceeds from the Listing.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth Kempower's capitalisation and indebtedness as at 31 March 2024 based on the Company's unaudited interim consolidated financial information as at and for the three months ended 31 March 2024.

The following table should be read together with "*Selected Consolidated Financial Information*" and the Consolidated Financial Information incorporated by reference into these Listing Particulars.

	As at 31 March 2024 (unaudited) (EUR in millions)
CAPITALISATION	
Current interest-bearing liabilities (including current portion of non-current interest-bearing liabilities)	
Guaranteed / secured[(1)]	5.0
Unguaranteed / unsecured	0.0
Total	5.0
Non-current interest-bearing liabilities (excluding current portion of non-current interest-bearing liabilities)	
Guaranteed / secured[(1)]	20.3
Unguaranteed / unsecured	0.0
Total	20.3
Total interest-bearing liabilities	25.3
Equity	
Share capital	0.1
Reserve for invested unrestricted equity	95.7
Other reserves	0.0
Treasury Shares	(5.3)
Translation difference	(0.1)
Retained earnings	43.1
Profit/loss for the period	(8.8)
Total equity	124.7
Total equity and interest-bearing liabilities	150.0
NET INDEBTEDNESS	
Cash and cash equivalents	21.4
Other current financial assets	62.7
Liquidity (A)	84.0
Current interest-bearing liabilities (including debt instruments, but excluding current portion of non-current interest-bearing liabilities)	0.0
Current portion of non-current interest-bearing liabilities[(1)]	5.0
Current financial indebtedness (B)	5.0
Net current financial indebtedness (C=B-A)	(79.0)
Non-current interest-bearing liabilities (excluding current portion of non-current interest-bearing liabilities)[(1)]	20.3
Non-current financial indebtedness (D)	20.3
Total financial indebtedness (E=D+C)	(58.7)

(1) As at 31 March 2024, the Company's interest-bearing liabilities included non-current lease liabilities of EUR 20.3 million and current lease liabilities of EUR 5.0 million.

As at 31 March 2024, Kempower's off-balance-sheet commitments amounted to a total of EUR 26.9 million, and they included EUR 11.7 million of purchase commitments to Kemppi Group companies, EUR 10.7 million of purchase commitments to other companies, EUR 3.1 million of commitments to leases commencing after the reporting period and EUR 1.5 million of guarantees given.

As at 31 March 2024, Kempower's provisions consisted of warranty provisions of EUR 12.1 million and EUR 0.4 million provision for unprofitable purchase commitments. As at 31 March 2024, total amount of provisions was EUR 12.5 million, of which EUR 3.7 million were non-current and EUR 8.8 million current.

There have been no material changes in the Company's capitalisation and indebtedness between 31 March 2024 and the date of these Listing Particulars.

Working Capital Statement

According to Kempower's estimate, its working capital is sufficient for at least 12 months from the date of these Listing Particulars.

BUSINESS

This section contains statistics, data and other information relating to markets, market sizes, market shares and market positions and other industry data pertaining to Kempower's business and markets. The information is based on Kempower's estimates, which are based on several sources. See "Certain Matters—Market and Industry Information".

Overview

Kempower is a Finnish EV fast charging solutions provider striving for growth. Kempower designs, manufactures and sells DC fast charging devices, solutions and services for EVs, such as personal and commercial vehicles, mobile off-highway machinery and electric marine vessels and boats. Kempower offers a selection of solutions to suit all EV fast charging needs – from public parking spaces to bus depots and terminal stops, for heavy-duty commercial and other EVs as well as ports and charging of electric marine vessels and boats. The modular, scalable and flexible design of Kempower's products, combined with the systems' ability to handle several vehicles' dynamic fast charging simultaneously, serves in particular customer groups that require or benefit from charging systems with multiple, high-power charging devices. Kempower's vision is to continue to enhance and expand electric mobility through its charging technology and the world's most desired EV charging solutions while simultaneously powering a better and greener future by creating a more efficient infrastructure for electric driving and its mission is to become the very best workplace for the professionals of the future.

Kempower's core geographic markets are the Nordics, which accounted for 40 percent of Kempower's revenue for the year ended 31 December 2023 and 36 percent for the three months ended 31 March 2024, the Rest of Europe, which accounted for 51 percent of Kempower's revenue for the year ended 31 December 2023 and 48 percent for the three months ended 31 March 2024 and North America, which accounted for 4 percent of Kempower's revenue for the year ended 31 December 2023 and 9 percent for the three months ended 31 March 2024. Kempower's geographical markets also include the Rest of the World, which accounted for 5 percent of Kempower's revenue for the year ended 31 December 2023 and 7 percent for the three months ended 31 March 2024. Kempower's charging solutions have been delivered to all continents and over 50 countries. Kempower's charging solutions are designed and manufactured in Lahti, Finland, where Kempower's headquarters and two fully operational production facilities and one new production facility, which is expected to be fully operational by the end of 2024, are located, and in Durham, North Carolina, the United States, where Kempower opened a new production facility in 2023. In addition, Kempower has a R&D centres in Vaasa, Finland, at Tampere University's Hervanta Campus in Tampere, Finland and at Lappeenranta-Lahti University of Technology's campus in Lahti, Finland. As at the date of these Listing Particulars, Kempower is expanding its operations in Lahti, Finland, with a new EV charger production facility and Kempower expects the new production facility to be fully operational by the end of 2024. Additional information on other investments is presented in "*—Investments*" below. Kempower has offices and production facilities in Finland and the United States as well as sales offices in Australia, France, Germany, Italy, Norway, Poland, Spain, Sweden the Netherlands and the United Kingdom.

For the year ended 31 December 2023, Kempower's revenue was EUR 283.6 million, its operating profit/loss (EBIT) was EUR 40.6 million and its profit/loss for the period was EUR 33.7 million. For the three months ended 31 March 2024, Kempower's revenue was EUR 42.6 million, its operating profit/loss (EBIT) was EUR -10.9 million and its profit/loss for the period was EUR -8.8 million. As at 31 March 2024, Kempower had a personnel headcount of 834.

History

Kempower's history dates back to the year 1949, when electrician Martti Kemppi founded a small workshop in an outbuilding of his home. Initially, the workshop produced concrete carts, milk carts, sauna stoves and welding transformers. In the 1950s, the company became a limited liability company, Veljekset Kemppi Oy, and the company began to focus on welding equipment. Veljekset Kemppi Oy's export business began in 1955. In the mid-1960s, the company manufactured approximately half of Finnish welding transformers and a variety of electrical equipment for the industry and had exports to 30 countries. In 1968, the name of the company was shortened to Kemppi Oy.

Kemppi Oy established its first subsidiary in Sweden in 1972. In 1977, Kemppi Oy introduced the world's first inverter-based DC power source for welding. During the 1980s, the company established subsidiaries in several countries in Europe. In 1993, Kemppi Oy launched the world's first digital welding power source called Kemppi Pro. Kempower Oy was initially founded in the 1990s as a subsidiary of Kemppi Oy to target non-welding applications of the DC power source market, as the business for DC power source related applications became more attractive. In 2009, the Kempower project business was discontinued and the Kempower technical team was moved to work as a research department of Kemppi Oy, where one of the research areas was new businesses, such as EV charging. Following several market studies and some project pilots in Finland, Kemppi Group Oy decided to restart Kempower as an independent company from the Kemppi Oy group's welding business, which would fully focus on EV charging. Subsequently, the EV charging equipment business of Kemppi Group was separated into Kemppi Solutions Oy in 2017. Kemppi Solutions Oy changed its name to Kempower Oy in 2018. Kempower's actual operations began in 2018 when the core expertise accumulated over the years in both Kempower's special projects and Kemppi Oy's research department formed the backbone of the team that created

Kempower's technology for EV charging. In 2019, Kempower released its first T-Series products and in 2020 its first C-Series and S-Series products.

In December 2021, Kempower was listed on the First North Growth Market.

In February and August 2022, Kempower announced that it had received orders of approximately EUR 3 million and 9 million to deliver EV fast-charging systems to Power Dot SA, an EV charging operator based in Portugal.

In March 2022, Kempower announced that it has launched its Kempower Satellite and Kempower Power Unit product range to the North American market.

In May 2022, Kempower was awarded the Growth Company of the Year 2022 by Kauppalehti, one of Finland's leading business media.

In June 2022, Kempower launched a new version of its Satellite charging system, Kempower Liquid-Cooled Satellite.

In September 2022, Kempower received the Green Equity Designation from Nasdaq.

In 2023, Kempower established a production facility in Durham, North Carolina, the United States.

In 2023, Kempower signed a contract to deliver DC fast charging solutions in the Nordics to the energy transition company St1, one of the largest energy companies in Norther Europe.

In 2023, Kempower introduced the Megawatt Charging System for electric trucks and EVs using power above one megawatt.

In October 2023, Kempower announced that it had signed a contract with Commercial Vehicle Charging Europe B.V. (Milence) to deliver EV charging solutions for a new large-scale electric truck charging network in Europe.

In 2024, Kempower introduced its next generation charger platform with silicon carbide (SiC) technology.

In 2024, Kempower announced that Sainsbury's, a British supermarket and convenience store chain with almost 600 supermarkets and over 800 convenience stores, had launched its dedicated EV charging business, Smart Charge, to provide access to ultra-rapid EV charging points across its stores in the United Kingdom with Kempower as the charging solution supplier.

In April 2024, Kempower announced that it has added the North American Charging Standard connector to its offering in the North American market.

Recent Events

According to Kempower, its sales pipeline and the number of new customers in its key markets developed positively among commercial vehicles and public charging in the first quarter of 2024, as a result of which Kempower won several major partnerships. Kempower onboarded 15 new customer accounts during the first quarter of 2024 and it expects the new customers to generate orders during the second quarter of 2024. The component shortage during the COVID-19 pandemic resulted to some of Kempower's customers increasing their inventory levels, but as the component availability increased in 2023, the customers have reduced their inventory levels and delayed orders, which decreased the demand for Kempower's products and solutions at the end of 2023 and at the beginning of 2024.

On 25 April 2024, Kempower announced that it plans to transfer its Shares to the Official List of Nasdaq Helsinki and it is not considering issuing new Shares in connection with the potential transfer.

On 30 April 2024, Kempower announced that Kempower has redeemed a total of 4,050 Shares subscribed in the personnel share issue in October 2021 from employees whose employment with Kempower Corporation had ended, in accordance with the terms and conditions of the shareholder agreement. The redemption price per Share was EUR 1.8519, which was the original subscription price adjusted by the share split carried out in November 2021.

On 4 June 2024, Kempower announced that it has on the same date submitted a listing application with Nasdaq Helsinki to admit the Shares on trading on the Official List of Nasdaq Helsinki.

Recent events between 31 December 2023 and the date of these Listing Particulars are also described in "*—History*" above and "*Summary of Recent Disclosures*".

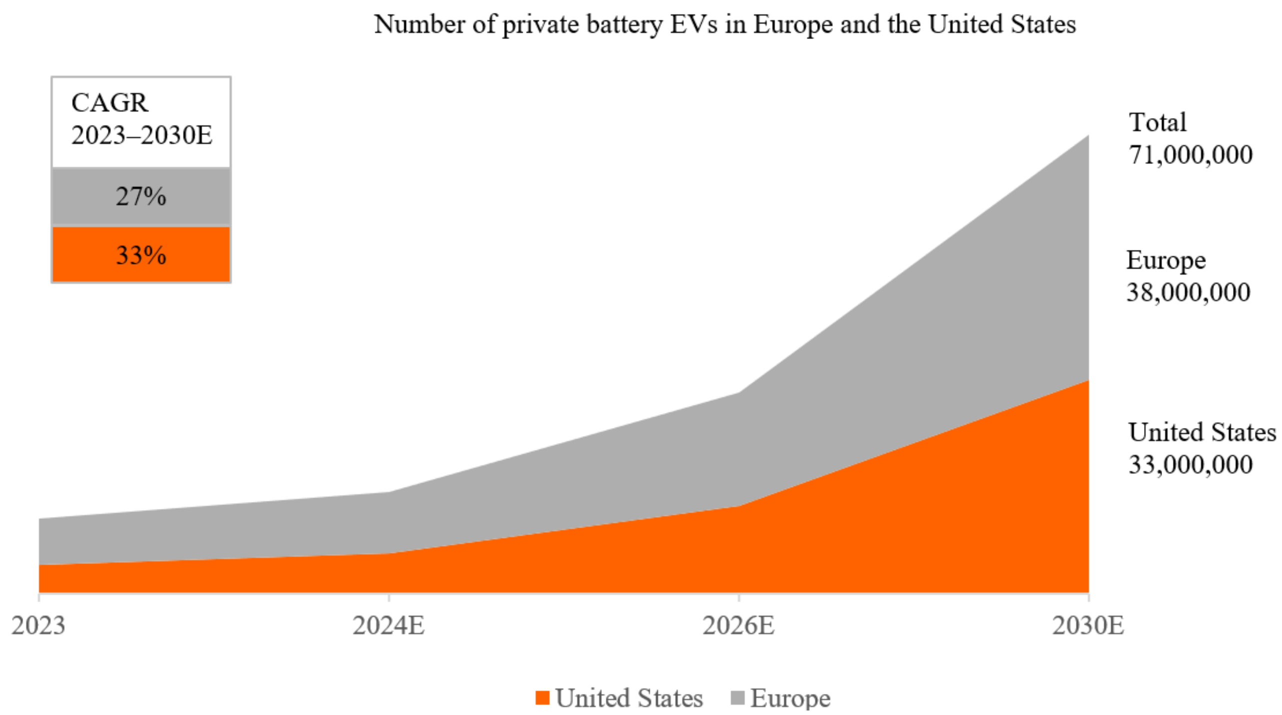
There have not been material changes in Kempower's financial position and financial results between 31 March 2024 and the date of these Listing Particulars.

Kempower's Strategy

Kempower has formulated a growth strategy, according to which Kempower aims to become one of the top five companies in the European and North American DC charging market by 2030. As at the date of these Listing Particulars, Kempower is, according to its view, one of the leading players in the Nordics measured by revenue and it has an increasing market share in the rest of Europe. Kempower already has an established presence in its main geographic market, the Nordics, and it continues to expand into the rest of Europe and North America. Kempower will continue to focus on the development of DC charging solutions and services for electric private cars, commercial vehicles such as trucks and buses, and off-highway vehicles. Kempower's growth strategy is built on two distinct pillars: (i) a go-to-market strategy outlining, which geographic markets and customer segments Kempower will focus on during its five-year strategy period until the end of 2028, and (ii) an innovation strategy consisting of Kempower's plan to continue developing its product and solutions portfolio. Kempower's focus is on organic growth, but corporate or business acquisitions as well as being a party in joint ventures are also possible in the future. In order to succeed, Kempower's growth strategy requires Kempower to substantially scale up its production capacity and the sales and marketing activities carried out by Kempower's personnel during the strategy period, but Kempower estimates that its current production capacity together with announced investments is sufficient to meet the financial targets for the current strategy period.

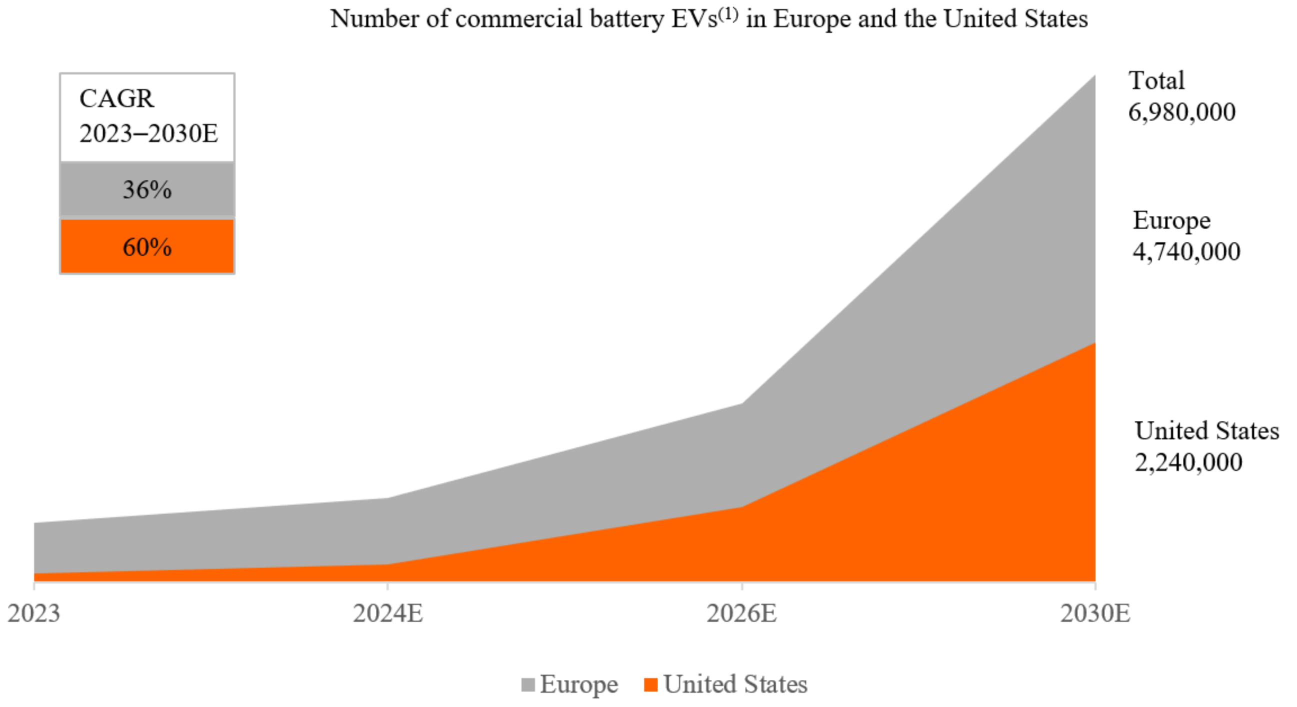
Kempower estimates that the DC charging market in Europe and North America will be split roughly evenly between public charging and commercial vehicle charging by 2030. Kempower further estimates that by 2030, the European DC charging market will grow to approximately EUR 7.6 billion and the North American DC charging market will grow to approximately EUR 6.5 billion. According to Kempower's view, the growth of DC charging market is driven by cutting of transportation's emissions as a part of mitigating the climate change, steady growth of number of EVs and large vehicle manufacturers' announcements of electrification of their vehicle offerings. Kempower has noticed that majority of vehicle manufacturers have announced that their target is to be a manufacturer of full EVs between 2030 and 2035. Kempower estimates that ratio between charging points and EVs will be approximately 1:20 by 2030. An average ratio between number of existing charging points and registered EVs in Europe, where electrification is further advanced as in the U.S., was 1:60 in the first quarter of 2024, which indicates significant constructing debt in charging point infrastructure.

The following chart sets forth the number of private battery EVs and the estimates for the growth of the number of private battery EVs and compound annual growth rate ("**CAGR**") for the periods indicated:



Source: International Energy Agency – under Announced Pledges Scenario (APS).
E Estimate.

The following chart sets forth the number of commercial battery EVs and the estimates for the growth of the number of commercial battery EVs and CAGR for the periods indicated:



Source: International Energy Agency – under Announced Pledges Scenario (APS).
E Estimate.
(1) Commercial EV stock includes trucks, buses and vans.

Among the different commercial vehicle DC charging applications, Kempower estimates that number of fully electric trucks will increase rapidly and become the most important commercial vehicle DC charging application by 2030. Kempower expects the commercial vehicles' DC charging market to grow to approximately EUR 9.1 billion in Europe and North America in total by 2030. Kempower's market estimate for commercial vehicles' DC charging market in Europe and North America includes only DC charging equipment, and in the long term, the service business is also expected to play an important role in Kempower's business.

As a part of its growth strategy, Kempower aims to have a full DC charging solution integrated to customers' business processes, covering, hardware, software, services, and energy management. Kempower has currently a presence on every continent, and it has chosen Europe and North America as its core markets while it sees growth opportunities also in the rest of the world. Kempower believes that its service offering is becoming an important part of the overall solution and is enabler for generating recurring revenue. According to Kempower's growth strategy, Kempower needs to find the right people and develop its whole personnel to enable fast-paced growth and business success.

Future Outlook

The following outlook is included in Kempower's interim report for the three months ended 31 March 2024:

"Outlook for 2024

Kempower remains committed to strive for rapid and profitable growth. In the year 2024, the company will intensify its efforts to expand within key markets. These efforts include strengthening our market activities and capacity increase in Europe. In addition, we continue growth strategy execution in North America and launch of a new, next generation fast charging product portfolio.

In the short term, the fixed costs associated with these growth initiatives are expected to outpace revenue growth, thereby impacting profitability for the year 2024. Outlook for 2024 expects success with new customer opportunities in commercial vehicles and public charging segments, successful market launch of next generation product portfolio and reduction in customers' inventory levels.

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%."

Key factors affecting the forecast, which Kempower can influence, are the Company's cost adjustments and expense management, the ability to respond to changes in demand as well as successful pricing. Factors beyond Kempower's influence relate, in particular, to the actions of Kempower's competitors, general economic developments, any escalation of the global political situation, high inflation and interest rates and their impact of the potentially increasing uncertainty on the demand for Kempower's products.

The statements set forth above include forward-looking statements and are not guarantees of Kempower's financial development in the future. Kempower's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under "Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements" and "Risk Factors." Kempower cautions not to place undue reliance on these forward-looking statements. The statements set forth above have been made and prepared on a basis which is (a) comparable with Kempower's historical financial information and (b) consistent with Kempower's accounting policies.

