

# Kempower Financial Statements Release 2024



**KEMPOWER**





# Q4 2024: Strong year-end in a challenging market



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Chief Market Officer



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Chief Financial Officer



# Key takeaways Q4 2024

**Best quarter of the year:** revenue EUR 71.7 million & operative EBIT margin of 1.1%.

**Second best order intake ever:** thanks to increased and well targeted sales efforts.

**We are in good shape:** organizational changes & processes, reformed Leadership, and decreased cost base position us well for **growth** in the near future.

## Strategic progress:

- Fully transitioned to **Next generation charging platform**.
- We successfully initiated pilot deliveries of **Megawatt Charging System**.
- North America revenue grew **84 %** y-o-y, gaining market share.

## Q4 2024 key figures



**71.7**  
EUR million  
Revenue

**67.8**  
EUR million  
Order intake



**-13%**  
Revenue growth  
Year-on-year, %

**+0.8**  
EUR million  
Operative EBIT



# Customers' inventory levels

- Customers' excess inventory levels have been **industry-wide bottleneck**, hindering growth in 2024.
- The excess inventory levels have decreased at a steady pace.
- During the year 2024 Kempower chargers' **installations grew globally around 30%**.
- Kempower expects that the excess inventories across the DC charging industry will impact the demand during the first half of 2025.





# Sales development

- Kempower onboarded **22** new customers during the 4<sup>th</sup> quarter of 2024 (in total **66** for 2024).
- We have increased focus on retail customers, where customers' excess inventory does not exist to the same extent.
- Significant growth in **commercial vehicle segment** order intake & revenue. The segment is already generating a **significant** share of our total revenue.
- Success in new customer acquisition lays the **foundation for future growth**.



# Positive progress in North America

- The highest order Intake ever, contributing **15%** of the total order Intake.
- **84%** revenue growth year-over-year, growing our market share.
- **Monil Malhotra** appointed to lead our expansion in North America.
- We are actively monitoring recent market developments in North America and remain confident in our strategic approach.