Financial Targets

The Board of Directors of the Company has adopted the following financial targets for Kempower:

- *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.
- *Dividends*: No dividends in the short term.

The statements set forth above include forward-looking statements and are not guarantees of Kempower's financial performance in the future. Kempower's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under "Certain Matters—Special Cautionary Notice Regarding Forward-looking Statements" and "Risk Factors". Kempower cautions prospective investors not to place undue reliance on these forward-looking statements.

For the year ended 31 December 2023, Kempower's revenue was EUR 283.6 million and its operative EBIT margin was 14.3 percent. For the three months ended 31 March 2024, Kempower's revenue was EUR 42.6 million and its operative EBIT margin was -25.4 percent. No dividend was paid by the Company for the year ended 31 December 2023.

Operating Environment

Introduction

Kempower targets to the DC fast charging and high-power charging markets for electric vehicles in Europe and North America. In 2024, Kempower updated its market estimation model concerning Europe and North America and considered the historic plug per battery electric vehicle ratio and other metrics by vehicle segments and charging scenarios. Using the updated market model, Kempower estimates that there will be a significant increase in the power per charging point across the vehicle segments and charging scenarios. For example, Kempower estimates that in the truck segment, the on-the-go charging scenario will require up to 1 megawatt charging capacity in 2030. According to Kempower, the rise in charging points' power has resulted to a notable increase in the price per charging point, directly affecting the overall total market value. The refined methodology with optimized segmentation leads to lower plug numbers compared to the 2023 estimates, however, due to the increased power of DC charging points, Kempower's market estimation yields an equivalent total market value of EUR 14 billion in 2030 in Europe and North America.

According to Kempower, the competitive landscape in the EV charging market can be divided into two segments: hardware providers and software providers. There are many different companies active in these two segments, including electronic conglomerates, which includes companies with a predominantly hardware focus, end-to-end CPOs, and charge point software operators. Kempower considers it currently to be mostly a hardware manufacturing focused company, but Kempower expects software, such as the Kempower ChargEye™ charging management system, to play a significantly larger role in the future. Kempower believes that the Kempower ChargEye™ charging management system, combined with artificial intelligence and new features developed for different EV management systems including energy management, will play a key role in Kempower's value proposition. Kempower believes that with the ever-growing charger base installed in different markets, Kempower's service business will grow in importance, but currently it is still of minor importance.

Kempower's charging solutions have been delivered to all continents and over 50 countries globally. The EV charging markets in these countries are at varying stages of development, and Kempower believes that the DC fast charging equipment market remains fragmented and immature with more than 20 identified companies. However, Kempower's current core geographic markets, which consist of the Nordics, the rest of Europe and North America, are in the scale-up phase with multiple new and developing companies entering the rapidly growing EV charging market.

Megatrends

Tightening Emissions Regulations

According to Kempower, one important megatrend affecting its industry is the worldwide push for tighter emissions regulations, and governments and regulatory bodies globally are enacting stringent measures to address the escalating concerns surrounding air quality and climate change. According to Kempower, these regulations, that can be divided into three categories, emission standards, credit programmes, and limitations on the use of ICE vehicles, are compelling automotive manufacturers to re-evaluate their product portfolios and invest heavily in cleaner, sustainable alternatives. For example, in February 2023, the European Union approved, as part of the "Fit for 55" package, the new CO_2 emissions reduction targets for ICE cars by 2035, aiming to cut fossil fuels by 100 percent from new cars sold in the EU. For Kempower, these regulations represent an opportunity as the increasing stringency necessitates an accelerated adoption of electric vehicles, thereby driving demand for its charging infrastructure. In addition, in 2023 the European Union announced a new Regulation for the deployment of an alternative fuels infrastructure (the "**AFIR Regulation**"), which creates common framework for EV charging industry and promotes electrification of transport. The AFIR Regulation requires, among others, that especially certain key targets, such as increase of charging infrastructure for private cars and vans at the same pace as new vehicles are registered, have to be met in 2025 or 2023. In addition, it is required that charging points for heavy commercial vehicles needs to be deployed every 60 kilometres along the Trans-European Transport Network (TEN-T) core network, and every 100 kilometres in the TEN-T comprehensive network from 2025 onwards.

Subsidies Enhancing EV Charging Infrastructure Development

Kempower has recognised that governments and organisations around the world are granting subsidies to enhance the EV charging infrastructure development. For example, in Germany, the federal government is aiming to ensure a nationwide fast-charging network throughout Germany, having approximately 1,000 locations and a total of approximately 9,000 fast-charging points in Germany through the Deutschlandnetz (Germany Network) programme. The funding for the programme is approximately EUR 1.9 billion. In addition, in the United States, the Bipartisan Infrastructure Law provides states with USD 7.5 billion to help making EV charging more accessible. The USD 7.5 billion comprises of the USD 5 billion National Electric Vehicle Infrastructure Formula Program and the USD 2.5 billion Charging and Fuelling Infrastructure Program. In addition, an Inflation Reduction Act was introduced in the United States in 2022, including multiple benefits for EV buyers and owners, including, for example, USD 7.5 thousand consumer tax credit for EV purchases to any retail buyer of a new EV.

Need for Supply Chain's CO_2 Footprint Reduction Leads to Increased Electrification of Fleets

According to Kempower, the quest for sustainability extends beyond the vehicle itself to encompass the entire lifecycle, including the supply chain of Kempower and its customers as well as the entire supply chain of logistics operators, and the CO_2 footprint of this supply chain must be addressed to achieve comprehensive sustainability goals. Kempower believes that this has led to a shift towards the electrification of fleets, as companies across industries seek to reduce the environmental impact of their operations and align with global sustainability initiatives. Kempower believes that also its DC charging systems play an important role in supporting this megatrend by providing the necessary infrastructure for the electrification of fleets. Kempower is actively engaging with fleet operators and logistics companies to understand their unique charging needs and contribute to the development of tailored solutions. Kempower believes that in the first wave, this will lead to the electrification of last-mile vehicle fleets, followed by middle-mile fleets, and finally long-haul fleet electrification, which will speed up the development of megawatt charging systems.

Advancements in Battery Technology

According to Kempower, another megatrend shaping the DC fast charging industry is the continuous evolution of battery technology. Kempower believes that breakthroughs in energy density, cost reduction, and charging efficiency are accelerating the adoption of electric vehicles. Kempower further believes that as battery ranges increase and charging becomes more energy efficient, Kempower's charging solutions play an important role in supporting the seamless EV adaption.

Environmental and Social Sustainability

Kempower believes that consumers, investors, and regulatory bodies are increasingly focusing on companies' environmental practices and commitment to social sustainability, and the megatrend of environmental and social sustainability is not only driving demand for electric vehicles but also influencing the entire value chain, from raw material sourcing to end-of-life disposal. According to Kempower, it recognises the importance of sustainability and is committed to reducing the environmental impact of its products. Kempower is actively exploring recyclable materials, energy-efficient manufacturing processes, and end-of-life solutions for its charging systems. By aligning its business practices with such values, Kempower aims to contribute to a cleaner and greener future, enhancing its brand reputation and appeal to its customers.

Kempower's Business

General

Kempower is a Finnish EV fast charging solutions provider striving for growth. Kempower designs, manufactures and sells DC fast charging devices, solutions and services for EVs, such as personal and commercial vehicles, mobile off-highway machinery and electric marine vessels and boats. Kempower offers a selection of solutions to suit all EV fast charging needs – from public parking spaces to bus depots and terminal stops, for heavy-duty commercial and other EVs as well as ports and charging of electric marine vessels and boats. Kempower's charging solutions have been delivered to all continents and over 50 countries. Kempower's most important customers consist of CPOs that mainly operate "on-the-go" charging sites at, for example, petrol stations, fast-food restaurants or retail stores as well as commercial fleet operators that mainly operate buses and trucks. Kempower's other customers consist of OEMs and other customer groups that are served through Kempower's distributor or partner network.

The following table sets forth Kempower's revenue by geographical regions for the periods indicated:

	For the three months ended 31 March		**For the year ended 31 December**	
	2024	**2023**	**2023**	**2022**
	(unaudited)		**(audited, unless otherwise indicated)**	
	(EUR in millions)			
Nordics[1]	15.3	21.4	114.1	57.8
Rest of Europe	20.3	27.8	144.2	40.7
North America	4.1	1.7	11.3	1.6[2]
Rest of the World	2.8	4.9	14.0	3.5[2]
Total	42.6	55.8	283.6	103.6

(1) Nordics includes Finland, Sweden, Norway, Denmark and Iceland.
(2) Reclassified and unaudited.

Solutions

General

According to Kempower, it provides easily scalable, modular, dynamic, user-friendly, standardised, durable and reliable chargers for EVs for demanding conditions and for different needs. Kempower's chargers are used to charge electric mobile off-highway machinery, electric bus fleets, electric trucks, electric passenger cars and electric marine vessels and boats. Kempower's chargers are modular and, therefore, its customers' charging sites can be easily scaled up and additional charging power can be easily added. Kempower's chargers are dynamic and, therefore, detect the type and capacity to receive charging power of an EV connected to an individual charger. This enables an efficient distribution of charger capacity across the charging system as Kempower's fast chargers are able to direct electricity dynamically where it is needed the most, providing each vehicle with its preferred charging power. Dynamic charging allows chargers to operate at any time and at any preferred power output at 25 kilowatt power intervals to optimise fleet charging. In Kempower's modular solutions, the charging power unit may be positioned at a distance of up to 80 metres from the charging post, allowing for efficient use of space in, for example, parking areas or bus depots.

Charging Solutions

<u>Kempower Megawatt Charging System</u>

Kempower Megawatt Charging System ("**MCS**") and Kempower Mega Satellite are dedicated solutions for electric truck charging and they deliver up to 1,200 kilowatts of peak power. Kempower Mega Satellite is compatible with either high power combined charging system ("**CCS**") or MCS plug. In the Megawatt Charging System, the MCS and CCS plugs can be connected in the same system, and with dynamic power sharing, the unutilised power can be shared between multiple plugs. Kempower Megawatt Charging System is designed for electric trucks and EVs that require power levels above one kilowatt.

<u>Kempower Distributed Charging Systems</u>

Kempower Distributed Charging System enables customers to create a flexible and cost-effective charging solution for different applications. Kempower Distributed Charging Systems include Kempower Power Unit, Kempower Satellite, Kempower AC Satellite, Kempower Liquid-Cooled Satellite, Kempower Control Unit, Kempower Pantograph Up and

Kempower Pantograph Down. The Kempower Power Unit is a rack-style, modularly scalable converter cabinet solution that delivers up to 600 kilowatts of total charging power, which can simultaneously distribute charging power to up to eight dispensers of various types. Kempower's dispensers offering include Kempower Satellite, AC Satellite and Liquid-Cooling Satellite, Control Unit and Pantograph Up and Pantograph Down, which, according to Kempower, allow a multifunctional and flexible charging system for all kind of vehicles and equipment.

Kempower Satellite can provide up to 400 kilowatts for faster charging and it is directed for all kind of EVs. Kempower AC Satellites are designed for small EVs and plug-in hybrids and they provide charging with AC-to-DC conversion done onboard the vehicles. Kempower AC Satellites are designed mainly for complimentary AC charging, and they provide 22 kilowatts charging power. Kempower Liquid-Cooled Satellite can offer up to 400 kilowatts continuous charging power and it is designed for heavy-duty EVs. Kempower Control Unit provides up to 160 kilowatts charging power and is designed for electronic trucks and buses and it can be used in various applications with its up to 10-meter-long charging cable. Kempower Pantograph Up and Pantograph Down are designed for electric buses and they are both capable of charging at power levels of 450 kilowatts or more. In the Pantograph Up method, each bus is equipped with an oscillating pantograph arm installed on the rooftop and the charging station has an A-shaped current collector dome. In the Pantograph Down method, each bus has current transfer rails on the rooftop and each charging station includes a retractable pantograph arm that moves down and up.

According to Kempower, the modular design of the Power Unit and the distributed charge point infrastructure ensure charging system reliability, even in the most demanding environments. Kempower believes that dynamic power management and load-sharing feature enable the utilisation of full potential of on-demand power routing, maximising return on investment for a customer.

Stand-alone Chargers

Kempower's Stand-alone Chargers include traditional permanent charging station Kempower Station Charger and Kempower Movable Charger. According to Kempower, the Kempower Station Charger is a compact all-in-one solution that shares benefits of the Kempower Distributed Charging System in requiring less installation infrastructure. It provides maximum charging power of 400 kilowatts. The Kempower Movable Charger is a standalone, mobile solution, providing fast charging for all types of EVs with a maximum charging power of 40 kilowatts. According to Kempower, the Movable Charger can be used anywhere, for example, at events, bus and truck depots, logistics centres, car service shops, and other locations where fast DC charging is needed.

Cloud-based Charging Management System (CMS)

All Kempower chargers are connected to the Kempower ChargEye™ cloud-based charging management system (CMS) developed by Kempower, which utilises artificial intelligence. According to Kempower, the ChargEye™ is a comprehensive, easy-to-use cloud-based charging management system for CPOs and retailers and fleet operators. When Kempower chargers are connected to the ChargEye™ charging management system, a charging network operator can monitor, manage and diagnose the day-to-day operations of the chargers and vehicles. According to Kempower, the ChargEye™ charging management system also ensures that the commercial vehicle fleet is ready for duty on time when needed, while optimising energy costs and managing the vehicle fleet's battery health. According to Kempower, the ChargEye™ charging management system directly integrates to other IT systems, such as fleet and schedule management systems, providing seamless operations and reporting. According to Kempower, the ability of the ChargEye™ charging management system to automatically identify vehicle brands and models during charging transaction is a competitive advantage in the EV charging market. Kempower believes that the ChargEye™ charging management system is a significant competitive advantage for it, and it believes that its significance will grow in the future.

For retailers and CPOs, the ChargEye™ charging management system enhances their customers charging experience with detailed charging information, while providing in-depth understanding on the charging patterns, including typical usage patterns and vehicle make and model.

Services

Training

Kempower provides its customers with EV charging station installation training as well as other relevant documentation and courses required to work with its products and solutions. Kempower offers training through an online platform 'Kempower Academy' that is designed for self-paced learning that encompasses a comprehensive array of available courses. Kempower considers Kempower Academy being an easy and scalable way of training its customers' personnel on Kempower's solutions. The Kempower Academy provides customers with recorded video trainings, and training material documentation. In addition, Kempower offer instructor-led trainings that are live trainings with Kempower's own trainers. Instructor-led training can be arranged online or on the premises. Instructed training provides more in-depth knowledge and practical exercises for the customer's key technical personnel.

Maintenance and Support

Kempower provides its customers with a wide range of services needed for maintenance, monitoring and support to keep the charging devices operational. Kempower's selection of maintenance and support services include repair and maintenance services, spare parts, commissioning services and remote commissioning support.

Upgrades and Retrofits

Kempower retrofits and upgrades offers adaptable solutions, allowing the customers' charging system to evolve and stay up-to-date with changing industry needs. Kempower's selection of upgrades and retrofits includes power upgrades, adaptive voltage retrofits and payment terminal retrofits.

Consultation and Design

Kempower's consultation and design services provide tailored support for optimizing charging site design and utilization, aiming to ensure a seamless and efficient charging experience for Kempower's customers. Kempower's design and consultation services are tailored to assist customers in addressing the various needs and challenges associated with the customer's chargers. Kempower, for example, supports its customers in implementing and designing a charging site. Additionally, Kempower's expertise allows it to assist its customers to evaluate existing charging sites and offer insights into optimizing their utilization for maximum efficiency.

Customers

Kempower's most important customers consist of CPOs that mainly operate "on-the-go" charging sites at, for example, petrol stations, fast-food restaurants or retail stores as well as commercial fleet operators that mainly operate buses and trucks. Kempower's other customers consist of OEMs and other customer groups that are served through Kempower's distributor or partner network. Kempower aims to be a supplier for systems with more than four fast charging points, but mainly directs its sales efforts to customers with long-term business potential. Kempower's charging solutions have been delivered to all continents and over 50 countries. In addition to the Nordics, Kempower has delivered charging solutions to, for example, the United States, the United Kingdom, Germany, the Netherlands, Belgium, Switzerland, Spain, Italy, France and Australia. As at the date of these Listing Particulars, Kempower applies forward exchange agreements mainly for currency hedging. The importance of Kempower's top ten customers of Kempower's revenue has historically been notable.

Kempower's agreements with its largest customers are typically framework agreements or distributor agreements that include price lists for Kempower's products and services for a certain period of time. Deliveries to customers under the framework agreements are based on purchase orders made by customers. Framework agreements do not necessarily result in actual purchase orders as they do not include minimum purchase obligations. Therefore, the number of framework agreements and their potential value is not necessarily an indication of any level of future revenues. Kempower considers its customer agreements typical for a company whose customers are large companies. Orders are included in order intake when Kempower receives a purchase order.

Kempower does not currently sell directly to consumers.

Marketing

Kempower sells its products and services under the singular Kempower brand. Kempower's brand and marketing strategy is aimed at positioning Kempower as a recognised brand and a notable and trustworthy market participant in Europe, the United States and selected Asian markets by utilising innovative and scalable brand marketing strategies. In order to promote this strategy, Kempower aims to (i) position Kempower as dedicated EV charging solution partner for large installations, (ii) develop its marketing automation utilisation and build thought leadership to capture sales leads in markets in which Kempower is not yet present; (iii) develop its product marketing to lower the barrier of purchasing solutions from Kempower; (iv) develop its capability of bundling large-scale solutions into cohesive marketing offers and strip off complexities in its product catalogues and items; and (v) balance the utilisation of Kempower's brand and the use of Kempower's products in white labelling.

Kempower focuses its marketing to companies and other entities within the fields of fleet operation, public charging and retail selling products and services for consumers.

Kempower's marketing utilises a multichannel approach, where the same content (namely brochures, animations, videos and blogs) can be presented in multiple media, including fairs, social media and Kempower's own website, to reach a wide audience. Kempower's website and LinkedIn profile are its most important marketing channels and are tailored for Kempower's target audiences. The website displays Kempower's solutions, news about Kempower, blogs, contact information, brochures, customer references and other information that might be of interest to a potential customer. Kempower also utilises search engine optimisation on its website to improve its performance in organic search results.

Kempower utilises LinkedIn to share news and information about Kempower's products and services both organically and by targeting the purchasing decision-makers and experts that are employed by Kempower's potential customers as well as other interested stakeholders.

Kempower publishes marketing and technical material in multiple languages in order to boost the sales of its subsidiaries. Sales personnel at Kempower's non-Finnish subsidiaries can influence Kempower's marketing approach in their local markets.

Research and Product Development

Innovation is an important driver of growth for Kempower in the fast-developing EV charging market. Kempower aims to utilise market knowledge, consumer feedback and data collected from its chargers to improve its existing products and services and develop new, innovative products and services that meet its customers' needs and the needs of end customers, such as consumers. Products are designed to meet the needs of the end user and are designed and built to be modular, scalable, intelligent, easy to use and resistant to demanding environmental and weather conditions. Also going forward, Kempower aims to create solutions for identifying vehicles and automating payments through the Kempower ChargEye™ charging management system. Kempower has created a roadmap for future R&D development by taking into account customer feedback. Kempower collects data corresponding to approximately 4.9 million kilometres driven by EVs each day, which Kempower then aims to analyse to benefit its product development and research functions. Currently, Kempower aims to fulfil customer needs and win its competitors with its existing products, while improving its cost-efficiency and developing new features in its products as well as adding production capacity. In the future, Kempower aims to meet customer needs and to create the next generation of leading EV charging products and solutions, also taking into account cost-efficiency and creating new features. See "*Risk Factors—Risks Related to Kempower's Operations—Kempower's ability to execute its growth strategy and to achieve its financial targets is dependent on Kempower's ability to keep up with the rapidly changing technology in the EV charging market*".

Kempower believes that R&D is at the core of its business, as it could create a competitive edge for it in the next generation of EV charging solutions. After the initial product idea and before manufacturing is started, Kempower's R&D process is composed of three individual stages: (i) defining the product concept; (ii) product development; and (iii) product validation. Kempower's main focus in product development is safety, reliability and the usability of its products. This entails that Kempower's products and systems need to (i) be scalable so that customers can build upon their existing products and systems; (ii) withstand time so that Kempower's customers' investments are not wasted once newer technologies and standards emerge; and (iii) be durable so that usability is not impaired by rough weather conditions and long withstanding handling of products.

As at the date of these Listing Particulars, Kempower is participating in several research programmes together with universities and public organisations. For example, Kempower has a leader role in Heavy Electric Traffic Ecosystem programme funded by Business Finland, government organisation for innovation funding. The aim of the Heavy Electric Traffic Ecosystem programme is to develop charging technology suitable for truck traffic and a software platform supporting it, and to develop a testing platform for charging infrastructure. The programme also studies future charging models and effects of heavy traffic charging infrastructure on electric grids.

Kempower's personnel headcount in R&D was 171 as at 31 March 2024, and they are divided into five areas: (i) mechanics, (ii) electronics, (iii) embedded solutions programming, (iv) cloud technologies, and (v) product and materials testing. In addition, Kempower has a R&D centres in Vaasa, Finland, at Tampere University's Hervanta Campus in Tampere, Finland and at Lappeenranta-Lahti University of Technology's campus in Lahti, Finland.

Intellectual Property Rights

The key factors for Kempower's value creation are its deep know-how of power supply, R&D and its intellectual property rights. Therefore, know-how, intellectual property rights and other intangible property are an important part of Kempower's business. Kempower's registered intellectual property rights include trademarks, design rights and domain names. Kempower has registered, *inter alia*, the trademark "Kempower" in multiple jurisdictions. Patents are material for Kempower and Kempower aims to apply for patents for the markets in which it operates in. Kempower has ten patents pending, four related to software and six related to hardware. In addition, Kempower has registered internet domain names, such as "kempower.fi" and "kempower.com". Kempower believes that its design rights and trademarks are important for its business and Kempower invests in retaining and growing the value of its brands. Kempower is the owner of its intellectual property rights. Kempower believes that, in addition to protecting its registered intellectual property rights, it is important to protect its unregistered intellectual property, such as know-how, trade secrets and copyrights.

Kemppi Oy has sold Kempower full ownership to its findings, results and materials related to the development of EV charging devices. Kemppi Oy has also licensed Kempower the right to use Kemppi Oy's component library and the information therein.

Sales

Kempower sells its products and services to personal car, commercial vehicle, off-highway vehicle and machinery and marine vessel charging applications either directly or through its distributor and installer network. In its sales operations, Kempower's focus is on strategically beneficial partnerships and large corporations and other entities that it believes could be long-standing partners and that could provide large orders without the need for substantial product customisation. Kempower has compiled a list of selected clients that it believes will be successful in their respective fields in the long term. Kempower also goes through an evaluation process before responding to outreaches by potential clients. As Kempower's margins are dependent on the specifications of individual project deliveries, Kempower places substantial focus on planning which clients it aims to keep in the future. Kempower's most important customers consist of public CPOs that mainly operate "on-the-go" charging sites at, for example, petrol stations, fast-food restaurants or retail stores as well as commercial fleet operators that mainly operate buses and trucks. Kempower's other customers consist of, for example, vehicle and machinery manufacturers and other customer groups that are served through Kempower's distributor or partner network. Kempower aims to use its business partner network to grow in markets where direct sales by Kempower would not be a financially viable option. Kempower aims to offer high-quality support to its existing customers in order to maintain and develop customer relationships. Kempower's service sales operations mainly consist of spare parts sales and continuous revenue from its Kempower ChargEye™ charging management system. Kempower aims to shift its focus in the future more to service and maintenance contracts.

Kempower's sales operations are based in several countries around the world. Kempower has established subsidiaries focusing on sales and marketing in Norway (also covering the markets in Denmark and Iceland), Germany (also covering the markets in Austria and Switzerland), the Netherlands (also covering the markets in Belgium and Luxembourg) and the United Kingdom (also covering the markets in Ireland), Sweden, France, Italy, Spain (also covering the markets in Portugal and business development in Latin America), Australia (also covering New Zealand and business development for South East Asia region), the United States, Canada and Poland (also covering Czech Republic and Slovakia). Of these markets, Kempower considers Europe and North America as the most important markets to which to expand its sales and marketing operations. Kempower aims to establish local sales offices in its target markets in order to develop trusted customer relationships and utilise local sales expertise to efficiently target sales. Depending on the customer type, sales are conducted through direct sales, local sales companies, a key account management model, or the use of distributors. Kempower's sales department is divided into sales, sales support and after sales teams. The sales team includes development of business opportunities in new markets, key account management that is focused on sales to Kempower's largest customers and area sales that is focused on regional sales and business development of their respective geographic sales areas. Kempower's five geographic sales areas are (i) North Europe (Norway, Sweden, Finland, Denmark, Iceland, the United Kingdom, Ireland, Estonia, Lithuania and Latvia), (ii) South-West Europe (France, the Netherlands, Belgium, Luxembourg, Spain, Portugal and Italy), (iii) Central Europe (Germany, Austria, Switzerland, Poland, the Czech Republic, Slovakia, Romania, Bulgaria, Hungary, Croatia, Slovenia, Serbia, Bosnia and Herzegovina, Albania, North Macedonia and Greece), (iv) North America (the United States and Canada) and (v) New Markets (Australia, New Zealand, South East Asia, India, South Korea, Japan and Middle East). The sales support team is responsible for feasibility checks of customised solutions, solution proposals for sales team members, cost calculations, responding to requests for information and other enquiries by potential customers, providing delivery time estimations and project management for large customers. The after sales team includes service engineers that are responsible for commissioning, user training, spare part sales, installer and service partner training and support as well as claim handling and service development managers that are responsible for service tool and method development and service network development.

Production

Overview

Kempower's production is based on the concept of mass customisation (*i.e.*, customers make certain choices concerning the features and appearance of products while the basic product itself remains very similar in design and structure between different deliveries). Mass customisation enables Kempower to keep its unit costs lower than if products were tailored for each delivery to meet varying customer needs. Kempower purchases materials, including sub-assemblies, from its suppliers and performs the final assembly of its products at its own production facilities, thus managing the most critical work stages and enabling different product configurations for different customers. Only performing the assembly of the products means that the capital expenditure required by Kempower's production is low. The outsourcing of materials and sub-assembly manufacturing to suppliers keeps Kempower's production flexible and allows Kempower's production to be easily scaled up, if needed. The production process and material flows are controlled through a fully integrated ERP system. To ensure that all chargers assembled by Kempower function correctly, Kempower tests each of them with automated final testing systems specifically designed for this purpose. Trained employees also perform certain tests manually according to a strict testing plan by using calibrated measurement equipment. Kempower also conducts quality testing in the middle of the assembly process or on materials or sub-assemblies from suppliers. Each finished product has a unique serial number, enabling its full traceability. Kempower does not store final products for a long period of time, but delivers them directly to customers once the products have been assembled.

Production Facilities

Kempower's charging solutions are designed and manufactured in Lahti, Finland, where Kempower's headquarters and two production facilities are located, and in Durham, North Carolina, the United States, where Kempower opened a new production facility in 2023. All Kempower's production facilities are leased from third parties, but Kempower owns production equipment in the production facilities. As at the date of these Listing Particulars, Kempower is expanding its operations in Lahti, Finland, with a new EV charger production facility and Kempower expects the new production facility to be fully operational by the end of 2024. Kempower expects the new production facility to double Kempower's production capacity in Europe compared to its production capacity in Europe as at the date of these Listing Particulars. In European production, Kempower's chargers are assembled in Kempower's production facilities situated in close proximity to each other, and all final products are collected to the common logistics hub located in Lahti, Finland, where they are waiting for customer deliveries. Kempower has steadily increased its manufacturing capacity to match its revenue growth through, for example, the optimisation of its existing production facilities' production capabilities.

Kempower's production facilities in Lahti have been certified in accordance with ISO 9001 Quality Management System standard, ISO 14001 Environmental Management System standard and ISO 45001 Occupational Health & Safety Management System standard, and the corresponding certification process in Durham, North Carolina, is pending. In addition, all Kempower's production facilities are certified according to Intertek's Electrical Testing Laboratories (ETL) certification programme, and the EV chargers' production in Lahti meets the German Eichrecht conformity. Kempower is also considering certifying its production facilities with ISO/IEC 27001:2022 Information Security, Cybersecurity and Privacy Protection standard.

Suppliers

Kempower purchases hundreds of individual types of materials (*i.e.*, parts and components), including sub-assemblies, from its suppliers. Kempower ensures the availability of materials from suppliers by aiming to retain at least two suppliers capable of producing each type of material and by keeping certain safety stock levels of materials at all times in case there are interruptions in the availability of materials. Kempower also has the ability to build certain essential materials and sub-assemblies itself, if deliveries from suppliers cease.

Kempower's ambition is to purchase materials from suppliers whose qualifications it has confirmed. Kempower's target is also to consistently optimise its global sustainable procurement process, through which the Company manages and monitors its suppliers' strict compliance on issues related to business ethics, human rights, governance and management, health and safety, and environment processes. Kempower's purchasing mainly entails purchasing materials and sub-assemblies that are ultimately used in the assembly process of its products. Kempower has multiple individual suppliers, which for Europe are mainly located in Finland. For certain critical materials, such as circuit board assemblies, Kempower relies on a limited number of suppliers, including Kemptron Oy, a subsidiary of the Company's parent company Kemppi Group Oy. For certain materials, Kempower currently relies only on one supplier, but is aiming to secure additional suppliers to limit the dependency on any single supplier. For the year ended 31 December 2023, Kempower's ten largest suppliers accounted for approximately 70 percent of Kempower's materials expenses and no individual supplier had a share of more than 30 percent of Kempower's materials expenses. Kempower's largest component and material supplier and subcontracting partner is currently Kemptron Oy and previously Kemppi Oy, which are subsidiaries of the Company's parent company. See also "*Related Party Transactions*". For the year ended 31 December 2023, 19 percent of Kempower's materials expenses came from materials sourced from suppliers located outside Finland, 15 percent from materials sourced from suppliers located in other European countries, 3 percent from suppliers in Asia and 1 percent from suppliers located in the United States.

Kempower has created long-standing relationships with its most significant suppliers. In addition, Kempower believes that relationships created through the Kemppi Group with selected high-achieving suppliers bring benefits for Kempower. Kempower also believes that it has further potential to improve its materials assortment and further optimise the suppliers that it procures materials from. A need for new suppliers typically arises when Kempower launches a new product or a second supply source is establishes in order to secure scaling of its supply. When selecting its suppliers, Kempower considers, for example, social and environmental responsibility, product safety, reliable long-term deliveries and product and service quality. Kempower is strongly committed to responsible sourcing practises. Between 2024 and 2026, Kempower will continue the process of carrying out selected supplier audits as part of its comprehensive focus on supply chain management.

Sustainability

General

Sustainability is at the core of Kempower's business. Kempower believes, that its fast charging technology delivers reliable and user friendly emissions-free mobility on the road towards a clear, safer and carbon neutral society. According to Kempower's estimate, its positive carbon handprint exceeds the carbon footprint of its products. Kempower aims to improve its environmental, social and governance ("**ESG**") performance and develop its reporting accordingly with the latest European Sustainability Reporting Standards to increase transparency of Kempower's impacts, risks and opportunities. Kempower believes that taking ESG seriously supports its growth.

Sustainability Strategy

General

Kempower's sustainability strategy is based on three key focus areas: climate impact, responsible products, and the best workplace for the professionals of the future. Kempower has defined and set goals for each focus area. Kempower's goal is to be carbon neutral by 2035 and use only fossil free electricity by 2025. Kempower reports figures related to these goals in connection with financial statements and interim reports. Kempower's relative carbon dioxide emissions for the three months ended 31 March 2024 were 1.7 grams of a carbon dioxide equivalent per euro, and fossil free energy (*i.e.*, emissions of utilized electricity) 0.0 grams of carbon dioxide equivalent per million euros.

Kempower is committed to the United Nations ("**UN**") 2030 Agenda for Sustainable Development and its Sustainable Development Goals (the "**SDGs**"). Kempower has identified six SDGs that best connect with its operations and that it can make the most change with: (i) Affordable and Clean Energy, (ii) Sustainable Cities and Communities, (iii) Responsible Consumption and Production, (iv) Good Health and Well-being, (v) Quality Education and (vi) Climate Action. Kempower pursues these SDGs through its three key focus areas: climate impact, responsible products, and the best workplace for the professionals of the future. Kempower reviews its sustainability strategy annually and sets itself targets and key performance indicators. Sustainability is a key criteria for Kempower in selecting suppliers.

Climate Impact

Kempower is committed to promote development of infrastructure for electric transportation by offering charging stations and in that way to deliver emission-free transportation, and a cleaner and quieter environment globally. Kempower believes that its range of fast charging solutions for EVs contribute to the decarbonisation of private and commercial vehicles, machines and ports, with enhanced co-benefits of cleaner local air-quality, reduced noise pollution, and safer and more productive society. In 2023, Kempower's revenue, investments and operational expenditures were fully aligned with the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "**EU Taxonomy Regulation**").

Kempower's key focus areas within climate impact are relative CO_2 emissions, fossil free energy, non-avoidable emissions, and waste. As Kempower's long-term targets, Kempower is committed to 100 percent carbon neutrality by 2035 and it is aiming for 100 percent fossil-free electricity sources by 2025 in its operations and production. As a long-term target, Kempower is committed to compensate for the carbon footprint of its personnel's business-related flights and to reduce landfill waste to zero by 2025. In 2023, Kempower became a member of the United Nations Global Compact, which is the world's largest voluntary corporate sustainability initiative.

Responsible Products

Kempower is committed to ongoing development of its supply chain in order to reach its 100 percent carbon neutrality goal by 2035 and to accelerate electronic mobility. In the future, Kempower is determined to work with its suppliers to further explore and enhance use of recycled materials throughout the entire value chain. Kempower is also developing and improving open and transparent reporting in accordance with Greenhouse Gas Protocol. In 2023, Kempower developed and implemented a Supplier Code of Conduct.

Kempower's key focus areas within responsible products are enabling electric transportation, packaging, circularity, local supply chain and remote access. As a long-term target, Kempower is targeting a 99 percent recyclability rate for its EV chargers. According to Kempower's estimate, the recycling rate of a Kempower Movable Charger in 2023 was 99.61 percent, and recycling rate of Kempower Satellite and Kempower Power Unit in 2023 were 99.71 percent and 99.72 percent, respectively. In Kempower's view, its chargers are efficient and they share electricity dynamically reducing wasted energy, and as Kempower's long-term target, Kempower aims to maximize the positive climate impact by increasing the charging power delivered to customers on a daily basis, reduce plastic packaging and to transfer to bioplastics and biodegradable when economically viable. Furthermore, as its long-term target, Kempower aims to ensure that majority of the factories' tier 1 suppliers are local and support Kempower's global ESG and carbon footprint reduction targets.

Kempower utilises a life cycle assessment ("**LCA**"), which is a standardised method to uncover the environmental impacts of a company's actions, such as its products and processes. At Kempower, LCAs coupled with transparent reporting are essential tools to meet expectations of environmentally aware stakeholder, to enhance Kempower's resource and operational efficiency, to identify opportunities to improve environmental performance of products' lifecycles, and to further prioritise actions towards a more sustainable future.

The Best Workplace for the Professionals of the Future

Kempower's mission is to become the best workplace for the professionals of the future. Kempower believes that larger workforce is required to help it successfully fulfil its strategic and growth ambitions. Kempower's key focus areas to become the best workplace for the professionals of the future are diversity, safety, engagement, training and collaboration for education. As its long-term target, Kempower is committed make diversity and inclusion as part of its culture, to reduce the workplace incident frequency rate to zero and to secure high work satisfaction. Furthermore, Kempower aims to ensure that its personnel has basic skills required by society to provide emergency medical care and that its employees have the knowledge and skills necessary to contribute effectively to enhancing sustainability work and related targets. In addition, Kempower aims to strengthen the cooperation with universities. Kempower has R&D centres at Tampere University's Hervanta Campus in Tampere, Finland and at Lappeenranta-Lahti University of Technology's campus in Lahti, Finland, which enable close co-operation with universities.

Investments

Kempower's investments for the financial year ended 31 December 2023 amounted to EUR 9.6 million. Investments were mainly related to the production expansions in Lahti, Finland and the United States and research, development and innovation centre expansions.

Kempower's investments for the financial year ended 31 December 2022 amounted to EUR 6.2 million. Investments were mainly related to the production expansions in the new factory in Lahti, Finland, and information and communication technology development projects.

As at the date of these Listing Particulars, Kempower's ongoing investments are mainly related to the production expansions in the new factory in Lahti, Finland and R&D centres in Lahti and Vaasa, Finland. Kempower will finance these investments with existing cash and cash equivalents and other current financial assets. As at the date of these Listing Particulars, there are a total of EUR 1.9 million unpaid trade payables related to the ongoing investments that have been included on the balance sheet. As at the date of these Listing Particulars, the estimated total amount of Kempower's ongoing investments between 1 April 2024 and 31 December 2024 is EUR 5.6 million, of which EUR 4.1 million is unpaid as at the date of these Listing Particulars.

Kempower has not made any other material investments between 31 December 2023 and the date of these Listing Particulars.

Information Technology

Kempower believes that it has an efficient, integrated, secure and scalable cloud-based IT infrastructure and applications that support its business and its development and cover essential aspects of its business, such as production, inventory management, logistics, human resources, financial and other administrative systems. Kempower's key IT systems include, among others, an ERP system, a production monitoring solution, a product lifecycle management system (PLM), solutions for mechanical and electrical engineering, salary management solutions and financial reporting tools, customer relationship management (CRM) software and protected and backed up servers. Kempower's key IT systems have been sourced from third-party service providers.

Group Legal Structure

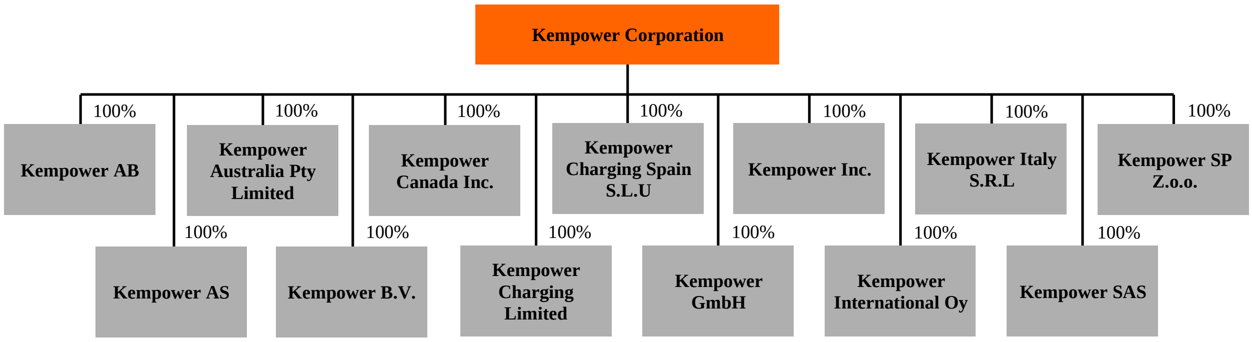
General

The name of the Company is Kempower Corporation and it is domiciled in Lahti, Finland. Kempower is a public limited liability company incorporated under the laws of Finland. Kempower's postal address is Ala-Okeroistentie 29, FI-15700 Lahti, Finland, and its phone number is +358 29 0021 900. Kempower's business identity code is 2856868-5 and its LEI is 743700EIG9TDB5QNZS09.

According to Article 3 of the Company's articles of association, its line of business is to, either directly or through its subsidiaries or affiliate companies, manufacture, market and maintain machines, devices and equipment related to the metal industry both domestically and abroad as well as to import the abovementioned products and raw materials and other necessary materials, machines and devices necessary for the manufacture and use of such products; to design, manufacture, maintain, repair, sell and market devices related to electronically controllable industrial power supplies as well other operations related thereto; to design, manufacture, sell, market and maintain charging devices, batteries and other equipment for motor vehicles and chargeable electric vehicles and related software as well as other operations related thereto. In addition, the Company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the Company may attend to the organisation, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Legal Structure

Kempower Corporation is the parent company of the Group. The following chart sets forth the Group's legal structure as at the date of these Listing Particulars:



Organisation and Personnel

General

As at 31 March 2024, Kempower had a personnel headcount of 834 and 737 as at 31 December 2023. There have been no significant changes in the number of personnel between 31 March 2024 and the date of these Listing Particulars.

The following table sets forth Kempower's personnel headcount split by function as at the dates indicated:

	As at 31 March 2024	As at 31 December	
		2023	2022
Operations, production employees	182	176	97
Administration	92	79	36
Operations, office employees	134	113	56
Research, development and innovations	171	148	68
Sales and marketing	255	221	118
Total	834	737	375

Insurance

Kempower believes that it and its subsidiaries maintain insurance coverage that reflects the requirements and the size of the Group, businesses and subsidiaries concerned. Kempower's insurance policies include, among others, property damage and business interruption insurance, cargo insurance, general and product liability insurance, accident insurance for employees, directors' and officers' liability insurance, crime insurance and cyber liability insurance for amounts believed to be consistent with industry practices.

Real Estate and Leases

Kempower's headquarters and its two production facilities in Lahti, Finland, and a production facilities in Durham, North Carolina, the United States, are located on leased properties. The headquarters and a production facility in connection to it in Lahti have been leased from Kemppi Group Oy until 2031. Another production facility in Lahti has been leased until 2024 and the production facility that will be opened in Lahti during 2024 has been leased until 2030. The production facilities in the United States have been leased until 2028. As at the date of these Listing Particulars, Kempower is expanding its operations in Lahti, Finland, with a new EV charger production facility. The lease agreements with Kemppi Group Oy have been carried out on an arm's length basis.

Kempower also has other office premises in Finland and branch offices around the world, most of which are located in leased premises.

Material Contracts

Except as set forth below and as set out under "*Related Party Transactions*", there are no contracts (other than contracts entered into in the ordinary course of business) to which Kempower is a party that: (i) are, or may be, material to it and that have been entered into in the two financial years immediately preceding the date of these Listing Particulars; or (ii) contain any obligations or entitlements that are, or may be, material to Kempower as at the date of these Listing Particulars.

Regulation

Kempower must comply with laws and regulations enacted at the national level in each country Kempower operates in, state level in the United States and EU level concerning its operations in relation to matters including health, EVs, safety, marketing, general product safety, environment, employment, competition, company law, data protection, international trade and taxation in all of the countries in which Kempower pursues business.