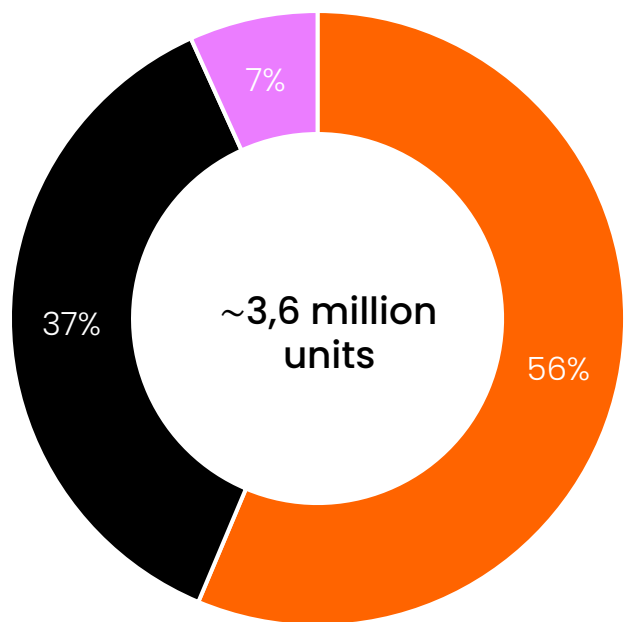
# DC charging market overview





# BEV registrations 2024 by country

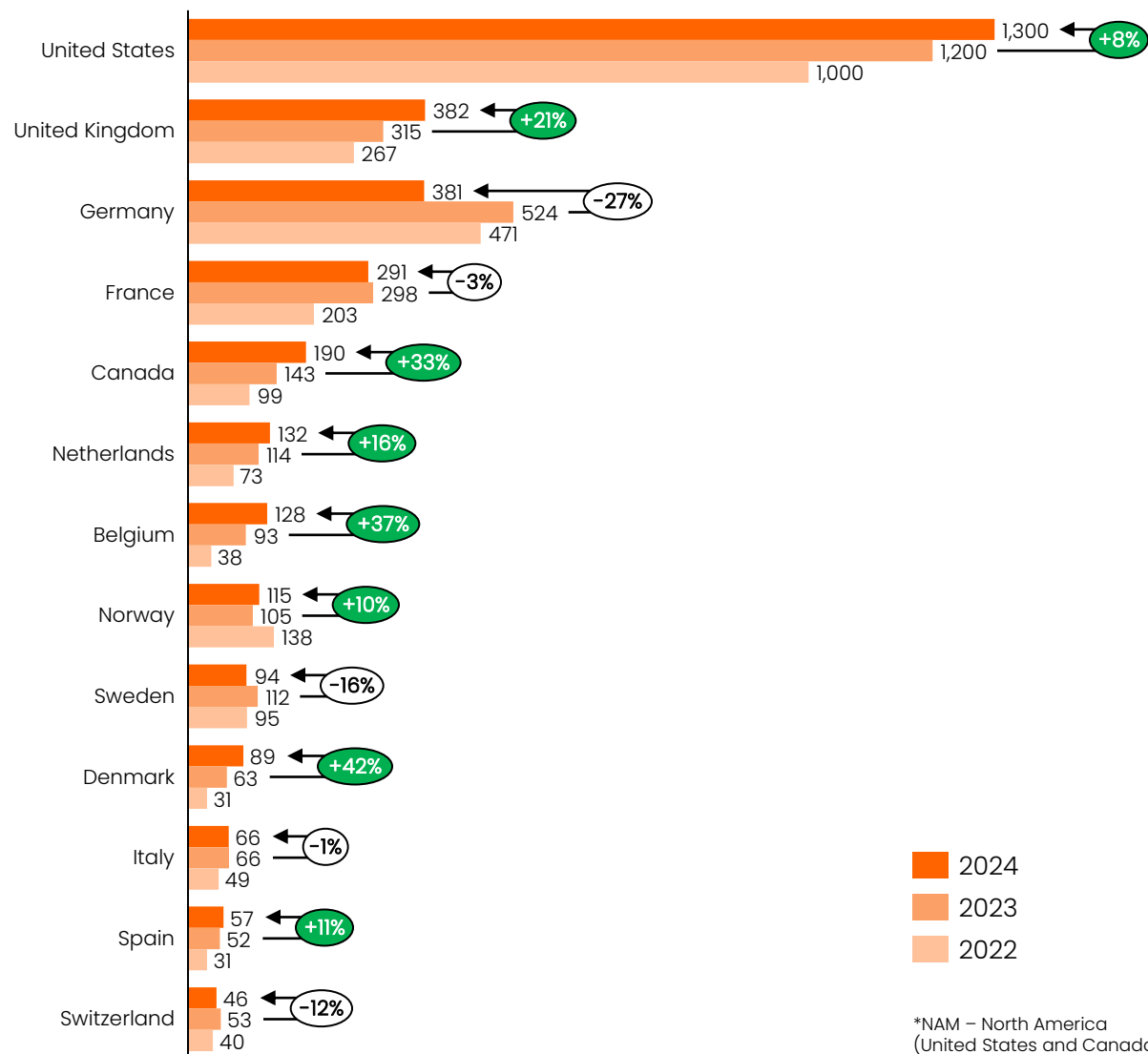
BEV registrations, share of core markets in 2024



■ Europe ■ United States ■ Canada

Source: European Alternative Fuel Observatory (EAFO); Kelly Book; StatCan; PTR Inc.