Legal Proceedings

Kempower has no pending governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Kempower is aware) which may have, or have had, in the past 12 months, a significant effect on the Company or the financial position or profitability of the Company and/or its subsidiaries.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth selected consolidated financial information for the Company as at and for the three months ended 31 March 2024 and 2023 and as at and for the years ended 31 December 2023 and 2022. The financial information presented below has been derived from the Interim Consolidated Financial Information and the Audited Consolidated Financial Statements prepared in accordance with IFRS Accounting Standards.

The selected financial information presented herein should be read together with "*Certain Matters—Presentation of Financial Information*" and the Consolidated Financial Information incorporated by reference into these Listing Particulars.

	For the three months ended 31 March		For the year ended 31 December	
	2024	**2023**	**2023**	**2022**
	(unaudited)		**(audited)**	
	(EUR in millions, unless otherwise indicated)			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
Revenue	42.6	55.8	283.6	103.6
Other operating income	0.6	0.2	1.3	0.3
Materials and services	(19.6)	(26.1)	(129.4)	(52.4)
Employee benefits	(18.2)	(9.0)	(48.9)	(21.9)
Depreciation, amortization and impairment losses	(2.3)	(1.1)	(6.5)	(3.4)
Other operating expenses	(13.9)	(12.9)	(59.6)	(20.2)
Total operating expenses	(54.1)	(49.1)	(244.3)	(97.9)
Operating result	(10.9)	6.8	40.6	6.1
Finance income	1.3	0.6	4.6	0.0
Finance expenses	(1.0)	(0.2)	(2.1)	(1.3)
Total finance income and expenses	0.2	0.4	2.5	(1.3)
Profit/loss before taxes	(10.6)	7.3	43.0	4.8
Income tax	(0.3)	(2.7)	(11.9)	(0.5)
Changes in deferred taxes	2.2	1.0	2.6	(0.8)
Income taxes	1.9	(1.7)	(9.3)	(1.2)
Profit/loss for the period	(8.8)	5.6	33.7	3.6
Profit/loss for the period attributable to the equity holders of the parent company	(8.8)	5.6	33.7	3.6
Other comprehensive income for the period				
Items that may be subsequently reclassified to profit or loss:				
Translation difference	(0.1)	0.0	0.1	(0.1)
Other comprehensive income that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plan	–	–	0.0	(0.0)
Total other comprehensive income for the period	(0.1)	0.0	0.1	(0.1)
Comprehensive profit/loss for the period	(8.9)	5.5	33.8	3.5
Comprehensive profit/loss for the period attributable to the equity holders of the parent company	(8.9)	5.5	33.8	3.5
Earnings per share for profit/loss attributable to the equity holders of the parent company				
Basic earnings per share, EUR	(0.16)	0.10	0.61	0.06
Diluted earnings per share, EUR	(0.16)	0.10	0.61	0.06

	As at 31 March 2024	As at 31 December	
		2023	2022
	(unaudited)	(audited, unless otherwise indicated)	
	(EUR in millions)		
CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
Assets			
Non-current assets			
Intangible assets	1.9	1.8	2.6
Property, plant and equipment	17.3	13.7	5.6
Right-of-use assets	24.5	24.5	15.5
Non-current receivables	0.1	1.4	0.0
Deferred tax receivables	5.0	2.8	0.6
Total non-current assets	48.7	44.3	24.3
Current assets			
Inventories	65.6	51.6	27.1
Trade receivables	27.1	35.4	23.1
Other receivables	2.9	2.5	3.9
Prepaid expenses and accrued income	6.1	4.2	1.7
Other financial assets(1)	62.7	72.4	64.2
Cash and cash equivalents	21.4	27.4	9.8
Total current assets	185.7	193.5	129.9
Total assets	234.5	237.7	154.2
Equity and liabilities			
Equity			
Share capital	0.1	0.1	0.1
Reserve for invested unrestricted equity	95.7	95.7	95.7
Other reserves	0.0	0.0	–
Treasury shares	(5.3)	(5.3)	(1.4)
Translation differences	(0.1)	0.0	(0.1)
Retained earnings	43.1	8.7	2.8
Profit/loss for the period	(8.8)	33.7	3.6
Total equity	124.7	132.9	100.6
Liabilities			
Non-current liabilities			
Lease liabilities	20.3	20.5	13.3
Provisions	3.7	3.8	0.8
Deferred tax liabilities	0.0	0.0	0.4
Other liabilities	0.1	0.1	0.0
Total non-current liabilities	24.1	24.4	14.5
Current liabilities			
Lease liabilities	5.0	4.7	2.4
Provisions	8.8	10.4	1.6
Advance payments	7.9	9.8	5.3
Trade payables	34.5	31.7	16.8
Other liabilities	1.7	2.1	1.9(2)
Accruals and deferred income	27.8	21.7	11.2(2)
Total current liabilities	85.7	80.4	39.1
Total liabilities	109.8	104.8	53.6
Total equity and liabilities	234.5	237.7	154.2

(1) Other financial assets include money market investments.

(2) Unaudited. In Kempower's audited consolidated financial statements as at and for the year ended 31 December 2023, the comparative figures for Accruals and deferred income are reclassified to include income tax liability of EUR 0.5 million in Accruals and deferred income instead of Other current liabilities as it was in Kempower's audited consolidated financial statements as at and for the year ended 31 December 2022.

	As at and for the three months ended 31 March		As at and for the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(audited, unless otherwise indicated)	
	(EUR in millions)			
CONSOLIDATED STATEMENT OF CASH FLOW DATA				
Cash flow from operating activities	(10.2)	2.5	39.7	(5.4)
Cash flow from investing activities	5.5	(1.6)	(14.6)	(71.2)
Cash flow from financing activities	(1.2)	(0.7)	(7.5)	(3.8)
Net change in cash and cash equivalents	(6.0)	0.3	17.5	(80.4)
Cash and cash equivalents at the beginning of the period	27.4	9.8	9.8	90.4[1]
Effects of exchange rate fluctuations on cash held	(0.0)	(0.1)	(0.0)	(0.2)[1]
Cash and cash equivalents at the end of the period	21.4	10.0	27.4	9.8

(1) Unaudited. In Kempower's audited consolidated financial statements as at and for the year ended 31 December 2023, the figures have been reclassified.

	As at and for the three months ended 31 March		As at and for the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(unaudited, unless otherwise indicated)	
	(EUR in millions, unless otherwise indicated)			
KEY FIGURES				
Order backlog[1]	111.9	124.4	110.6	118.9
Order intake[2]	44.9	61.4	275.3	208.9
Revenue	42.6	55.8	283.6[3]	103.6[3]
Revenue growth[4], percent	(24)	385	174	279
Gross profit[5]	21.2	28.4	147.7	48.2
Gross profit margin[6], percent	49.8	50.8	52.1	46.5
Operating profit/loss (EBIT)	(10.9)	6.8	40.6[3]	6.1[3]
EBIT margin[7], percent	(25.5)	12.3	14.3	5.9
Operative EBIT[8]	(10.8)	6.9	40.7	6.7
Operative EBIT margin[9], percent	(25.4)	12.4	14.3	6.4
Profit/loss for the period	(8.8)	5.6	33.7[3]	3.6[3]
Equity ratio[10], percent	55.0	62.2	58.3	67.5
Cash flow from operating activities	(10.2)	2.5	39.7[3]	(5.4)[3]
Investments[11]	4.6	1.6	9.6	6.2
Net debt[12]	(58.7)	(58.6)	(74.6)[3]	(58.4)[3]
Items affecting comparability[13]	0.1	0.1	0.1	0.6
Earnings per share, basic[14], EUR	(0.16)	0.10	0.61[3]	0.06[3]
Earnings per share, diluted[15], EUR	(0.16)	0.10	0.61[3]	0.06[3]
Headcount end of period	834	465	737	375

(1) Order backlog = Received legally binding orders from external customers not yet delivered to the customers.

Order backlog is an indicator of Kempower's future revenue expected based on the received orders during the period or earlier periods.

(2) Order intake = Received legally binding orders from external customers during the period.

Order intake is an indicator of Kempower's future revenue expected based on the received orders during the period.

(3) Audited.

(4) Revenue growth = Change of revenue compared to the revenue of the comparative period presented as a percentage.

Revenue growth shows the development of Kempower's business operations. Revenue growth is one of Kempower's medium-term financial targets.

(5) Gross profit = Revenue - Materials and services - Variable employee benefits

Gross profit is an indicator to measure the profitability of Kempower.

(6) Gross profit margin = $\frac{\text{Gross profit}}{\text{Revenue}} \times 100$

Gross profit margin is an indicator to measure the profitability of Kempower.

(7) EBIT margin = $\frac{\text{Operating profit/loss (EBIT)}}{\text{Revenue}} \times 100$

EBIT margin shows the result generated by Kempower's operating activities.

(8)	Operative EBIT	=	Operating profit/loss (EBIT) - Items affecting comparability Operative EBIT margin is presented in addition to EBIT to reflect the underlying business performance of Kempower and to enhance comparability between periods. Kempower believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between the periods.
(9)	Operative EBIT margin	=	$\frac{\text{Operative EBIT}}{\text{Revenue}} \times 100$ Operative EBIT margin is presented in addition to EBIT to reflect the underlying business performance of Kempower and to enhance comparability between periods. Kempower believes that these adjusted performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between the periods. Operative EBIT margin is one of Kempower's medium and long-term financial targets.
(10)	Equity ratio	=	$\frac{\text{Total equity}}{\text{Total assets - Advance payments}} \times 100$ Equity ratio is a measure for Kempower's management to monitor the level of Kempower's equity.
(11)	Investments	=	Investments in intangible assets and property, plant and equipment excluding right-of-use assets Investments provides additional information on the financing needs of operational investments.
(12)	Net debt	=	Non-current borrowings + Non-current lease liabilities + Current borrowings + Current lease liabilities - Cash and cash equivalents - Current other financial assets Net debt is an indicator of the total external debt financing of Kempower.
(13)	Items affecting comparability	=	Material items outside the ordinary course of business including gains/losses on disposal, impairment charges and items relating to structural arrangements and capital reorganisations. Items affecting comparability is presented to reflect the underlying business performance of Kempower and to enhance comparability between periods. Kempower believes that these adjusted items provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between the periods.
(14)	Earnings per share, basic	=	$\frac{\text{Profit/loss for the period attributable to the equity holders of the Company}}{\text{Weighted average number of Shares outstanding during the period}}$ Earnings per share presents, basic, the distribution of Kempower's results to its shareholders.
(15)	Earnings per share, diluted	=	$\frac{\text{Profit/loss for the period attributable to the equity holders of the Company}}{\text{Weighted average number of Shares outstanding adjusted for the dilutive effect}}$ Earnings per share, diluted, presents the distribution of Kempower's results to its shareholders with dilution effect.

Reconciliation of Alternative Performance Measures

The following table sets forth a reconciliation of the Alternative Performance Measures as at the dates and for the periods indicated:

	As at and for the three months ended 31 March		As at and for the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(unaudited, unless otherwise indicated)	
	(EUR in millions, unless otherwise indicated)			
Revenue growth				
Revenue	42.6	55.8	283.6[(1)]	103.6[(1)]
Revenue of the comparative period	55.8	11.5	103.6[(1)]	27.4[(1)]
Change of revenue	(13.2)	44.2	180.0	76.3
Revenue growth, percent	(24)	385	174	279
Gross profit				
Revenue	42.6	55.8	283.6[(1)]	103.6[(1)]
Materials and services	(19.6)	(26.1)	(129.4)[(1)]	(52.4)[(1)]
Variable employee benefits	(1.7)	(1.3)	(6.5)	(3.1)
Gross profit	21.2	28.4	147.7	48.2
Gross profit margin, percent	49.8	50.8	52.1	46.5
EBIT margin				
Operating profit/loss (EBIT)	(10.9)	6.8	40.6[(1)]	6.1[(1)]
Revenue	42.6	55.8	283.6[(1)]	103.6[(1)]
EBIT margin, percent	(25.5)	12.3	14.3	5.9

	As at and for the three months ended 31 March		As at and for the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(unaudited, unless otherwise indicated)	
	(EUR in millions, unless otherwise indicated)			
Operative EBIT				
Operating profit/loss (EBIT)	(10.9)	6.8	40.6[1]	6.1[1]
Items affecting comparability	0.1	0.1	0.1	0.6
Operative EBIT	(10.8)	6.9	40.7	6.7
Operative EBIT margin, percent	(25.4)	12.4	14.3	6.4
Equity ratio				
Total equity	124.7	106.4	132.9[1]	100.6[1]
Total assets	234.5	177.9	237.7[1]	154.2[1]
Advance payments	7.9	6.7	9.8[1]	5.3[1]
Equity ratio, percent	55.0	62.2	58.3	67.5
Investments				
Investments in intangible assets	0.4	0.0	0.2	1.9
Investments in tangible assets excluding right-of-use assets	4.2	1.6	9.4	4.3
Investments	4.6	1.6	9.6	6.2
Net debt				
Non-current lease liabilities	20.3	13.6	20.5[1]	13.3[1]
Current lease liabilities	5.0	2.6	4.7[1]	2.4[1]
Cash and cash equivalents	(21.4)	(10.0)	(27.4)[1]	(9.8)[1]
Current other financial assets	(62.7)	(64.7)	(72.4)[1]	(64.2)[1]
Net debt	(58.7)	(58.6)	(74.6)[1]	(58.4)[1]
Items affecting comparability				
Expenses related to other strategic initiatives presented in other operating expenses	0.1	–	–	–
Expenses related to establishing operations in the United States presented in other operating expenses	–	0.1	0.1	0.6
Items affecting comparability	0.1	0.1	0.1	0.6
Earnings per share, basic				
Profit/loss for the period attributable to the equity holders of the Company	(8.8)	5.6	33.7[1]	3.6[1]
Weighted average number of Shares outstanding during the period	55,278	55,418	55,405[1]	55,484[1]
Earnings per share, basic, EUR	(0.16)	0.10	0.61[1]	0.06[1]
Earnings per share, diluted				
Profit/loss for the period attributable to the equity holders of the Company	(8.8)	5.6	33.7[1]	3.6[1]
Weighted average number of Shares outstanding adjusted for the dilutive effect	55,390	55,517	55,504[1]	55,585[1]
Earnings per share, diluted, EUR	(0.16)	0.10	0.61[1]	0.06[1]

(1) Audited.

For additional information on the Alternative Performance Measures, see "*Certain Matters—Presentation of Financial Information*".

SUMMARY OF RECENT DISCLOSURES

*The following summary sets forth information disclosed by the Company pursuant to the Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "**Market Abuse Regulation**") as well as certain other information disclosed by the Issuer pursuant to the First North Growth Market Rulebook (the "**First North Rulebook**") or the rules of Nasdaq Helsinki, as applicable, over the last 12 months preceding the date of these Listing Particulars, which is to the Company's knowledge still relevant as at the date of these Listing Particulars. The following summary does not discuss periodic financial reporting nor other disclosure obligations not pertaining to the Market Abuse Regulation or the First North Rulebook or the rules of Nasdaq Helsinki. Therefore, the following summary is not exhaustive and does not discuss all company or stock exchange releases issued by the Company during the above-mentioned period of time.*

Changes in Financial Outlooks and Guidance

On 18 July 2023, Kempower announced that it raised its earnings outlook for 2023 due to strong demand for Kempower's electric vehicle charging solutions continuing in the second quarter of 2023, exceeding the Company's expectations and Kempower succeeding in increasing its production capacity to match the surging market demand.

On 22 March 2024, Kempower announced that it decreases its guidance for the three months ended 31 March 2024 due to the political strikes affecting transportation and also the postponement of certain customer deliveries from the first quarter of 2024 to the second quarter of 2024. Kempower announced that its new guidance for the three months ended 31 March 2024 is the following:

"Kempower estimates the revenue to be significantly below the Q1 of 2023 and operative EBIT to be significantly negative during the Q1 of 2024."

According to the guidance Kempower published earlier, Kempower estimated the revenue for the three months ended 31 March 2024 to be between EUR 51 million and EUR 56 million and operative EBIT to be significantly below the three months ended 31 March 2023. Kempower also announced that it maintains its guidance for the full year 2024 unchanged.

Changes in Kempower's Management

On 12 July 2023, Kempower announced that Tim Joyce had been appointed as President, North America, and a member of the leadership team of Kempower. Mr Joyce joined Kempower from KONE Corporation, where he most recently held the position of Managing Director, U.K. & Ireland, responsible for an organisation of nearly 2,000 employees. Mr Joyce started on his new position on August 2023 in North Carolina, the United States.

On 5 March 2024, Kempower announced changes in its leadership team. As of 5 March 2024, Jussi Vanhanen, Chief Markets Officer, began to lead Kempower's Markets and Innovations function, responsible for future innovations, developing the Company's growth strategy, business development, product management and brand development. Simultaneously Sanna Otava, Chief Operating Officer, began to lead Kempower's Product Development and Operations functions, responsible for product development, global production operations, corporate development and ESG. Hanne Peltola was appointed as Chief People Officer and member of the leadership team of Kempower, and Mikko Veikkolainen, Kempower's Chief Technology Officer, was appointed as Vice President, Research and Innovation and began to lead the Research & Innovations team in the Markets and Innovations function. Tim Joyce, who had been leading Kempower's North American operations, left the Company and the recruitment process for the leader of the North American operations was started. Erin Johnston, Finance Director, Kempower North America, took temporary responsibility for the management of the North American operations as Interim Managing Director.

Share-based Incentive Plans

On 19 December 2023, Kempower announced that it had established two new share-based incentive plans for the Group's key employees and resolved on a new plan period of the employee share savings plan.

On 14 February 2024, Kempower announced that the Board of Directors of the Company had resolved on the possibility for the participants of the Employee Share Savings Plan to invest their short-term incentive ("**STI**") to the second plan period of the Employee Share Savings Plan in addition to the savings from their salaries. Individual STI investment opportunity was capped to 10 percent of the participant's base salary. Due to the possibility to invest STI to the employee share savings plan, the maximum number of matching Shares (gross number before taxes) for the second plan period is approximately 68,450, calculated at the prevalent share price. The estimated maximum expense for the second plan period, based on Kempower's Share value at the time of the announcement, is EUR 2,000,000 in total.

Repurchasing of Own Shares

On 21 November 2023, Kempower announced that it starts to repurchase the Company's own Shares based on the authorisation given by the annual general meeting of shareholders of the Company held on 30 March 2023. The maximum number of the Company's own Shares to be repurchased in one or several instalments is 140,000 Shares, corresponding to approximately 0.25 percent of all the Shares in the Company. The maximum amount to be used for the Share repurchase is EUR 5,000,000. The repurchase of own Shares was to commence on 22 November 2023 at the earliest and was to end on 31 December 2023 at the latest. The Company had a weighty financial reason for the directed repurchase of its own Shares because the Shares were repurchased for implementing the incentive programmes of the Company's management and employees.

On 23 November 2023, Kempower announced that a total of 20,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 546,566.00. On 24 November 2023, Kempower announced that a total of 20,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 548,158.42. On 27 November 2023, Kempower announced that a total of 30,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 814,755.54. On 28 November 2023, Kempower announced that a total of 25,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 676,155.56. On 29 November 2023, Kempower announced that a total of 25,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 691,350.82. On 30 November 2023, Kempower announced that a total of 20,000 of the Company's own Shares had been transferred to the Company with a total consideration of EUR 560,174.88.

Changes in the Holding of Treasury Shares

On 20 June 2023, Kempower announced that Kempower had redeemed a total of 540 Shares subscribed for in the personnel share issue conducted in October 2021 from employees whose employment with Kempower had ended, in accordance with the terms and conditions of the shareholder agreement. The redemption price was EUR 1.8519 per share, which was the original subscription price adjusted by the Share split carried out in November 2021.

On 30 April 2024, Kempower announced that Kempower had redeemed a total of 4,050 Shares subscribed for in the personnel share issue conducted in October 2021 from employees whose employment with Kempower had ended, in accordance with the terms and conditions of the shareholder agreement. The redemption price was EUR 1.8519 per share, which was the original subscription price adjusted by the Share split carried out in November 2023.

Company Releases Relating to Notification on Changes of Holding in Accordance with the Articles of Association

On 9 November 2023, Kempower announced that the Company had received a notification pursuant to Article 12 of the Company's articles of association from Kemppi Group Oy. According to the notification, the holding of Kemppi Group Oy in the Company's Shares and votes had decreased below the ⅔ threshold on 9 November 2023. Kemppi Group Oy committed to a lock-up period which will end 360 days after the announced transaction.

Decisions of General Meetings

On 25 July 2023, Kempower published a notice to the extraordinary general meeting of shareholders of the Company, which was held on 28 August 2023.

On 28 August 2023, Kempower announced the decisions of the extraordinary general meeting of shareholders of the Company, which were made in accordance with the proposals of the Nomination and Remuneration Committee of the Board of Directors of the Company. The extraordinary general meeting of shareholders of the Company elected Tuula Rytilä as a new member of the Board of Directors of the Company for a term ending at the conclusion of the next annual general meeting of shareholders of the Company. It was further resolved, that the member of the Board of Directors would be paid the annual remuneration payable to a member of the Board of Directors of the Company in accordance with the resolution on the annual general meeting of shareholders of the Company held on 30 March 2023 in proportion to the duration of her term.

On 5 March 2024, Kempower published a notice to the annual general meeting of shareholders of the Company, which was held on 27 March 2024.

On 27 March 2024, Kempower announced the decisions of the annual general meeting of shareholders of the Company, which were made in accordance with the proposals of the Board of Directors of the Company and the Nomination and Remuneration Committee of the Board of Directors. In addition to adoption of the Company's annual accounts, discharging the members of the Board of Directors of the Company and Chief Executive Officer ("**CEO**") of Kempower from liability and supporting the remuneration report for governing bodies of the Company, the annual general meeting of shareholders of the Company resolved: (i) that no dividend be paid for the financial year ended 31 December 2023; (ii) on the remuneration of the Chair, Vice Chair and the members of the Board of Directors of the Company; (iii) on the number of members of the Board of Directors and re-election of certain members of the Board of Directors; (iv) on the remuneration of the auditor and that EY is re-elected as the Company's auditor; (v) on the remuneration of the sustainability reporting assurance provider and that EY is elected as the Company's sustainability reporting assurance provider; (vi) on amending the articles of association of the Company by taking into account the ongoing legislative change of the Finnish Securities Markets Act; (vii) to authorise the Board of Directors of the Company to decide on the repurchase of the Company's own Shares as described in "*Description of the Shares and Share Capital—Current Authorisations—Authorisation of the Board of Directors to Decide on the Repurchase of Own Shares*"; and (viii) to authorise the Board of Directors of the Company to decide on the issuance of Shares as described in "*Description of the Shares and Share Capital—Current Authorisations—Authorisation of the Board of Directors to Decide on the Issuance of Shares*".

Other Company Releases

On 25 April 2024, Kempower announced that it plans to transfer its Shares to the Official List of Nasdaq Helsinki and it is not considering issuing new Shares in connection with the potential transfer.

On 4 June 2024, Kempower announced that it has on the same date submitted a listing application with Nasdaq Helsinki to admit the Shares on trading on the Official List of Nasdaq Helsinki.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

General

The Company is a public limited liability company incorporated and domiciled in Finland. In its decision-making and corporate governance, the Company complies with applicable Finnish legislation, its articles of association and the Company's corporate governance policy approved by the Board of Directors of the Company. The Company follows all regulations and recommendations of Nasdaq Helsinki, including the Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association and adopted by Nasdaq Helsinki, when trading in the Shares commences on the Official List of Nasdaq Helsinki.

The governing bodies of the Company (*i.e.*, the general meeting of shareholders of the Company, the Board of Directors of the Company and the CEO of Kempower) have the ultimate responsibility for Kempower's management and its operations. The leadership team of Kempower reports to the CEO and is responsible for the efficient management of Kempower's operations.

Shareholders participate in the control and management of the Company through resolutions passed at general meetings of shareholders of the Company. General meetings of shareholders of the Company are generally convened upon notice given by the Board of Directors of the Company. In addition, general meetings of shareholders must be convened when requested in writing by an auditor of the Company or by shareholders representing at least one-tenth of all issued and outstanding Shares.

The business address of the members of the Board of Directors of the Company and the leadership team and the CEO of Kempower is Ala-Okeroistentie 29, FI-15700 Lahti, Finland.

Board of Directors and Leadership Team

Board of Directors

The tasks and responsibilities of the Board of Directors of the Company are determined on the basis of the Finnish Companies Act as well as other applicable legislation. The Board of Directors of the Company has general authority to decide and act in all matters not reserved for other corporate governing bodies by law or under the provisions of the Company's articles of association. The Board of Directors of the Company is responsible for the administration of Kempower and the proper organisation of its operations. The Board of Directors of the Company has the general authority to decide on all matters related to the Company's administration and other matters, which, according to law or the Company's articles of association, do not belong to the annual general meeting of shareholders of the Company or the CEO. In all situations, the Board of Directors of the Company must act in accordance with Kempower's best interest.

The annual general meeting of shareholders of the Company elects the members of the Board of Directors of the Company as well as the Chair and Vice Chair of the Board of Directors of the Company. A member of the Board of Directors of the Company may be removed from office at any time by a resolution passed by a general meeting of shareholders. Proposals to the annual general meeting of shareholders of the Company concerning the election of members of the Board of Directors of the Company, which have been made known to the Board of Directors of the Company prior to the annual general meeting of shareholders, will be made public if such a proposal is supported by shareholders holding a minimum of one-tenth of all the Shares and voting rights and the person being proposed has consented to such nomination.

Under the Company's articles of association, the Board of Directors of the Company is composed of a minimum of four and a maximum of eight members. The term of office of a member of the Board of Directors of the Company expires at the close of the annual general meeting of shareholders following his/her election. The Board of Directors of the Company is quorate when more than one-half of its members are present. A decision by the Board of Directors of the Company is the opinion supported by more than one-half of the members present at a meeting. In the event of a tie, the Chair has the casting vote. The Board of Directors of the Company meets regularly on a monthly basis and otherwise when necessary. The Board of Directors of the Company has established an Audit Committee, a Nomination and Remuneration Committee and Technology Committee. The Board of Directors of the Company may consider establishing other committees in the future in order to function effectively taking into account the scope and nature of Kempower's operations and the operating principles of the Board of Directors of the Company. As at the date of these Listing Particulars, the members of the Board of Directors of the Company are independent of the Company's significant shareholders, except for Antti Kemppi and Teresa Kemppi-Vasama, and of the Company.

The following table sets forth the members of the Board of Directors of the Company as at the date of these Listing Particulars:

	Position	Citizenship	Year of birth
Vesa Laisi	Chair	Finland	1957
Antti Kemppi	Vice Chair	Finland	1978
Teresa Kemppi-Vasama	Member	Finland	1970
Olli Laurén	Member	Finland and the United States	1959
Tuula Rytilä	Member	Finland	1967
Eriikka Söderstöm	Member	Finland	1968

Vesa Laisi has been the Chair of the Board of Directors of the Company since 2024 and a member of the Board of Directors of the Company since 2021. Mr Laisi has been the Chair of the Board of Directors of Axopar Boats Ltd and Axopar Holdings Ltd since 2023 and an adviser for the Board of Directors of Wirepas Ltd since 2017. Previously, Mr Laisi was the President of Danfoss Drives, a business unit of Danfoss A/S between 2015 and 2022, an Executive Team member of Danfoss Group between 2015 and 2022 and the CEO of Vacon Plc between 2002 and 2014. Mr Laisi holds a Master’s degree in Electronics and a Master’s degree in Economics.

Antti Kemppi has been the Vice Chair of the Board of Directors of the Company since 2024 and a member of the Board of Directors of the Company since 2017. Mr Kemppi has been the Chair of the Boards of Directors of Kiinteistö Oy Eagle Lahti since 2021, Okeroisten Toimitilat Oy since 2020, Craft Meats Oy since 2020, Kemppi Group Oy since 2017, Potestas Oy since 2015, Facultas Oy since 2012, a member of the Boards of Directors of M Helsinki Oy since 2022, Kiinteistö Oy Uusikartano since 2019, Kempinvest Oy since 2017 and Kemppi Oy since 2006, a Senior Adviser of Dear Lucy Oy since 2016, a founding member of Kasvuryhmä Suomi ry since 2015, a member of the delegation of Päijät-Hämeen Vesijärvisäätiö sr since 2015 and the CEO of Kiinteistö Oy Uusikartano since 2019 and Kempinvest Oy since 2005. Previously, Mr Kemppi was the Chair of the Boards of Directors of the Company between 2017 and 2024, Kempinnotkon Asunnot Oy between 2018 and 2022, Kempinpuiston Asunnot Oy between 2018 and 2022, Herralan Tontit Oy between 2018 and 2022 and M Helsinki Oy between 2010 and 2022, a member of the Boards of Directors of Gelit Oy between 2019 and 2022, Kipinä Terveys Osuuskunta between 2018 and 2021, Kemppi-Yhtiöt Oy between 2011 and 2022, Volantes Oy between 2018 and 2021, Svenska Handelsbanken AB (publ), Branch Operation in Finland, Lahti office between 2016 and 2017 and the CEO of Kemppi-Yhtiöt Oy between 2012 and 2020. Mr Kemppi holds a Master’s degree in Accounting and Finance.

Teresa Kemppi-Vasama has been a member of the Board of Directors of the Company since 2018. Ms Kemppi-Vasama has been the Chair of the Boards of Directors of Montia Oy, Bellator Oy, Lappeenranta-Lahti University of Technology and Lahden Teollisuusseura ry since 2022, Okeroisten Toimitilat Oy and Viipurin Taloudellinen Korkeakouluseura ry (VITAKO) since 2020 and Kemppi Oy since 2014, a member of the Boards of Directors of AV Sporthorses B.V. since 2023, Kiinteistö Oy Eagle Lahti since 2021, Kemppi Group Oy since 2011 and, a vice member of the Board of Directors of Technology Industries of Finland since 2023, and a member of the representative assembly of Liikesivistysrahaston Kannatusyhdistys ry since 2019 and Päijät-Hämeen Vesijärvisäätiö sr since 2011. Previously, Ms Kemppi-Vasama was a member of the Board of Directors of Cargotec Corporation between 2021 and 2024, the CEO of Kemppi-Yhtiöt Oy between 2020 and 2023, the Vice Chair of the Board of Directors of Lappeenranta-Lahti University of Technology between 2017 and 2022, Vice Chair of the Board of Directors of Lahden Teollisuusseura ry between 2016 and 2022 and a member of the Board of Directors of Lahden Teollisuusseura ry between 2014 and 2016, the Chair of the Board of Directors of Auro Invest Oy between 2007 and 2023, Vice Chair of the Board of Directors of the Company between 2020 and 2022, the Chair of the Boards of Directors of Kemppi-Yhtiöt Oy between 2012 and 2020 and Vice Chair of the Board of Directors of Kemppi-Yhtiöt Oy between 2020 and 2023, the Chair of the Board of Directors of the Association for Finnish Work between 2015 and 2018, a member of the Board of Directors of Okeroisten Toimitilat Oy between 2018 and 2020 and Viipurin Taloudellinen Korkeakouluseura ry (VITAKO) between 2018 and 2020, a member of the Boards of Directors of Ferax Oy between 2021 and 2023, Kempinnotkon Asunnot Oy between 2018 and 2022, Kempinpuiston Asunnot Oy between 2009 and 2022, Herralan Tontit Oy between 2020 and 2022, Kemppi-Kiinteistöt Oy between 2012 and 2018 and Lomapilke Oy between 2010 and 2019, the Chair of the representative assembly of Perheyritysten liitto ry between 2021 and 2023 and a member of the representative assembly of Perheyritysten liitto ry between 2015 and 2021, the CEO of Lomapilke Oy between 2011 and 2018 and Kemppi Oy in 2017 and held various positions, including Director, Strategy and Development, at the Finnish Red Cross between 1997 and 2009. Ms Kemppi-Vasama holds a Master of Business Administration degree and a Master’s degree in Political Science.

Olli Laurén has been a member of the Board of Directors of the Company since 2023. Previously, Mr Laurén was a Managing Partner, Helsinki at Egon Zehnder International between 2002 and 2010, a Managing Partner, Calgary at Egon Zehnder International between 2010 and 2013, a Global Head, Machinery & Industrial Technology at Egon Zehnder International between 2011 and 2021, a Managing Partner, Washington DC at Egon Zehnder International between 2018 and 2023, the CEO and founder of Arnold’s Bakery & Café between 1996 and 2001 and the Chair of the Board of Directors of Arnold’s Bakery & Café between 1996 and 2006. Mr Laurén holds a Master of Business Administration degree.

Tuula Rytilä has been a member of the Board of Directors of the Company since 2023. Ms Rytilä has been a member of the Boards of Directors of Tuxera Ltd since 2024, Breville Group Ltd. and eBrands Global Oy since 2023, Bang & Olufsen A/S since 2019 and a member of the Board of Trustees of the National Nordic Museum since 2019. Previously, Ms Rytilä was Corporate Vice President, Microsoft Digital Stories at Microsoft Corporation between 2016 and 2023, Corporate Vice President, Post-Sale Monetization at Microsoft Corporation between 2015 and 2016 and Corporate Vice President, Devices Marketing at Microsoft Corporation between 2014 and 2015, Chief Marketing Officer at Nokia Corporation between 2012 and 2014, Senior Vice President, Smart Devices Portfolio & Business Management at Nokia Corporation between 2011 and 2012, Vice President, Location Services at Nokia Corporation between 2010 and 2011 and held various management positions at Nokia Corporation between 1999 and 2009. Ms Rytilä holds a Master's degree in Economics.

Eriikka Söderström has been a member of the Board of Directors of the Company since 2021. Ms Söderström has been a member of the Boards of Directors of Amadeus IT Group SA since 2022, NV Bekaert SA since 2020 and a Managing Director of Ab Börsligan Oy since 2019. Previously, Ms Söderström was a member of the Board of Directors of Valmet Corporation between 2017 and 2024, the Chief Financial Officer of F-Secure Corporation between 2017 and 2021, KONE Corporation between 2014 and 2016 and Vacon Plc between 2009 and 2013. Ms Söderström holds a Master's degree in Economics.

Board Committees

Audit Committee

The Board of Directors' Audit Committee assists the Board of Directors in preparing matters concerning financial reporting and control.

The duties of the Audit Committee include monitoring and evaluating Kempower's financial reporting system, monitoring and evaluating the effectiveness of internal control and audit and risk management systems, monitoring and evaluating the extent to which agreements and other legal transactions entered into between Kempower and its related parties meet the requirements of normal operations and market conditions, monitoring and evaluating the independence of auditors, and, in particular, the provision of non-audit services, monitoring Kempower's audit, preparing the election of the Company's auditor, approving the annual internal audit plan and reviewing internal audit reports and monitoring the handling of key audit findings.

The Audit Committee may also oversee the financial reporting and risk management process, assess compliance with laws and regulations, monitor and evaluate the definition of related party policies, monitor financial and tax risks, monitor IT security-related processes and risks as well as identify and monitor specific issues identified by the Board of Directors of the Company and appropriate to the activities of the Audit Committee.

The Audit Committee is comprised of at least three members of the Board of Directors. At least one member of the Audit Committee must have expertise in accounting or auditing. The Audit Committee meets regularly, at least four times during each term of office and additionally when necessary. The tasks and responsibilities of the Audit Committee are defined in its charter, which is approved by the Board of Directors of the Company.

The members of the Audit Committee are Eriikka Söderström (Chair), Antti Kemppi (member), Vesa Laisi (member) and Olli Laurén (member).

Nomination and Remuneration Committee

The Board of Directors' Nomination and Remuneration Committee prepares the appointments and remuneration of the members of the Board of Directors of the Company and prepares the appointments and remuneration of the CEO and the members of the leadership team of Kempower. The task of the Nomination and Remuneration Committee is to promote and develop the transparency and systematic nature of the selection processes and the remuneration system of Kempower and to comply with the principles of good corporate governance. The Nomination and Remuneration Committee prepares the Company's remuneration policy and the remuneration report and presents it at the annual general meeting of shareholders of the Company and promotes the development of know-how and ability as well as succession planning.

Nomination and Remuneration Committee is comprised of at least three members of the Board of Directors. The Nomination and Remuneration Committee meets upon invitation by its Chair, at least once a year. The tasks and responsibilities of the Nomination and Remuneration Committee are defined in its charter, which is approved by the Board of Directors of the Company.

The members of the Nomination and Remuneration Committee are Tuula Rytilä (Chair), Vesa Laisi (member), Teresa Kemppi-Vasama (member) and Olli Laurén (member).

Technology Committee

The Board of Directors' Technology Committee monitors the implementation of Kempower's innovation and technology strategy.

Technology Committee is comprised of at least two members of the Board of Directors. The Technology Committee meets upon invitation by its Chair, at least once a year. The tasks and responsibilities of the Technology Committee are defined in its charter, which is approved by the Board of Directors of the Company.

The members of the Technology Committee are Vesa Laisi (Chair), Antti Kemppi (member) and Tuula Rytilä (member).

CEO

The CEO is responsible for managing Kempower's operations in accordance with the instructions and regulations issued by the Board of Directors of the Company and for keeping the Board of Directors of the Company informed of the development of Kempower's business and financial situation. The CEO is responsible for the day-to-day administration and management of the Company in accordance with the Finnish Companies Act and the instructions and regulations issued by the Board of Directors of the Company. The Board of Directors of the Company appoints and dismisses the CEO, decides on the financial benefits and other terms of contractual relationship within the framework of the valid remuneration policy presented to the annual general meeting of shareholders of the Company and supervises the CEO's operations. The CEO is also the President of the Group. The CEO chairs meetings of the leadership team of Kempower.

Global Leadership Team

The leadership team of Kempower assists the CEO in the operative management and development of Kempower. Members of the leadership team of Kempower have specific authority in their individual areas of responsibility, and their duty is to develop Kempower's operations in line with the targets set by the Board of Directors of the Company and the CEO of Kempower. In addition to the leadership team of Kempower, Kempower also has an extended leadership team. As at the date of these Listing Particulars, the leadership team of Kempower consists of seven members, all appointed by the Board of Directors of the Company. The leadership team meets regularly on a monthly basis and whenever needed.

The following table sets forth the members of the global leadership team of Kempower as at the date of these Listing Particulars:

	Position	**Citizenship**	**Year of birth**
Tomi Ristimäki	Chief Executive Officer	Finland	1975
Jukka Kainulainen	Chief Financial Officer	Finland	1982
Sanna Otava	Chief Operating Officer	Finland	1975
Jussi Vanhanen	Chief Markets Officer	Finland	1972
Tommi Liuska	Chief Sales Officer	Finland	1977
Juha-Pekka Suomela	Chief Service Business Officer	Finland	1974
Hanne Peltola	Chief People Officer	Finland	1969

Tomi Ristimäki has been the Chief Executive Officer and a member of the global leadership team of Kempower since 2019. Mr Ristimäki has been a member of the Boards of Directors of Etteplan Oyj since 2023 and a member of Transportation Committee of the Finland Chamber of Commerce since 2023. Previously, Mr Ristimäki was a member of the Board of Directors of the eMobility branch group of Technology Industries of Finland between 2020 and 2024, the Original Equipment Manufacturing Sales Director at Danfoss Editron Ltd between 2017 and 2019, Director, Sales and Marketing at Visedo Oy (currently known as Danfoss Editron Ltd) between 2011 and 2017, Product Manager at Honeywell GmbH between 2007 and 2011 and held various sales, marketing and product development management roles at Vacon Plc between 2000 and 2007. Mr Ristimäki holds a Master's degree in Electrical Engineering.

Jukka Kainulainen has been the Chief Financial Officer and a member of the global leadership team of Kempower since 2021. Previously, Mr Kainulainen was the Chief Financial Officer of Biohit Oyj between 2018 and 2021, Head of the Controlling Team at CGI between 2017 and 2018, Head of Group Financial Planning and Analysis Team at Affecto Ltd between 2016 and 2017, Business Controller of Nordics region and Operations Controller of North Europe at Capgemini between 2013 and 2016 and held various controller and financial management roles, including Chief Financial Officer of Danish subsidiary, at TietoEVRY Corporation between 2008 and 2013. Mr Kainulainen holds a Master's degree in Economics.

Sanna Otava has been the Chief Operating Officer since 2021 and a member of the global leadership team of Kempower since 2019. Previously, Ms Otava was the Operations Director of Kempower between 2019 and 2021, Business Development Manager of Kemppi Oy between 2008 and 2019 and Business Development Manager at Digita Oy between 2000 and 2008. Ms Otava holds a Master's degree in Energy Technology.

Jussi Vanhanen has been the Chief Markets Officer and a member of the global leadership team of Kempower since 2021. Previously, Mr Vanhanen was the Vice President, Sales and Marketing, of Efore Oyj (currently known as Enedo Ltd) between 2018 and 2021, Business Unit Director at Ensto Ltd between 2017 and 2018, Program Director at Finpro Oy (currently known as Business Finland Oy) between 2016 and 2017, Marketing Director at The Switch Drive Systems Ltd (currently known as The Switch Engineering Corporation) between 2007 and 2016 and Sales Director at ABB Oy between 1998 and 2007. Mr Vanhanen holds a Master's degree in Electrical Engineering.

Tommi Liuska has been the Chief Sales Officer since 2020 and a member of the global leadership team of Kempower since 2019. Previously, Mr Liuska was Director, Business Development at Kempower between 2019 and 2020, Sales and Marketing Director, Smart Building Business Unit at Ensto Ltd between 2018 and 2019, Sales and Marketing Director, Electrification Business Unit at Ensto Ltd between 2016 and 2018 and Sales and Marketing Director, Industrial Solutions Business Unit at Ensto Ltd between 2015 and 2016, Project Manager at Salcomp Plc between 2007 and 2009, Ensto Ltd between 2006 and 2007 and Cencorp Oyj (currently known as Valoe Corporation) between 2005 and 2006 and held various sales and operations management roles at Ensto Ltd between 2009 and 2014. Mr Liuska holds a Master's degree in Industrial Engineering and Management.

Juha-Pekka Suomela has been the Chief Service Business Officer and a member of the global leadership team of Kempower since 2022. Previously, Mr Suomela was Director, Global Centers at Excellence of Danfoss Drives Oy between 2015 and 2022, and Director, Product Support and Solutions and Services, Vacon Drives Finland at Vacon Plc between 2010 and 2015 and held various account management and marketing roles at Vacon Plc between 2001 and 2010. Mr Suomela holds a Bachelor's degree in Electrical Engineering and a Master's degree in Economics and Business Administration.