## New BEV registrations in Europe and NA by year (1000 units)



■ 2024  
■ 2023  
■ 2022

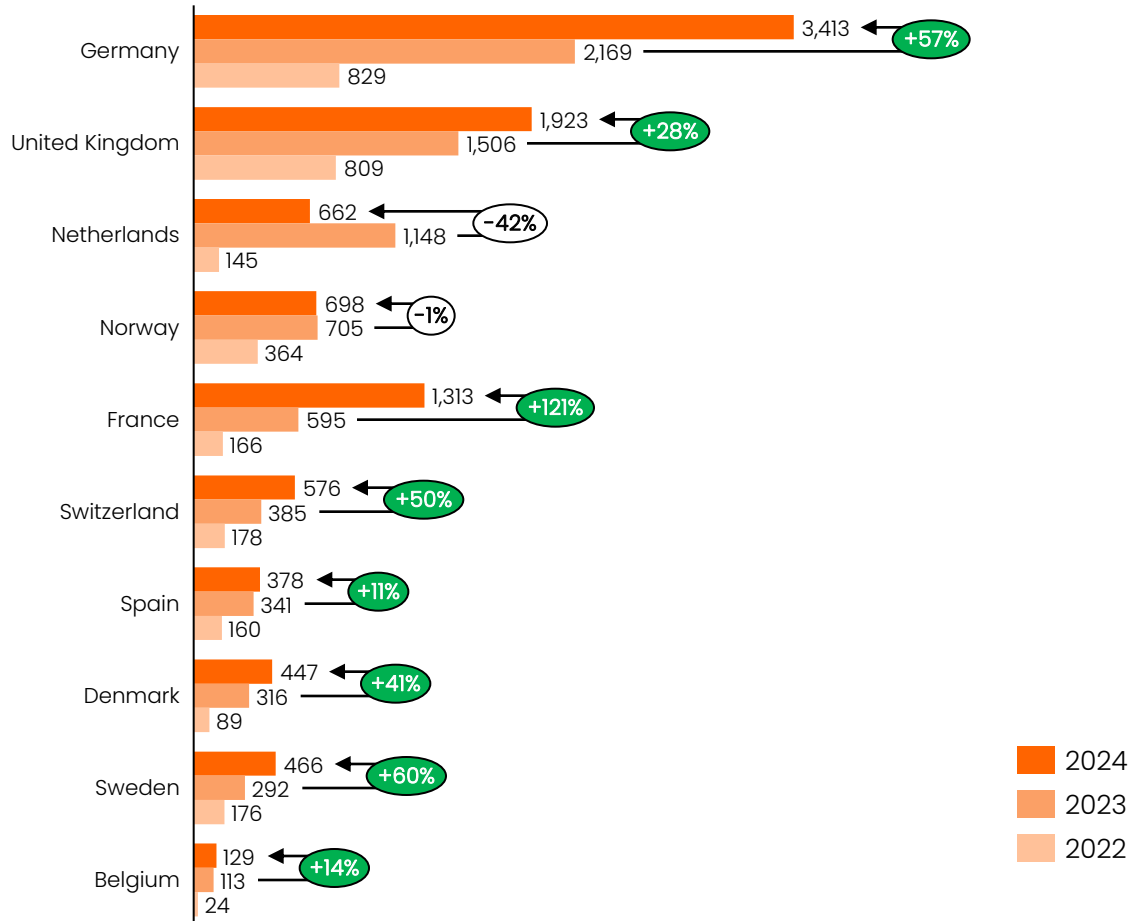
\*NAM – North America (United States and Canada)



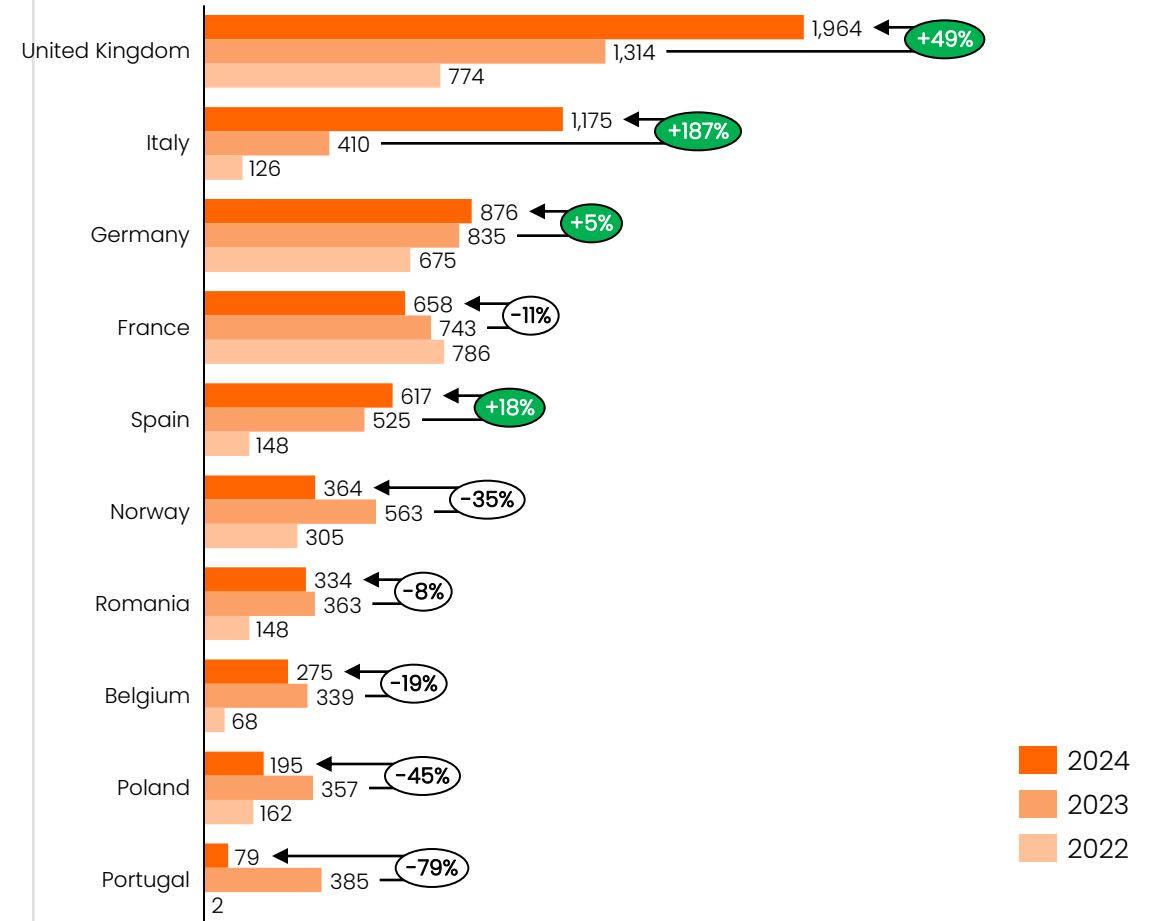


# Europe: eTrucks and eBuses registrations in 2024

## Top 10 countries, new eTrucks registrations, yearly



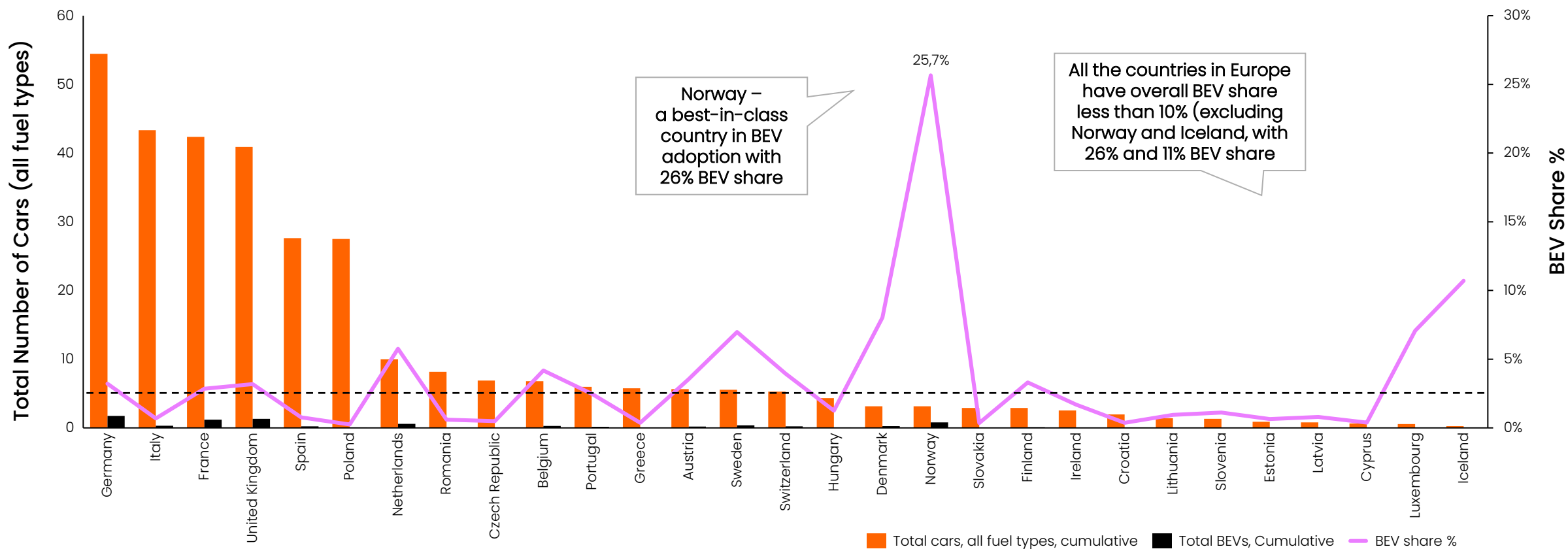
## Top 10 countries, new eBus registrations, yearly