Hanne Peltola has been the Chief People Officer and a member of the global leadership team of Kempower since 2024. Previously, Ms Peltola was the Vice President, People and Culture and a member of the extended leadership team of Kempower between 2023 and 2024, Vice President, Human Resources of the Flow Control business line at Valmet Corporation between 2022 and 2023, Senior Vice President, Human Resources at Neles Corporation between 2020 and 2022, Vice President, HR, Region HR EMEA and Valves Business Area at Metso Corporation between 2016 and 2020, Group HR Director at Paroc Group Ltd between 2015 and 2016, Director, Human Resources at Outotec Oyj (currently known as Metso Corporation) between 2010 and 2015 and held various roles in human resources at Larox Oyj (currently known as Metso Finland, Inc) and at UPM-Kymmene Corporation between 2001 and 2010. Ms Peltola holds an Executive Master's degree in Business Administration, a Master's degree in Social Sciences and a University Diploma in Social Psychology.

Information on the Members of the Board of Directors and the Leadership Team

As at the date of these Listing Particulars, none of the members of the Board of Directors of the Company or the leadership team of Kempower have, during the previous five years:

- been convicted in relation to fraudulent offences;
- held an executive position, been included in the executive management, or been a member of the administrative, management or supervisory bodies of any company or acted as a general partner with individual liability in a limited partnership at the time of bankruptcy, receivership or liquidation (excluding voluntary liquidations which have been carried out in order to dissolve a company under the Finnish Companies Act); or
- been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including any designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Antti Kemppi, the Vice Chair of the Board of Directors of the Company, is a cousin of Teresa Kemppi-Vasama, a member of the Board of Directors of the Company. Other than stated herein, there are no family relations between the members of the Board of Directors of the Company and the leadership team of Kempower.

Conflicts of Interest

Provisions regarding the conflicts of interest of the management of a Finnish company are set forth in the Finnish Companies Act. Pursuant to Chapter 6, Section 4 of the Finnish Companies Act, a member of the Board of Directors may not participate in the handling of a contract between himself or herself and the company, nor may he or she participate in the handling of a contract between the company and a third-party if he or she may thereby receive a material benefit that may be in contradiction with the interests of the company. Further, pursuant to Chapter 6, Section 4 a of the Finnish Companies Act, a member of the Board of Directors may not participate in the handling of a contract between himself or herself or an entity that is related to himself or herself as defined in "*IAS 24 – Related Party Disclosures*", and the company or its subsidiary, unless the agreement is part of the company's ordinary course of business or is conducted on normal market terms. This provision also applies to any other legal act, legal proceeding or other similar matter. This provision also applies to the CEO.

Unless otherwise indicated below, as at the date of these Listing Particulars there are no conflicts of interest between any duties to the Company of any member of the Board of Directors of the Company or the leadership team of Kempower and their private interests and/or other duties:

- legal and/or beneficial interest in the Shares;
- the related-party transactions described in "*Related Party Transactions*;" and
- Antti Kemppi, the Vice Chair of the Board of Directors of the Company, and Teresa Kemppi-Vasama, a member of the Board of Directors of the Company, own shares in Kemppi Group Oy directly and indirectly through holding companies. Antti Kemppi is the Chair of the Board of Directors of Kemppi Group Oy and Teresa Kemppi-Vasama is a member of the Board of Directors of Kemppi Group Oy.

Compensation of the Board of Directors and the Leadership Team

Board of Directors

The following table sets forth the remuneration paid to the members of the Board of Directors of the Company for the periods indicated:

	For the three months ended 31 March		For the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(audited)	
	(EUR in thousands)			
Antti Kemppi	12.8	13.3	51.5	40.8
Teresa Kemppi-Vasama	10.3	10.8	41.5	33.3
Tero Era	10.3	10.8	41.5	33.3
Juha-Pekka Helminen(1)	–	10.8	11.8	33.3
Kimmo Kemppi	11.1	10.8	41.0	32.8
Vesa Laisi	10.9	11.4	44.0	35.1
Eriikka Söderström	11.0	12.0	46.5	37.0
Olli Laurén(2)	4.4	–	35.8	–
Tuula Rytilä(3)	9.8	–	14.2	–
Total	80.4	79.6	327.7	245.4

(1) Member of the Board of Directors of the Company until 30 March 2023.
(2) Member of the Board of Directors of the Company since 30 March 2023.
(3) Member of the Board of Directors of the Company since 28 August 2023.

There have been no material changes in the remuneration of the Board of Directors of the Company between 31 March 2024 and the date of these Listing Particulars.

Leadership Team

The Board of Directors determines the remuneration paid and the basic principles of remuneration for the CEO and the other members of the leadership team. The remuneration paid to the CEO and the other members of the leadership team consists of a monthly salary, benefits, a yearly bonus and a long-term share-based incentive programme. In addition, all Kempower employees are included in a yearly bonus programme (short-term incentive) that includes company-level targets as well as personal targets. In addition, the leadership team of Kempower can participate in Kempower's long-term share savings programme.

The following table sets forth the compensation paid to the CEO of Kempower for the periods indicated:

	For the three months ended 31 March		For the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(unaudited, unless otherwise indicated)	
	(EUR in thousands)			
Salaries and other short-term employee benefits:				
Fixed basic salary	86.3	66.6	267.7	171.4
Car benefit	4.1	3.0	14.1	13.5
Phone benefit	0.1	0.1	0.2	0.2
Performance bonus	–	118.1	118.1	175.9
Share savings plan additional bonus	–	–	93.4	–
Total salaries and other short-term employee benefits	90.5	187.8	493.5[1]	361.1[1]
Post-employment benefits	16.9	35.1	92.3[1]	63.9[1]
Share-based payments	40.8	18.1	74.5[1]	62.5[1]
Total	148.2	241.0	660.2[1]	487.4[1]

(1) Audited.

The following table sets forth the compensation paid to the members of the leadership team of Kempower, excluding the CEO, for the periods indicated:

	For the three months ended 31 March		For the year ended 31 December	
	2024[1]	2023	2023	2022
	(unaudited)		(audited)	
	(EUR in thousands)			
Salaries and other short-term employee benefits	332.5	442.1	1,401.9	819.0
Post-employment benefits	44.7	82.7	262.2	145.0
Share-based payments	34.7	65.3	410.3	193.6
Total	411.8	590.0	2,074.4	1,157.6

(1) In February 2024, Kempower announced changes in the leadership team as Tim Joyce, President, North America, left Kempower. Redundancy money of EUR 0.6 million has been recorded as expenses for the three months ended 31 March 2024, but it is not included in the paid compensation. In 2023, performance bonuses were paid during the three months ended 31 March 2023, where as in 2024, performance bonuses will be paid during the three months ending 30 June 2024.

Other than the redundancy money stated above, there have been no material changes in the remuneration of the members of the leadership team between 31 March 2024 and the date of these Listing Particulars.

Auditors

The Company has appointed EY, Authorised Public Accountants, as its auditor for the year ending 31 December 2024. EY has appointed Toni Halonen, Authorised Public Accountant, as the auditor with principal responsibility. Toni Halonen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register. The Audited Consolidated Financial Statements as at and for the years ended 31 December 2023 and 2022 have been audited by EY, Authorised Public Accountants, with Toni Halonen, Authorised Public Accountant, as the auditor with principal responsibility. Toni Halonen is registered in the Finnish Register of Auditors pursuant to Chapter 6, Section 9 of the Finnish Auditing Act maintained by the Trade Register.

MAJOR SHAREHOLDERS

General

As at the date of these Listing Particulars, the Company's share capital amounts to EUR 80,000, the total number of issued and outstanding Shares is 55,542,920. As at the date of these Listing Particulars, the Company holds 269,224 Shares in treasury.

The following table sets forth the ten largest shareholders of the Company and their respective holdings as at 31 May 2024:

	As at 31 May 2024	
	Number of Shares	Share of Shares and votes (percent)
Kemppi Group Oy	34,400,000	61.93
Varma Mutual Pension Insurance Company	2,572,678	4.63
Nordea Funds	616,302	1.11
Evli Fund Management Company	514,795	0.93
Ilmarinen Mutual Pension Insurance Company	508,000	0.91
Nordea Life Assurance Finland Ltd	399,326	0.72
Oy Julius Tallberg Ab	356,309	0.64
Wipunen varainhallinta Oy	350,000	0.63
Kempinvest Oy	348,432	0.63
Heikintorppa Oy	300,000	0.54
Total ten largest shareholders	40,365,842	72.68
Other shareholders	15,177,078	27.32
Total	55,542,920	100.00

All Shares carry equal voting rights and none of the Company's shareholders have any voting rights that are different from those of the other shareholders in the Company. The Company is controlled by Kemppi Group Oy that owns 61.93 percent of the outstanding Shares and the voting rights as at the date of these Listing Particulars.

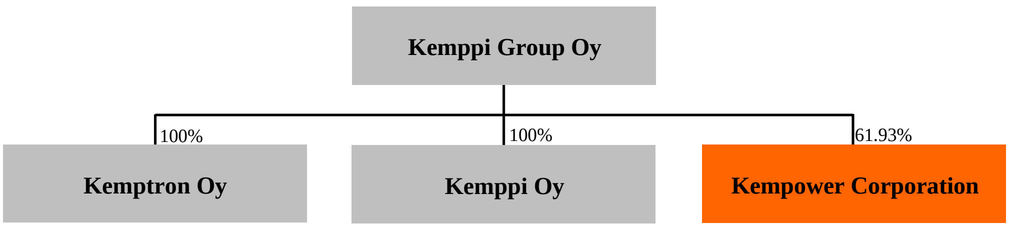
There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

In so far as is known to the Company, there are no persons, other than Kemppi Group Oy, who are other than members of the administrative, management or supervisory bodies who, directly or indirectly, have an interest in the Company's capital or voting rights which is notifiable under Finnish law.

Kemppi Group Oy

The largest shareholder of the Company is Kemppi Group Oy, a limited liability company incorporated under the laws of Finland, with registered address at Kempinkatu 1, FI-15810 Lahti, Finland. Kemppi Group Oy is a company owned directly and indirectly by members of the Kemppi family.

The following chart sets forth Kemppi Group Oy's legal structure as at the date of these Listing Particulars:



Note: Kemppi Group Oy is the parent company of Kemptron Oy, Kemppi Oy and Kempower Corporation. The Kemppi Group consists of the parent company Kemppi Group Oy and its subsidiaries Kemptron Oy, Kemppi Oy and Kempower Corporation and their respective subsidiaries. The Kemppi Oy group consists of Kemppi Oy and its subsidiaries.

Kemppi Group Oy owns 61.93 percent of the Shares and the voting rights as at the date of these Listing Particulars.

RELATED PARTY TRANSACTIONS

Parties are considered to be related to each other if one party has the ability control the other party or exercise significant influence or joint control over the other party in making financial or operational decisions. At the date of these Listing Particulars, Kempower's related parties consist of its subsidiaries as set forth in "*Business—Group Legal Structure—Legal Structure*", and the Kemppi Group Oy and its subsidiaries other than Kempower and its subsidiaries (together, the "**Kemppi Group Companies**"). Related parties also include members of the Board of Directors, the CEO and Kempower's leadership team and their close family members as well as companies under their significant influence or control. Kempower's related parties also includes the members of the Board of Directors of Kemppi Group Oy and their close family members as well as companies under their significant influence or control.

The salaries and remuneration of the management is presented in "*Board of Directors, Management and Auditors—Compensation of the Board of Directors and the Leadership Team*". The shareholding of Kemppi Group Oy is presented in "*Major Shareholders*".

The following table sets forth Kempower's related party transactions for the periods indicated:

	For the three months ended 31 March		For the year ended 31 December	
	2024	2023	2023	2022
	(unaudited)		(audited, unless otherwise indicated)	
	(EUR in millions)			
Sales and purchases of goods and services to and from the Kemppi Group Companies				
Products sold	0.4	0.1	0.4	0.3
Purchased materials	(5.3)	(11.6)	(44.1)	(26.5)
Purchased administration services	(0.0)	(0.0)	(0.1)	(1.2)
Office and facility lease	(0.5)	(0.6)	(2.3)	(2.3)
Sales and purchases of goods and services to and from other related parties				
Purchased services	(0.0)	(0.1)	(0.1)[1]	(0.0)
Products sold	–	–	–	0.0

(1) Adjusted and unaudited.

The following table sets forth Kempower's outstanding balances in relation to transactions with related parties as at the dates indicated:

	As at 31 March 2024	As at 31 December 2023	As at 31 December 2022
	(unaudited)	(audited)	
	(EUR in millions)		
Outstanding balances with the Kemppi Group Companies			
Current receivables			
Trade and other receivables	0.1	0.2	0.2
Total current receivables	0.1	0.2	0.2
Non-current liabilities			
Lease liabilities	11.5	11.6	11.6
Total non-current liabilities	11.5	11.6	11.6
Current liabilities			
Lease liabilities	1.5	1.5	1.1
Trade payables	4.3	6.7	6.8
Prepaid expenses and accrued income and other liabilities	–	–	2.1
Total current liabilities	6.0	8.2	10.0
Commitments to the Kemppi Group Companies			
Purchase commitments	11.7	4.4	6.6
Total commitments	11.7	4.4	6.6

Business transactions between Kempower and the Kemppi Group Companies have been presented as related party transactions. Such related party transactions include purchases of materials from Kemptron Oy and Kemppi Oy, purchases of expert services from various Kemppi Group Companies and premises leased from the Kemppi Group Companies. In addition, commitments related to future purchases from Kemptron Oy and Kemppi Oy have been included in related party transactions. Transactions with related parties have been carried out on an arm's length basis.

Kempower has not had significant related party transactions outside the ordinary course of business between 31 March 2024 and the date of these Listing Particulars.

Office and Facility Lease

Kempower's headquarters and production facilities are located in rental properties. The headquarters and a production facility in connection to it in Lahti, Finland, have been leased from Kemppi Group Oy until 2031. The pricing of the leased premises in Lahti, Finland, follows the arm's length principle.

DESCRIPTION OF THE SHARES AND SHARE CAPITAL

General

The Company is a Finnish public limited liability company organised under the laws of Finland and domiciled in Lahti, Finland. The Company was registered in the Trade Register on 9 October 2017, its business identity code is 2929424-1 and its LEI is 743700EIG9TDB5QNZS09. The Company's registered address is Ala-Okeroistentie 29, FI-15700 Lahti, Finland, and its telephone number is +358 29 0021 900.

According to Article 3 of the Company's articles of association, its line of business is to, either directly or through its subsidiaries or affiliate companies, manufacture, market and maintain machines, devices and equipment related to the metal industry both domestically and abroad as well as to import the abovementioned products and raw materials and other necessary materials, machines and devices necessary for the manufacture and use of such products; to design, manufacture, maintain, repair, sell and market devices related to electronically controllable industrial power supplies as well other operations related thereto; to design, manufacture, sell, market and maintain charging devices, batteries and other equipment for motor vehicles and chargeable electric vehicles and related software as well as other operations related thereto. In addition, the Company may directly and/or through its subsidiaries or affiliate companies purchase, sell, own and manage real property and securities. As the parent company, the Company may attend to the organisation, financing and purchases of the group and to other similar common tasks, as well as own real property and shares and carry on securities trading, corporate acquisitions and divestments, and other investment business.

Shares and Share Capital

As at the date of these Listing Particulars, the Company's fully paid up share capital amounts to EUR 80,000, and the total number of Shares issued is 55,542,920. The Shares have no nominal value and are issued under Finnish law. As at the date of these Listing Particulars, the Company holds 269,224 Shares in treasury. The Shares were entered into the book-entry securities system maintained by Euroclear Finland on 2 December 2021 and are subject to public trading on the First North Growth Market with the trading code KEMPOWR. Each Share entitles its holder to one vote at the general meetings of shareholders of the Company, and all Shares carry equal rights to dividends and other distributions by the Company (including distributions of assets in the event of the Company's liquidation). There are no voting restrictions related to the Shares. The Shares are freely transferrable.

The Company has submitted an application to Nasdaq Helsinki for the Shares to be listed on the Official List of Nasdaq Helsinki with the trading code KEMPOWR (ISIN code: FI4000513593). Trading of the Shares on the Official List of Nasdaq Helsinki is expected to commence on or about 12 June 2024.

Current Authorisations

Authorisation to Decide on the Repurchase of the Company's Own Shares

On 27 March 2024, the Board of Directors of the Company was authorised by the annual general meeting of shareholders of the Company to decide on the repurchase of the Company's own Shares in one or several instalments. Shares can be repurchased using funds belonging to the unrestricted equity of the Company in such a way that the maximum number of Shares to be repurchased is 2,777,146 Shares. The proposed number of Shares corresponds to 5 percent of all the Shares in the Company on the date of the notice to the annual general meeting of shareholders of the Company. The authorisation also entitles the Board of Directors of the Company to resolve on a repurchase of Shares otherwise than in proportion to the Shares owned by the shareholders. In that case, there must exist a weighty financial reason for the Company for the repurchase of its own Shares. The Shares may be repurchased in order to develop the capital structure of the Company, to finance possible acquisitions, investments, or other arrangements included in the Company's business, as well as to implement the Company's share-based incentive scheme or otherwise to be further transferred, held by the Company, or invalidated. The authorisation is in force until the conclusion of the following annual general meeting of shareholders of the Company, however, until 30 June 2025 at the latest.

Authorization to Decide on the Issuance of Shares

On 27 March 2024, the Board of Directors of the Company was authorised by the annual general meeting of shareholders of the Company to decide on the issuance of Shares in one or several instalments. The number of Shares to be issued based on the authorisation may not exceed 5,554,292 Shares. The proposed number of Shares corresponds to 10 percent of all the Shares in the Company on the date of the notice to the annual general meeting of shareholders of the Company. The authorisation includes the right to resolve to issue either new Shares or to transfer treasury Shares against payment. The new Shares may be issued, or the treasury Shares transferred in deviation from the shareholder's pre-emptive rights if there exists a weighty financial reason for the Company for this. The authorisation may be used inter alia for developing the capital structure of the Company, financing possible acquisitions, investments, or other arrangements included in the Company's business, as well as for expanding the ownership base and implementing the Company's share-based incentive schemes. The authorisation is in force until the conclusion of the following annual general meeting of shareholders of the Company, however, until 30 June 2025 at the latest.

Shareholder Rights

Pre-emptive Rights

Pursuant to the Finnish Companies Act, shareholders of a Finnish company have a pre-emptive right, in proportion to their shareholdings, to subscribe for new shares in such company as well as for issues of stock options or convertible bonds unless the decision of the general meeting of shareholders or the Board of Directors of the company authorised by the general meeting of shareholders approving such issue provides otherwise. Pursuant to the Finnish Companies Act, a resolution that deviates from the shareholders' pre-emptive rights must be approved by at least two thirds of all votes cast and shares represented at a general meeting of shareholders. In addition, pursuant to the Finnish Companies Act, such a resolution requires that the company has a weighty financial reason to deviate from the pre-emptive rights of shareholders. Furthermore, pursuant to the Finnish Companies Act, a resolution on a share issue without payment that deviates from the shareholders' pre-emptive rights requires that there is an especially weighty financial reason both for the company and in regard to the interests of all the shareholders in the company.

Certain shareholders resident in, or with a registered address in, certain jurisdictions other than Finland may not be able to exercise pre-emptive rights in respect of their shareholdings unless a registration statement, or an equivalent thereof under the applicable laws of their respective jurisdictions, is effective or an exemption from any registration or similar requirements under the applicable laws of their respective jurisdictions is available.

General Meeting of Shareholders

Pursuant to the Finnish Companies Act, shareholders exercise their decision-making powers at general meetings of shareholders. Pursuant to the Finnish Companies Act, the annual general meeting of shareholders of a company must be held annually within six months from the end of the financial year. At the annual general meeting of shareholders, the financial statements, including the income statement, balance sheet and cash flow statement with notes thereto and consolidated financial statements, are presented to the shareholders for adoption. At the annual general meeting of shareholders, shareholders also make decisions regarding, among other things, the use of profits shown on the balance sheet, the discharge from liability of the members of the Board of Directors and the President and CEO as well as the election of the members of the Board of Directors and auditors and their respective remuneration. An extraordinary general meeting of shareholders in respect of specific matters must be convened when deemed necessary by the Board of Directors, or when requested in writing by an auditor of the company or by shareholders representing at least one tenth of all of the issued and outstanding shares in the company.

Pursuant to the articles of association of the Company, the notice convening the general meeting of shareholders must be delivered to the shareholders by publishing the notice on the Company's website or by a newspaper announcement which is published in one or more widely circulated daily newspapers chosen by the Board of Directors of the Company no earlier than three months and no later than three weeks before the general meeting, and in any case at least nine days before the record date of the general meeting of shareholders referred to in Chapter 5, Section 6 a of the Finnish Companies Act. In order to be able to attend the general meeting of shareholders, a shareholder must notify the Company at the latest on the date mentioned in the notice, which may be no earlier than ten days before the general meeting of shareholders.

In order to have the right to attend and vote at a general meeting of shareholders, a shareholder must be registered in the register of shareholders maintained by Euroclear Finland no later than eight business days prior to the relevant general meeting of shareholders. See "*Finnish Securities Markets—Finnish Book-entry Securities System*". A beneficial owner wishing to attend and vote at the general meeting of shareholders should seek a temporary registration in the register of shareholders maintained by Euroclear Finland by the date announced in the notice to the general meeting of shareholders, which date must be after the record date of the general meeting of shareholders. A notification for temporary registration of a beneficial owner into the shareholder register of the company is considered a notice of attendance at the general meeting of shareholders. There are no quorum requirements for general meetings of shareholders in the Finnish Companies Act or in the articles of association of the Company.