# BEVs 2.5% of the total car base in Europe in 2024

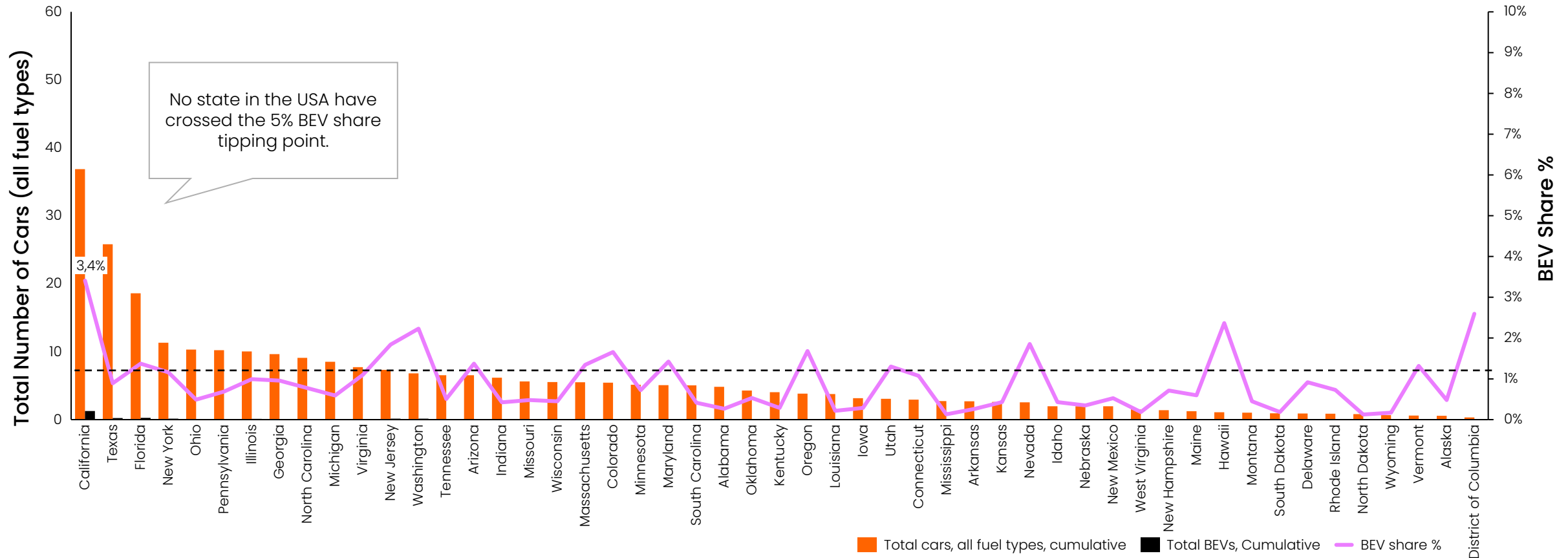
European automotive market, total cars of all fuel types and BEVs 2024, cumulative (million units)





# BEVs 1.6% of the total car base in US in 2024

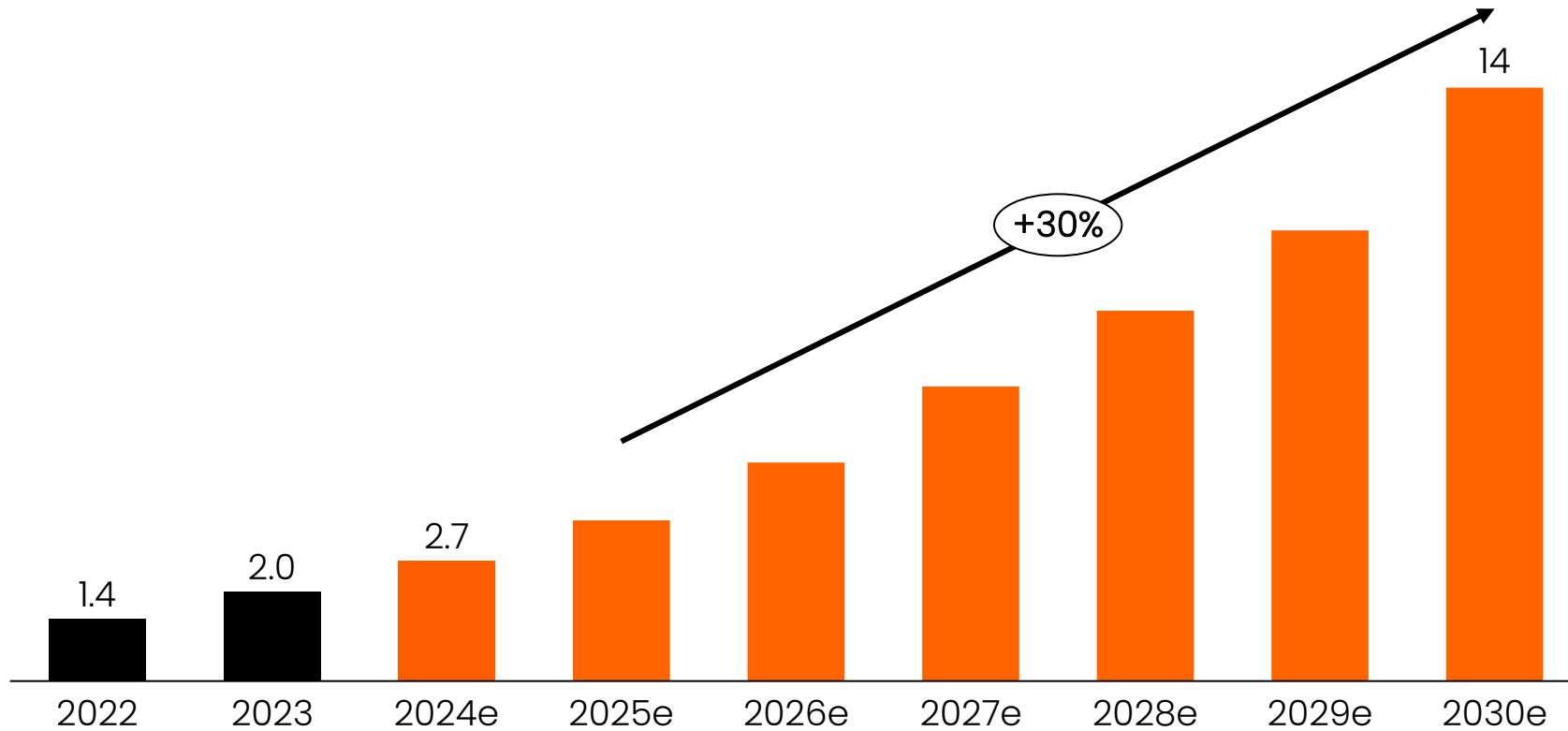
United States automotive market, total cars of all fuel types and BEVs, cumulative (million units)





# DC charging market forecast for 2030 unchanged (Europe & North America)

Market value based on installed charging points (EUR billion)



■ Actuals ■ Estimate

- According to the latest market study, market disruption in 2024 **has not changed long-term market forecast.**
- The growth drivers are **unchanged.**
- 2024 Kempower's growth in amount of installation matches the market growth.



# Market growth drivers

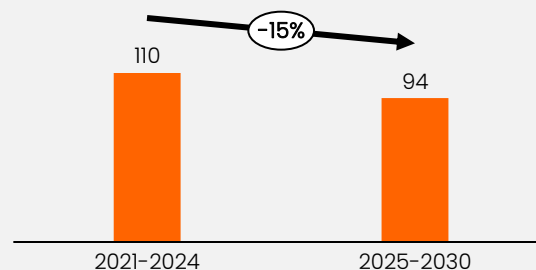
## 1. Investment Debt

- Even with current BEV penetration there is already significant investment debt in the DC charging industry.
- In Europe and North America BEVs to DC public charging point ratio is 40:1 and 25:1 respectively, while the target ratio is 20:1.