Voting Rights

A shareholder may attend and vote at a general meeting of shareholders in person or by way of proxy representation. Each Share entitles its holder to one vote at the general meeting of shareholders. If a shareholder's shares are registered in more than one book-entry account, the shareholder has a right to use different proxy representatives for each book-entry account. At a general meeting of shareholders, resolutions are generally passed with the majority of the votes cast. However, certain resolutions, such as any deviations from shareholders' pre-emptive rights in respect of share offerings and repurchases of own shares, amendments to the articles of association and resolutions regarding mergers, demergers or liquidation of a company, require at least two thirds of the votes cast and the shares represented at the general meeting of shareholders. In addition, certain resolutions, such as amendments to the articles of association that change the respective rights of shareholders holding the same class of shares or increase the redemption rights of a company or its shareholders, require the consent of all shareholders, or where only certain shareholders are affected, the consent of all the shareholders affected by the amendment, in addition to the applicable majority requirement.

Dividends and Other Distributions of Funds

In accordance with the prevailing practice in Finland, dividends on shares in a Finnish limited liability company, if any, are generally declared once a year. Dividends may be paid and unrestricted equity may be otherwise distributed after the general meeting of shareholders has adopted the company's financial statements and resolved on the amount of dividend or other distribution of unrestricted equity based on the proposal by the Board of Directors of the company. Pursuant to the Finnish Companies Act, the payment of a dividend or other distribution of unrestricted equity may also be based on financial statements other than that for the preceding financial year, provided that such financial statements have been adopted by the general meeting of shareholders. If the company has an obligation to elect an auditor pursuant to law or its articles of association, the financial statements must be audited. The payment of a dividend or other distribution of unrestricted equity requires the approval of the majority of the votes cast at a general meeting of shareholders of the company. Pursuant to the Finnish Companies Act, the general meeting of shareholders may also authorise the Board of Directors to resolve upon payment of dividends and other distributions of unrestricted equity. The amount of dividend or other distribution of unrestricted equity cannot exceed the amount stipulated by the general meeting of shareholders.

Under the Finnish Companies Act, the equity of a company is divided into restricted and unrestricted equity. Restricted equity consists of the share capital, the fair value reserve and the revaluation reserves according to the Finnish Accounting Act as well as any possible reserve fund and share premium fund formed under the previous Finnish Companies Act (734/1978, as amended) effective prior to September 1, 2006. Pursuant to the current Finnish Companies Act, a company may also distribute funds by reducing its share capital, which requires the approval of the majority of votes cast at a general meeting of shareholders of the company. A decision regarding the share capital reduction must be registered in the Trade Register within one month from the general meeting of shareholders of the company that resolved on such share capital reduction. Following the registration of the share capital reduction, a creditor hearing process may be commenced and the Trade Register will issue, upon application of the company, a notice to the creditors of the company. The reduction of the share capital may be registered if none of the creditors of the company has opposed the reduction of the share capital or the company has received a confirmatory judgment to the effect that the opposing creditors have either received payment for their receivables or a securing collateral has been placed by the company for the payments of such receivables.

The amount of any dividend or other distribution of unrestricted equity is limited to the amount of distributable funds of the company stated in the financial statements upon which the decision to pay dividends or otherwise distribute unrestricted equity are based, subject to any material changes in the financial position of the company after the financial statements have been prepared. Distribution of funds, whether by way of dividend or other distribution of unrestricted equity, is prohibited if it is known, or it should be known, at the time such decision is made that the company is insolvent or that such distribution would cause the company to become insolvent. Distributable funds include the profit for the preceding financial year, retained earnings from previous financial years and other unrestricted equity, adjusted for the loss set forth in the balance sheet, the amounts that are to be left undistributed under the articles of association of the company and certain other undistributable funds. A parent company of a consolidated group of companies may not distribute more than the amount of distributable funds shown on the parent company's latest audited and adopted financial statements. The dividend may not exceed the amount proposed or otherwise accepted by the Board of Directors, unless so requested at the general meeting of shareholders by shareholders representing at least one tenth of all of the issued and outstanding shares in the company, in which case, the dividend can be no more than the lesser of (i) at least one half of the profit for the preceding financial year less the amount to be left undistributed under the articles of association of the company (if any) and (ii) the amount of distributable funds as described above. However, in such case, the dividend cannot exceed 8 percent of the total equity of the company and the distributable amount must be adjusted for any dividends paid during the accounting period before the annual general meeting of shareholders.

Dividends and other distributions of funds are paid to shareholders or their nominees entered in the register of shareholders on the relevant record date. Such register is maintained by Euroclear Finland through the relevant book-entry account operators. Under the Finnish book-entry securities system, dividends are paid by account transfers to the accounts of the shareholders appearing in the register. All Shares in the Company carry equal rights to dividends and other distributions of funds by the Company (including distributions of assets in the event of the liquidation of the Company).

The right to dividends is forfeited three years from the payment date of the dividends, after which the funds reserved for the payment of the dividends remain in the Company.

For information relating to taxation of dividends, see "*Taxation*".

Treasury Shares

Pursuant to the Finnish Companies Act, a company can repurchase its own shares. Resolutions regarding the repurchase of a company's own shares must be made by the general meeting of shareholders, unless the general meeting of shareholders has authorised the Board of Directors to resolve upon share repurchases using unrestricted equity. Any such authorisation may remain in effect for no more than 18 months. A public limited liability company may not, directly or indirectly, own more than 10 percent of all the shares in the company. As at the date of these Listing Particulars, the Company holds 269,224 Shares in treasury.

Transfers through the Finnish Book-entry System

Upon a sale of shares through the Finnish book-entry securities system, the relevant shares are transferred from the seller's book-entry account to the purchaser's book-entry account as an account transfer. For the sale, allocation data is recorded into Euroclear Finland's Infinity T2S clearing system and, if necessary, a provision regarding the book-entry security is made to the book-entry account. The sale is registered as an advance transaction until settlement and payment, after which the purchaser is automatically registered in the register of shareholders of the relevant company. If the shares are registered in the name of a nominee and the seller's and purchaser's shares are deposited in the same custodial nominee account, a sale of shares does not require any entries into the Finnish book-entry securities system, unless the nominee changes or the shares are transferred from the custodial nominee account pursuant to the sale.

Redemption Right and Obligation to Purchase Shares

Pursuant to the Finnish Companies Act, a shareholder holding more than 90 percent of all shares and voting rights attached to the shares in a company has a right to redeem all remaining shares in such company for fair value. In addition, a minority shareholder that holds shares that may, under the Finnish Companies Act, be redeemed by a majority shareholder as described above, is entitled to demand such majority shareholder to redeem its shares.

Foreign Exchange Control

Shares in a Finnish company may be purchased by non-residents of Finland without any separate Finnish exchange control consent. Non-residents may also receive dividends without separate Finnish exchange control consent, the transfer of assets out of Finland being subject to payment by the company of withholding taxes in the absence of an applicable tax treaty preventing the levying of such taxes. Non-residents having acquired shares in a Finnish limited liability company may receive shares pursuant to a bonus issue or through participation in a rights issue without separate Finnish exchange control consent. Shares in a Finnish company may be sold in Finland by non-residents, and the proceeds of such sale may be transferred out of Finland in any convertible currency. There are no Finnish exchange control regulations restricting the sale of shares in a Finnish company by non-residents to other non-residents.

FINNISH SECURITIES MARKETS

The following summary is a general description of the Finnish securities markets and it is based on the laws of Finland as in effect as at the date of these Listing Particulars. The following summary is not exhaustive.

Trading on Nasdaq Helsinki

The currency for trading in, and clearing of, securities on Nasdaq Helsinki is euro, with the tick size for trading quotations depending on the share price. All price information is produced and published only in euro. Trading in the equities market on Nasdaq Helsinki takes place in the automated INET Nordic trading platform in which orders are matched as trades when the price, volume and other conditions match. The main trading phases in the equities market of Nasdaq Helsinki are pre-trading session, continuous trading and post-trading session. For shares, pre-trading session begins at 9:00 a.m. and ends at 9:45 a.m. during which orders may be placed, changed or cancelled. The opening call begins at 9:45 a.m. and ends at 10:00 a.m. Orders entered during the pre-trading session and existing orders, which may be valid for several days' are automatically transferred into the opening call. Continuous trading begins immediately after the opening call ends at 10:00 a.m. and continues until 6:25 p.m. The closing call begins at 6:25 p.m. and ends at approximately 6:30 p.m., when the closing prices are determined and continuous trading ends. In post-trading session between 6:30 p.m. and 7:00 p.m., only contract trades for shares can be registered at the price established during the trading day. Trades are normally cleared in Euroclear Finland's Infinity T2S clearing and settlement system on the second business day after the trade date (T+2) unless otherwise agreed by the parties. Nasdaq Helsinki is a part of the Nasdaq group, which owns and maintains the stock exchanges also, among others, in Stockholm, Copenhagen and Iceland. Nasdaq Nordic consists of four local stock exchanges in Helsinki, Iceland, Copenhagen and Stockholm. The companies listed on these four exchanges are presented on one common list – the Nordic List – with harmonised listing requirements. Companies are presented in segments based on market value and in sectors according to industry affiliation.

Regulation of the Finnish Securities Markets

The securities market in Finland is supervised by the FIN-FSA. The primary statutes governing the Finnish securities markets are the Finnish Securities Markets Act, which contains provisions with respect to, among others, company and shareholder disclosure obligations and public tender offers, the Prospectus Regulation, which contains provisions with respect to, among others, the content and format of prospectuses and the Market Abuse Regulation, which contains regulations with respect to, among others, insider dealing, unlawful disclosure of inside information, market manipulation and public disclosure of inside information. The regulation governing the admission of securities and other financial instruments into public trading and the trading in listed financial instruments is compiled under the Act on Trading in Financial Instruments (1070/2017, as amended). The FIN-FSA may issue more detailed regulation pursuant to the Finnish Securities Markets Act and other acts. The role of the FIN-FSA is to monitor compliance with these regulations.

The Finnish Securities Markets Act and the Market Abuse Regulation specify minimum disclosure requirements for companies applying to have their shares listed on Nasdaq Helsinki or who offer their securities to the public in Finland. The information provided must be sufficient to enable a potential investor to make a sound evaluation of the securities being offered and the issuing company as well as of matters that may have a material effect on the value of the securities. In addition, an issuer has a continuing obligation to publish financial information on the company and, according to the Market Abuse Regulation, to inform the public as soon as possible of inside information, which directly concerns the issuer. Insider information must be made public in a manner that enables fast access and complete, correct and timely assessment of the information by the public.

A shareholder is required, without undue delay, to notify a listed company and the FIN-FSA when its voting interest in, or its percentage ownership of, the total number of shares in such listed company reaches, exceeds or falls below 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 30 percent, 50 percent, 66⅔ percent (two thirds) or 90 percent, calculated in accordance with the Finnish Securities Markets Act, or when it has on the basis of a financial instrument the right to receive an number of shares that reaches, exceeds or falls below any such threshold or, when the combined holding based either on direct holding or holding through financial instruments reaches, exceeds or falls below the flagging threshold. Financial instrument also refers to financial instruments the value of which is determined on the basis of the company's share and which have a similar economic effect as a financial instrument that entitles its holder to receive the company's shares. A flagging notification must be made regardless of whether the underlying asset of the financial instrument will be settled physically or in cash. The notification must be submitted without an undue delay, however no later than on the following trading day after the shareholder was informed or should have known about such a change in the shareholder's voting rights or ownership. The shareholder will be deemed to have been informed of the said transaction no later than two trading days after the transaction. Upon receiving information that a shareholder's voting interest or ownership interest has reached, exceeded or fallen below any of these thresholds, a listed company must publish such information by way of a stock exchange or company release. If a shareholder has violated its obligation to notify on voting interest or ownership, the FIN-FSA may due to a weighty reason prohibit the shareholder from using its right to vote and to be presented in the general meeting of shareholders for the shares to which the violation relates.

Pursuant to the Finnish Securities Markets Act, a shareholder whose holding in a listed company increases, after the shares have been entered into trading on the regulated market or upon application or consent of the issuer on a multilateral trading facility, above 30 percent or above 50 percent of the total voting rights attached to the shares in the company, calculated in accordance with the Finnish Securities Markets Act, must make a public tender offer to purchase the remaining shares and other securities entitling holders to shares in such company for fair value. If the securities that caused the above-described limits to be reached have been purchased pursuant to a public tender offer that has been made for all shares in the target company and other securities entitling holders to shares in such company or have been otherwise acquired during the tender offer period of such public tender offer, the obligation to make a tender offer is not triggered. If a company has two or more shareholders whose holdings of voting rights exceed the above-described limit, only the shareholder with the most voting rights is required to make a tender offer. If a shareholder exceeds the above-described limit due solely to acts of the company or another shareholder, such shareholder is not required to make a tender offer before purchasing or subscribing for more shares in the target company or otherwise increasing its holding of voting rights in the target company. If the above-described limit is exceeded due to the shareholders acting in concert when making a voluntary tender offer, the obligation to make a tender offer is not triggered if acting in concert is limited only to such tender offer. There is no obligation to make a tender offer if a shareholder or another party who is acting in concert with such shareholder gives up its voting rights in excess of the above-described limit within one month after such limit was exceeded provided that the shareholder publishes its intention and voting rights are not used during such time. Pursuant to the Finnish Companies Act, a shareholder with shares representing more than 90 percent of all shares and voting rights attached to all shares in a company has the right to redeem remaining shares in such company for fair value. In addition, a minority shareholder that possesses shares that may, under the Finnish Companies Act, be redeemed by a majority shareholder as described above, is entitled to demand such majority shareholder to redeem its shares. Detailed rules have been set for the calculation of the above proportions of shares and votes.

Under the Finnish Securities Markets Act, a listed company must directly or indirectly belong to an independent body, established in Finland, that broadly represents the business sector which has, in order to promote compliance with good securities markets practice, issued a recommendation which relates to the actions of the management of the target company regarding a public tender offer (the "**Helsinki Takeover Code**"). According to the Finnish Securities Markets Act, a listed company must provide an explanation in case it is not committed to complying with the Helsinki Takeover Code.

Net short positions relating to shares tradable on Nasdaq Helsinki must be disclosed to the FIN-FSA in accordance with the Regulation (EU) No. 236/2012 of the European Parliament and of the Council on short selling and certain aspects of credit default swaps. The obligation to disclose net short positions applies to all investors and market participants. A net short position regarding shares admitted to trading on a regulated market must be disclosed when the position reaches, exceeds or falls below 0.2 percent of the issued share capital of the target company. A new notification must be disclosed for each 0.1 percentage point exceeding the above threshold. The FIN-FSA publishes the notified net short positions on its website, if the net short position reaches, exceeds or falls below 0.5 percent of the issued share capital of the target company.

The Finnish Penal Code (39/1889, as amended) criminalises the breach of disclosure requirements, the misuse of inside information, unauthorised disclosure of inside information and market manipulation. Pursuant to the Market Abuse Regulation, the Finnish Securities Markets Act and the Finnish Act on the Financial Supervisory Authority (878/2008, as amended), the FIN-FSA has the right to impose administrative sanctions to the extent the offence does not fall within the scope of the Finnish Penal Code. The FIN-FSA can, for example, issue a public warning or impose administrative fines or monetary penalties for the breach of disclosure requirements, public tender offer, insider register or market abuse provisions. The disciplinary board of Nasdaq Helsinki may give a warning or note or impose a disciplinary fine or order the company to be removed from the stock exchange list.

Finnish Book-entry Securities System

General

Any issuer established in the EU that issues or has issued transferable securities which are admitted to trading or traded on trading venues, shall arrange for such securities to be represented in book-entry form. The issuer has the right to choose the central securities depository in which its securities are recorded. The central securities depository maintains the book-entry system. Euroclear Finland acts as the central securities depository in Finland as at the date of these Listing Particulars. Euroclear Finland maintains a book-entry securities register for, among others, equity and debt securities. The registered office of Euroclear Finland is Urho Kekkosen katu 5C, FI-00100, Helsinki, Finland.

Shareholders' registers must be maintained for issuers in the Finnish central securities depositary. In accordance with Regulation on Central Securities Depositories (EU) No 909/2014, as amended, the central securities depositories are not obliged to offer shareholders book-entry accounts sponsored by issuers free of charge, but a central securities depository may offer such free accounts sponsored by issuers based on a voluntary business decision.

Registration

Shareholders of all companies registered in the book-entry securities system must establish a book-entry account with an account operator or register its securities through nominee registration in order to effect share entries. A Finnish shareholder may not hold his/her shares through nominee registration in the Finnish book-entry system. For shareholders who have not transferred their shares into book-entries, a joint book-entry account is opened with Euroclear Finland with the issuer as registered holder. All transfers of securities registered with the book-entry securities system are executed as computerised book-entry transfers to the extent they are executed in the book-entry securities system. The account operator confirms the book-entry by sending a statement of book-entries made to the holder of the respective book-entry account at least four times a year. The book-entry account holders also receive an annual statement of their holdings at the end of each calendar year.

Each book-entry account is required to contain information with respect to the account holder and other holders of rights to the book-entries entered into the account as well as information on the account operator administering the book-entry account. The required information also includes the type and number of book-entries registered as well as the rights and restrictions pertaining to the account and to the book-entries registered in the account. A custodial nominee account is identified as such on the entry. Euroclear Finland and the account operators are responsible for maintaining the confidentiality of the information they receive. The company must, however, keep the shareholders' register available to anyone at the company's head office or, when the shares of the company are entered into the book-entry securities system, at the office of the central securities depository in Finland. The FIN-FSA is also entitled to certain information on the holdings of shares registered in a custodial nominee account upon request.

Each account operator is liable for errors and omissions in its registration activity, and for any breach of data protection. If an account holder has suffered a loss as a result of a faulty registration or other mistake or defect relating to the entries and the account operator has not compensated such loss, such account holder is entitled to receive compensation from the statutory registration fund of Euroclear Finland. The capital of the registration fund must be at least 0.0048 percent of the average of the total market value of the book-entries kept in the book-entry securities system during the last five years and it must not be less than EUR 20 million. The compensation to be paid to an injured party is equal to the amount of damages suffered subject to a limit of EUR 25,000 per account operator. The liability of the registration fund to pay damages in relation to each incident is limited to EUR 10 million.

Custody of Shares and Nominee Registration

A non-Finnish shareholder may appoint an account operator (or certain other Finnish or non-Finnish organisation approved by the central securities depository) to act as a custodial nominee account holder on its behalf. The book-entry securities of a foreigner, foreign entity or trust may be deposited in a custodial nominee account, where the book-entry securities are registered in the name of a custodial account holder in the company's register of shareholders. A custodial nominee account must contain information on the custodial account holder instead of the beneficial owner and indicate that the account is a custodial nominee account. Book-entry securities owned by one or more beneficial owners may be registered in a custodial nominee account. In addition, the shares owned by a foreigner, foreign entity or trust may be registered in a book-entry account opened in the name of such foreigner, foreign entity or trust, but the holding may be registered in the name of a nominee in the company's register of shareholders.

A custodial nominee account holder is entitled to receive dividends on behalf of the shareholder. A nominee-registered shareholder wishing to attend and vote at the general meeting of shareholders should temporarily register the shares in their own name in the shareholders' register kept by Euroclear Finland at the latest on the date mentioned in the notice to the general meeting of shareholders, which must be after the record date of the general meeting of shareholders. Upon request by the FIN-FSA or the relevant company, a custodial nominee account holder is required to disclose the name of the beneficial owner of any shares registered in such custodial nominee's name, provided the beneficial owner is known, as well as the number of shares owned by such beneficial owner. If the name of the beneficial owner is not known, the custodial nominee account holder is required to disclose corresponding information on the representative acting on behalf of the beneficial owner and to submit a written declaration of the representative to the effect that the beneficial owner of the shares is not a Finnish natural person or legal entity.

A shareholder wishing to hold his/her shares in the book-entry securities system in his/her own name, but who does not maintain a book-entry account in Finland, is required to open a book-entry account at an account operator as well as a bank account denominated in euros in Finland.

Compensation Fund for Investors and Deposit Insurance Fund

The Finnish Act on Investment Services (747/2012, as amended) sets forth a compensation fund for investors. Under such act, investors are divided into professional and non-professional investors. The fund does not compensate any losses by professional investors. The definition of professional investor includes business enterprises and public entities, which are deemed to understand the securities markets and their associated risks. An investor may also provide notice in writing that, on the basis of his/her professional skills and experience in the securities markets, he/she is a professional investor, however, natural persons are generally presumed to be non-professional investors. Investment firms and credit institutions must belong to the compensation fund. The compensation fund safeguards payment of clear and indisputable claims of investors when an investment company or a credit institution has been declared bankrupt, is undergoing a restructuring process or is otherwise, for a reason other than temporary insolvency, not capable of paying claims within a determined period of time. For valid claims, the compensation fund will pay 90 percent of the investor's claim against each investment company or credit institution, up to a maximum of EUR 20,000. The compensation fund does not provide compensation for losses due to decreases in stock value or bad investment decisions. Accordingly, investors continue to be liable for the consequences of their own investment decisions. According to the Finnish Act on Financial Stability Authority (1195/2014, as amended), depositary banks must belong to a deposit guarantee scheme, which is intended to safeguard payments of receivables in the depositary bank's account or receivables in the forwarding of payments that have not yet been entered into an account if the depositary bank becomes insolvent and the insolvency is not temporary. The customers of a depositary bank can be compensated by the deposit insurance fund up to a maximum of EUR 100,000. An investor's funds can be safeguarded either by the deposit insurance fund or the compensation fund, however, an investor's funds cannot be safeguarded by both funds at the same time.