## 2. CO<sub>2</sub> emission reduction targets

- From 2025, with new CO<sub>2</sub> emissions targets in Europe, Carmakers are expected to drive the BEV sales.
- Around 20% of cars sold must be electric to meet targets.

Europe New CO<sub>2</sub> emissions Targets, grams per kilometer (2021-2030)



## 3. More affordable BEVs

- Carmakers are expected to ramp up mass-production of affordable BEVs to meet 2025 CO<sub>2</sub> targets and avoid significant fines.
- Battery technology development will drive the BEV's prices down.

## 4. Total cost of ownership (TCO) for commercial vehicles

- The main driver for investing on electric fleets is TCO.
- The TCO of electric fleets is already now lower than ICE fleets.
- Leading fleet operators are aiming for sustainable business.



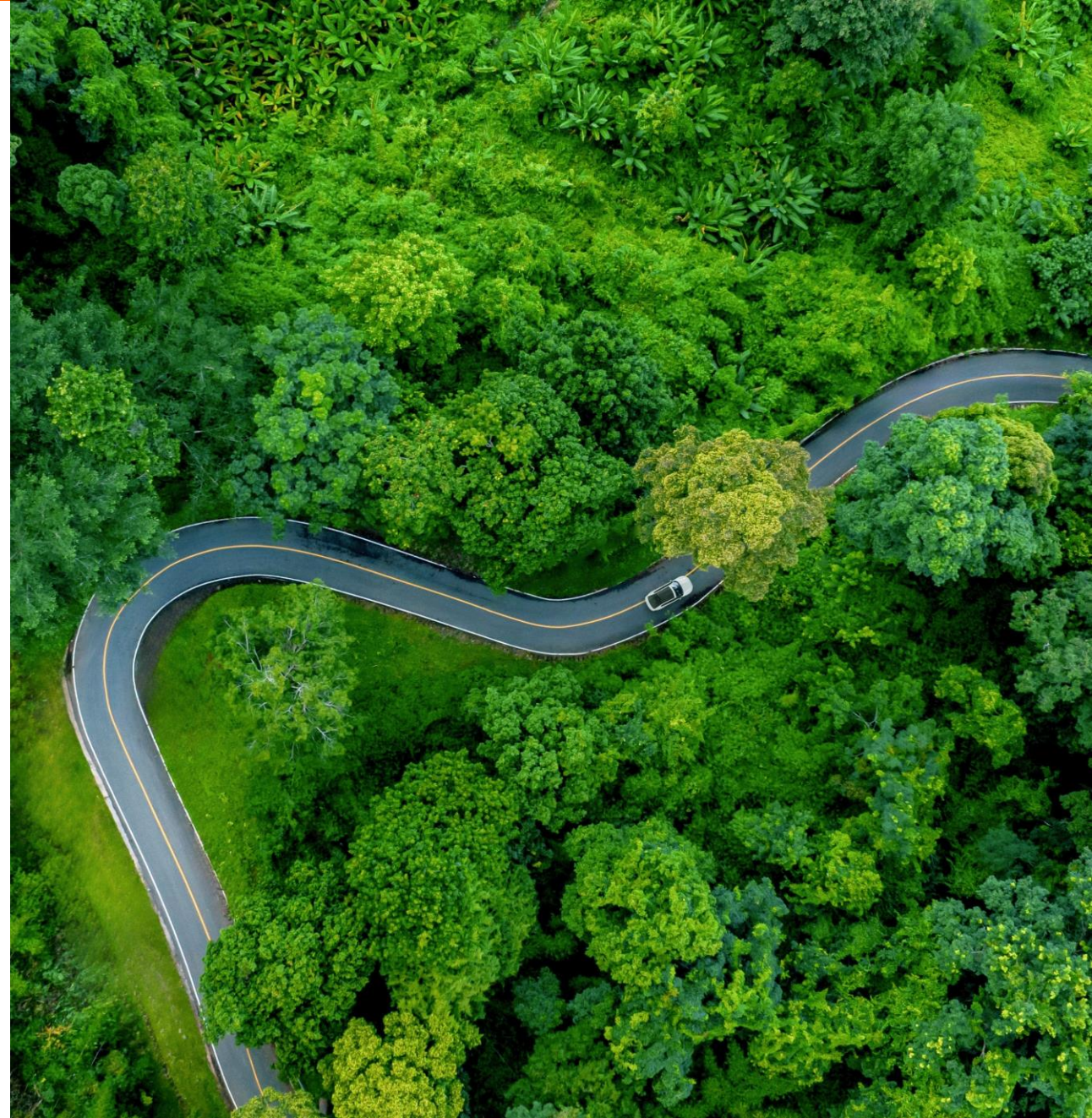
# Market outlook for 2025

## **First Half of 2025:**

- Market conditions remain weak and excess customer inventories still affect the demand
- We expect the inventory to decline at the same rate as Q4 2024

## **Second Half of 2025:**

- We expect market starting to recover during the second half of 2025.
- Third-party market study conducted in the beginning of the year aligns with projections.





# Our technology

- Kempower's next-generation charger platform transition has been **fully completed** as planned.
- We have successfully launched the MCS program and delivered **first pilots of Mega Satellite** to our customers.
- ZapMap survey for EV drivers in the UK recognized Kempower's charging system for its outstanding **reliability** and **efficiency**.
- In a ranking by an EV charging platform provider measuring **lowest error** rates for chargers, Kempower was ranked to the **very top**.





# Customer segments



Private cars



Commercial vehicles



Off-highway vehicles

Coop, St1, Revel, Renault Mobilize, Be.EV, Power Dot, Recharge, Mer, Osprey Charging, Gilbarco Veeder-Root, FOR:EV, Allego, Virta, VINCI Autoroutes, eTerminal, Greenstation, Avia Weghorst, Neste, Vattenfall, Nobina, Vy Buss, Koiviston Auto, DP World, Keolis, Bergkvarabuss, Scania, Volvo, MINUSINES S.A., Epiroc, Normet, Swerock, Jet Charge, TSG, ZEF Energy, Einride,