TAXATION

The following summary is based on the tax laws of Finland as in effect and applied as at the date of these Listing Particulars as well as on the current case law and tax practice. Any changes in tax laws, case law or tax practice may also have a retroactive effect on taxation. The following summary is not exhaustive and does not take into account or discuss the tax laws, case law or tax practice of any country other than Finland. The following summary does not address tax considerations applicable to such holders of Shares that may be subject to special tax rules relating to, among others, different restructurings of corporations, controlled foreign corporations, non-business carrying entities, income tax-exempt entities, investment funds, general or limited partnerships, or individuals holding Shares through share saving accounts. Furthermore, this description does not address Finnish inheritance or gift tax consequences. In addition to the tax laws of Finland, the tax laws of the countries in which prospective investors are resident may affect the income from the Shares, and prospective investors are advised to consult professional tax advisers as to the tax implications relating to the purchase, ownership and disposition of Shares. Prospective investors, whose taxation may be impacted by the tax laws of other countries, should consult tax advisers as to the tax implications related to their individual circumstances.

Finnish Tax Considerations

The following is a description of the material Finnish income tax and transfer tax consequences that may be relevant with respect to the Offering. The description below is applicable to both Finnish resident and non-resident natural persons and limited liability companies for the purposes of Finnish domestic tax legislation relating to dividend distributions and capital gains arising from the sale of Shares.

This description is primarily based on:

- The Finnish Income Tax Act (*tuloverolaki* 1535/1992, as amended, the "**Finnish Income Tax Act**");
- The Finnish Business Income Tax Act (*laki elinkeinotulon verottamisesta* 360/1968, as amended, the **Finnish Business Income Tax Act**");
- The Finnish Act on the Taxation of Non-residents' Income (*laki rajoitetusti verovelvollisen tulon verottamisesta* 627/1978, as amended);
- The Finnish Transfer Tax Act (*varainsiirtoverolaki* 931/1996, as amended); and
- The Finnish Tax Assessment Procedure Act (*verotusmenettelylaki* 1558/1995, as amended, the "**Finnish Tax Assessment Procedure Act**").

In addition, relevant case law as well as decisions and statements made by the tax authorities in effect and available as at the date of these Listing Particulars have been taken into account. Tax legislation, case law and statements given by tax authorities are subject to change, which could apply retroactively and could, therefore, affect the tax consequences described below.

General

Residents and non-residents of Finland are treated differently for tax purposes. The worldwide income of persons resident in Finland is subject to taxation in Finland. Non-residents are only taxed on income from Finland. Additionally, Finland imposes taxes on non-residents for income connected with their permanent establishments in Finland. However, tax treaties may limit the applicability of Finnish tax legislation and also the right to tax income received from Finland by a non-resident.

Generally, a natural person is deemed to be a resident in Finland if such person remains in Finland for a continuous period of more than six months or if the permanent home and abode of such person is in Finland. However, a Finnish national who has moved abroad is considered to be resident in Finland until three years have passed from the end of the year of departure unless they can demonstrate that no substantial ties between them and Finland have existed during the relevant tax year.

Earned income, including salary, is taxed at progressive rates. Currently, the capital income tax rate is 30 percent. In addition, should the amount of capital income received by a resident natural person exceed EUR 30,000 in a calendar year, the capital income tax rate is 34 percent on the amount that exceeds EUR 30,000. Corporate entities established under the laws of Finland are regarded as residents in Finland and are, therefore, subject to corporate income tax on their worldwide income. In addition, non-residents are subject to Finnish corporate income tax on their income connected with their permanent establishments situated in Finland. Currently, the corporate income tax rate is 20 percent.

Distribution of funds from a reserve for unrestricted equity (in accordance with Chapter 13, Section 1, Subsection 1 of the Finnish Companies Act) by a public listed company pursuant to Section 33a, Subsection 2 of the Finnish Income Tax Act (a “**Listed Company**”) is taxable as dividend. Therefore, the description below addressing the tax implications of dividends is also applicable with respect to distribution of funds from a reserve for unrestricted equity.

The following is a summary of certain Finnish tax consequences relating to the purchase, ownership and disposal of Shares by Finnish resident and non-resident shareholders.

Taxation of Dividends

Resident Natural Persons

If shares owned by a natural person are not included in the business activity (*i.e.*, business income source) of such person, 85 percent of dividends paid by a Listed Company to such shareholder is taxable as capital income at the rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year), while the remaining 15 percent is tax-exempt. Eighty-five percent of dividends paid by a Listed Company to a natural person whose underlying shares belong to the business activity of such shareholder is as a main rule taxable partly as earned income, which is taxed at progressive rates, and partly as capital income, which is taxed at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year), and the remaining 15 percent is tax-exempt.

Distribution of dividends by a Listed Company to resident natural persons is subject to advance tax withholding. Currently, the amount of the advance tax withholding is 25.5 percent. The advance tax withheld by the distributing company is credited against the final tax payable by the shareholder for the dividend received. Resident natural persons must review, and correct, if necessary, the amount of dividend income and the advance tax withheld on their pre-completed income tax return form.

A 50 percent withholding tax is withheld on the nominee account’s dividends if the company paying the dividend or the registered custodian cannot identify the recipient of the dividend as non-resident in Finland. For more information on non-residents’ taxation, see “*—Non-residents*” below.

Finnish Limited Liability Companies

Taxation of dividends distributed by a Listed Company depends, among other things, on whether the Finnish company receiving the dividend is a Listed Company or not.

Dividends received by a Listed Company from another Listed Company are generally tax-exempt. However, in cases where the underlying shares are included in the investment assets of the shareholder, 75 percent of the dividend is taxable income while the remaining 25 percent is tax-exempt. Only financing, insurance and pension institutions may have investment assets.

Dividends received by a Finnish company that is not a Listed Company (*i.e.*, a privately held company) from a Listed Company are fully subject to corporate income tax. However, in cases where the privately held company directly owns 10 percent or more of the share capital of the Listed Company distributing the dividend, the dividend received on such shares is tax-exempt. However, if a non-listed company receives a dividend on shares of a Finnish company included in its investment assets, 75 percent of the dividend is taxable income and 25 percent is tax-exempt regardless of the ownership threshold.

Non-residents

As a general rule, non-residents of Finland are subject to Finnish withholding tax on dividends paid by a Finnish company. The withholding tax is withheld by the company distributing the dividend at the time of dividend payment and no other taxes on the dividend are payable in Finland. The withholding tax rate is 20 percent for non-resident corporate entities as income receivers and 30 percent for all other non-residents as income receivers. The withholding tax may be reduced or removed under an applicable treaty for the avoidance of double taxation (the “**Tax Treaty**”). Starting 1 January 2021, the withholding tax rate is generally 35 percent for dividends paid by a Listed Company to nominee registered shares, as described further below.

Finland has entered into Tax Treaties with several countries pursuant to which the withholding tax rate is reduced on dividends paid to persons entitled to the benefits under such treaties. For example, in the case of the treaties with the following countries, Finnish withholding tax rate regarding dividends of portfolio shares is generally reduced to the following percentages: Austria: 10 percent; Belgium: 15 percent; Canada: 15 percent; Denmark: 15 percent; France: 0 percent; Germany: 15 percent; Ireland: 0 percent; Italy: 15 percent; Japan: 15 percent; the Netherlands: 15 percent; Norway: 15 percent; Spain: 15 percent; Sweden: 15 percent; Switzerland: 10 percent; the United Kingdom: 0 percent; and the United States: 15 percent (0 percent for certain pension funds). This list is not exhaustive. A further reduction in the withholding tax rate is available under most Tax Treaties to corporate shareholders for dividend distributions on qualifying holdings (usually direct ownership of at least 10 percent or 25 percent of the share capital or votes of the distributing company). The reduced withholding rate benefit in an applicable Tax Treaty will be available if the person beneficially entitled to the dividend has provided a valid tax card or necessary details of its nationality and identity to the company paying the dividend.

Where shares in a Finnish company are held through a nominee account, the Finnish company pays dividends to the nominee account managed by the custodian, who then delivers the dividend payment to the beneficial owner. A withholding tax of 35 percent is generally applied on dividend distributions by Listed Companies, unless custodians fulfil certain strict requirements and are willing to take over certain responsibilities (including, for example, registration with the Finnish Tax Administration (a so called authorised intermediary), identification of the beneficial owner of the dividend and collecting and submitting detailed recipient information to the Finnish Tax Administration using specific filing procedures). Furthermore, application of reduced withholding tax rates at source require that the custodian and dividend distributor are willing to assume liability of incorrectly applied withholding tax. If the custodian only registers with the Finnish Tax Administration and submits (or undertakes to submit) the detailed recipient details to the Finnish Tax Administration, a 30 percent withholding tax rate can be applied, instead of 35 percent.

Any tax withheld in excess can be reclaimed after the year of the dividend payment by submitting a refund application to the Finnish Tax Administration no later than by the end of the third calendar year following the dividend payment year. During the year of dividend payment, the refund can be processed if custodians and the dividend distributor fulfil the above-mentioned requirements laid down for actual dividend distribution. It is exceptionally also possible that any tax not withheld at source is later assessed directly to the shareholder by the Finnish Tax Administration, in case the failure to withhold tax at source is not due to negligence of the custodian or the dividend distributor.

Certain Qualifying Non-resident Corporate Entities Residing in EU Member States

Under Finnish tax laws, no withholding tax is levied on dividends paid to foreign corporate entities that reside, and are subject to corporate tax, in an EU member state as specified in Article 2 of the Parent Subsidiary Directive 2011/96/EU, as amended (the "**Parent Subsidiary Directive**"), and that directly hold at least 10 percent of the capital in the distributing Finnish company.

Certain Non-resident Corporate Entities Residing within the EEA

Dividends paid to certain non-resident corporate entities residing within the EEA may be either fully tax-exempt or taxed at a reduced withholding tax rate, depending on how the dividend would be taxed if paid to a corresponding Finnish corporate entity.

No withholding tax is levied on dividends paid by a Finnish company to a non-resident entity provided that (i) the entity receiving the dividend resides within the EEA; (ii) the Council Directive 2011/16/EU on Administrative Cooperation in the Field of Taxation and Repealing Directive 77/799/EEC (the "**Mutual Assistance Directive**"), or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; (iii) the corporate entity receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act; (iv) the dividend would be fully tax-exempt if paid to such corresponding Finnish company or entity (see "*—Finnish Limited Liability Companies*" above): and (v) the company receiving the dividend provides evidence (in the form of a certificate issued by the home country's tax authorities) that the paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Notwithstanding the above, dividend income is only partly tax-exempt if the shares in the distributing company belong to the investment assets of the recipient company and the recipient company is not a corporate entity defined in the Parent Subsidiary Directive holding directly at least 10 percent of the capital in the distributing company. In such situations, the current applicable withholding tax rate is 15 percent provided that (i) the company receiving the dividend is a resident in a country within the EEA; (ii) the Mutual Assistance Directive or an agreement regarding executive assistance and exchange of information in tax matters within the EEA is applicable to the home country of the recipient of the dividend; and (iii) the company receiving the dividend corresponds to a Finnish corporate entity as defined in Section 33 d, Subsection 4, of the Finnish Income Tax Act or in Section 6 a of the Finnish Business Income Tax Act. Depending on the applicable Tax Treaty, the applicable withholding tax rate can also be less than 15 percent (see "*—Non-residents*" above).

Certain Non-resident Natural Persons Residing within the EEA

Instead of being subject to withholding tax as described under "*—Non-residents*" above, dividends paid to non-resident natural persons can be, upon request by such non-resident natural person, taxed pursuant to the Finnish Tax Assessment Procedure Act (*i.e.*, taxed similarly to dividends paid to residents of Finland (see "*—Resident Natural Persons*" above)) provided, however, that (i) the person receiving the dividend is resident in a country within the EEA; (ii) the Mutual Assistance Directive, or an agreement regarding executive assistance and exchange of information in tax matters within the EEA, is applicable to the home country of the recipient of the dividend; and (iii) the recipient of the dividend provides evidence (in the form of a certificate issued by the home country's tax authorities) that any paid withholding tax could not *de facto* be fully credited in the home country pursuant to an applicable Tax Treaty.

Capital Gains

Resident Natural Persons

A capital gain or loss arising from the sale of shares that do not belong to the business activity of the shareholder is taxable in Finland as a capital gain or deductible as a capital loss for resident natural persons. Capital gains are currently taxed at a rate of 30 percent (34 percent on the amount that exceeds EUR 30,000 in a calendar year). If the shares belong to the business activity (business income basket) of the seller, any gain arising from the sale is deemed to be business income of the seller, which will as a main rule be divided according to the Finnish Income Tax Act to be taxed as earned income at progressive tax rates and capital income at a rate of 30 percent (34 percent rate on the amount that exceeds EUR 30,000 in a calendar year).

A capital loss arising from the sale of shares that do not belong to the business activity of the shareholder is deductible from the resident natural person's capital gains arising in the same year and during the following five tax years. The portion of capital loss not deducted from the capital gains for the tax year is deductible from the amount of net capital income before any other deductions are made (among others, tax deductible interest expenses and carry forward tax losses). However, capital loss does not entitle to deficit credit under the deficit crediting system. The deductibility of losses related to securities included in the seller's business activity is determined as described under "—*Finnish Limited Liability Companies*" below.

Notwithstanding the above, capital gains arising from the sale of shares that do not belong to the business activity of the shareholder are exempt from tax provided that the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws). Correspondingly, capital losses are not tax deductible if the acquisition cost of all assets sold during the tax year does not, in aggregate, exceed EUR 1,000 (exclusive of proceeds from the sale of any assets that are tax-exempt pursuant to Finnish tax laws) and also the proceeds of all assets sold by the resident natural person during the tax year do not, in aggregate, exceed EUR 1,000.

Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price. Alternatively, a natural person holding shares (or other assets) that are not included in the business activity of the shareholder may, instead of deducting the actual acquisition costs, choose to apply a so-called presumptive acquisition cost, which is equal to 20 percent of the sales price, or in the case of shares which have been held for at least ten years, 40 percent of the sales price. If the presumptive acquisition cost is used instead of the actual acquisition cost, any selling expenses are deemed to be included therein and cannot be deducted separately from the sales price.

Finnish Limited Liability Companies

The following applies only to Finnish limited liability companies that are taxed on the basis of the Finnish Business Income Tax Act. As a general rule, a capital gain arising from the sale of shares is taxable income of a limited liability company.

Shares may be fixed assets, current assets, investment assets, financial assets or other assets of a limited liability company. The taxation of a disposal of shares and loss of value varies according to the asset type for which the shares qualify.

The sales price of any sale of shares which belong in business assets is generally included in the taxable business income of a Finnish company. Correspondingly, the acquisition cost of shares is deductible from such company's business income upon disposal of the shares. Any capital gain or loss is calculated by deducting the original acquisition cost and sales related expenses from the sales price.

However, an exemption for capital gains on share disposals is available for Finnish companies, provided that certain strictly defined requirements are met. Under Section 6b of the Finnish Business Income Tax Act (so-called participation exemption) capital gains arising from the sale of shares that are part of the fixed assets of a selling company that is not engaged in private equity activities are not considered taxable business income and, correspondingly, capital losses incurred on the sale of such shares are not tax deductible, provided that (i) the seller has directly and continuously for at least one year owned at least 10 percent of the share capital in the company whose shares are sold and such ownership has ended at the most one year before the sale of shares; (ii) the company whose shares have been sold is not a real estate or residential housing company or a limited liability company whose activities, *de facto*, mainly consist of ownership or possession of real estate; and (iii) the company whose shares are sold is resident in Finland, in another EU member state as specified in Article 2 of the Parent Subsidiary Directive or is a company that is resident in a country with which Finland has entered into a Tax Treaty that is applicable to dividends. In addition, in Finnish case law tax exemption in share disposals has required, among others, that there is a business connection between the company disposing shares and the company whose shares are disposed of. Sales proceed is, however, taxable to the extent the difference on the sales proceed and non-tax depreciated acquisition cost relates to the tax depreciation made on the shares.

Tax deductible capital losses pertaining to the sale of shares (other shares than shares sold under the participation exemption) that are part of the fixed assets of the selling company can only be deducted from capital gains arising from the sale of shares part of fixed assets in the same fiscal year and the subsequent five years. Capital losses pertaining to the sale of shares that are not part of fixed assets are tax deductible from taxable income in the same fiscal year and the subsequent ten years in accordance with the general rules concerning losses carried forward.

From the tax year 2020, the Finnish Business Income Tax Act has been applied in calculating the taxable income of most corporations (with certain exceptions, such as certain real estate companies, or calculating taxable agricultural income). A new asset class, other assets, was introduced to the business income basket. Other assets comprise assets, which do not have a distinct connection to the business operations of a corporation, and assets that cannot be allocated to existing asset classes (*i.e.*, fixed assets, current assets, investment assets or financial assets). Capital gains on disposals of other assets are taxable. Capital losses on disposals of shares belonging to other assets can only be offset against capital gains on disposals of other assets and can only be carried forward for the subsequent five tax years. Capital losses which have been calculated according to the Finnish Income Tax Act and have not been offset before tax year 2020, can be carried forward for five years following the tax year of disposal of the asset, and will primarily be deductible from capital gains on disposals of other assets, and secondarily from capital gains on disposal of shares or real property belonging to fixed assets.

Non-residents

Non-residents who are not generally liable for tax in Finland are usually not subject to Finnish taxes on capital gains realised on the sale of shares in a Listed Company, unless the non-resident taxpayer is deemed to have a permanent establishment in Finland for income tax purposes as referred to in the Finnish Income Tax Act and an applicable Tax Treaty, and the shares are considered to be assets of that permanent establishment or more than 50 percent of the total assets of the transferred company comprised one or more real estate properties located in Finland.

Transfer Tax

Transfer tax is not payable in connection with the issuance of new shares.

There is no transfer tax payable in Finland on transfers of shares admitted to trading on the Official List of Nasdaq Helsinki or the First North Growth Market, if the transfer is made against a fixed pecuniary consideration. The transfer tax exemption also requires that an investment firm, a foreign investment firm or other party offering investment services, as defined in the Finnish Investment Services Act (747/2012, as amended), is brokering or acting as a party to the transaction, or that the transferee has been approved as a trading party in the market in which the transfer is executed. Further, if the broker or the counterparty to the transaction is not a Finnish investment firm, Finnish credit institution, or a Finnish branch or office of a foreign investment firm or credit institution, the transfer tax exemption requires that the transferee submits a transfer tax return to the Finnish Tax Administration within two months of the transfer, or that the broker submits an annual declaration regarding the transfer to the Finnish Tax Administration as set forth in the Finnish Tax Assessment Procedure Act.

Certain separately defined transfers, such as those relating to equity investments or distribution of funds, are not covered by the transfer tax exemption. Also, the exemption does not apply to transfers of shares in which the consideration consists partially or completely of employment or work.

If the transfer of the shares does not fulfil the above criteria for a tax-exempt transfer, transfer tax at the rate of 1.5 percent of the sales price is payable by the purchaser. However, if the purchaser is neither tax resident in Finland nor a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the seller must collect the tax from the purchaser. If the broker is a Finnish stockbroker or credit institution, or a Finnish branch or office of a foreign stockbroker or credit institution, it is liable to collect the transfer tax from the purchaser and pay the tax to the state. If neither the purchaser nor the seller is tax resident in Finland or a Finnish branch or office of a foreign credit institution, investment firm, fund management company or EEA alternative investment fund manager, the transfer of shares will be exempt from Finnish transfer tax, unless shares in Finnish real estate companies are transferred. No transfer tax is collected if the amount of the tax is less than EUR 10.

LEGAL MATTERS

Certain legal matters in connection with the Listing will be passed upon for Kempower by White & Case LLP.

DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected during the period of validity of these Listing Particulars at Kempower's website at *investors.kempower.com/listing-2024*:

- the articles of association of the Company as at the date of these Listing Particulars; and
- these Listing Particulars.

DOCUMENTS INCORPORATED BY REFERENCE INTO THESE LISTING PARTICULARS

The following documents have been incorporated by reference into these Listing Particulars according to Article 19 of the Prospectus Regulation and they form a part of the financial information of Kempower. The non-incorporated information in the documents incorporated by reference into these Listing Particulars is not relevant for investors or can be found elsewhere in these Listing Particulars. The documents incorporated by reference are available at Kempower's website *investors.kempower.com/listing-2024*:

- the Company's unaudited consolidated financial information as at and for the three months ended 31 March 2024 on pages 23–35 of the Company's interim report for the three months ended 31 March 2024:

  investors.kempower.com/wp-content/uploads/sites/2/2024/04/kempower_q1-2024_en_final.pdf;

- the Board of Directors Report on pages 86–100 of the Company's Annual Report 2023 and the Company's audited consolidated financial statements as at and for the year ended 31 December 2023 and the related independent auditor's report on pages 101–148 of the Company's Annual Report 2023:

  investors.kempower.com/wp-content/uploads/sites/2/2024/03/kempower_annual_report_2023_final.pdf; and

- the Board of Directors Report on pages 60–72 of the Company's Annual Report 2022 and the Company's audited consolidated financial statements as at and for the year ended 31 December 2022 and the related independent auditor's report on pages 76–121 of the Company's Annual Report 2022:

  investors.kempower.com/wp-content/uploads/sites/2/2023/03/kempower_annual_report_2022_2.pdf;

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