# Kempower provides Renault Mobilize with DC fast charging solutions.

16 ultrafast EV charging stations have already opened across **France**, and around 40 are currently under construction or awaiting connection to the grid.





# Kempower, DP World World and Kalmar partnered on

Europe's first ultra-high-  
power charging system  
for ports at DP World  
**London Gateway**





**Kempower powers  
the leading Finnish  
beverages  
manufacturer  
Hartwall's  
sustainable  
deliveries**





# Sustainability highlights 2024

## EcoVadis Silver

Kempower's EcoVadis score of 69/100 places it in the 90th percentile, which means Kempower's score is higher than or equal to the score of 90 percent of all companies rated.

## Company car fleet 100% electric

Currently the fleet consists of 175 EVs, with an annual mileage of approximately 3.5 million kilometers.

## 1,090 MWH daily

+103% growth from 2023

Electricity charged through Kempower chargers daily during 2024.

**Close to 100% renewable  
electricity utilized in offices  
around the world**

## ISO Certifications

Kempower renewed three prestigious ISO certifications, showcasing its commitment to **quality, environmental sustainability, safety**, and achieved new one for **cyber security**.

## Nasdaq Green Equity Designation

Kempower received Green Equity Designation Renewal from Nasdaq in September 2024.



# 2024 Financial Review





# Key figures

during the review period, IFRS

EUR million	Q4/2024	Q4/2023	2024	2023	Comments
Order backlog	95.0	110.6	95.0	110.6	
Order intake	67.8	66.7	218.3	275.3	
Revenue	71.7	82.8	223.7	283.6	
Revenue growth, %	-13%	119%	-21%	174%	
Gross profit	35.6	43.9	109.0	147.7	
Gross profit margin, %	49.6%	53.1%	48.7%	52.1%	
Operative EBIT	0.8	5.5	-26.4	40.7	
Operative EBIT margin, %	1.1%	6.7%	-11.8%	14.3%	
Profit/loss for the period	0.5	5.3	-23.2	33.7	
Cash flow from operating activities	12.4	0.7	-23.4	39.7	
Investments	2.8	2.9	18.8	9.6	
Net debt	-23.8	-74.6	-23.8	-74.6	
Total equity and liabilities	230.8	237.7	230.8	237.7	
Headcount end of period	786	737	786	737	

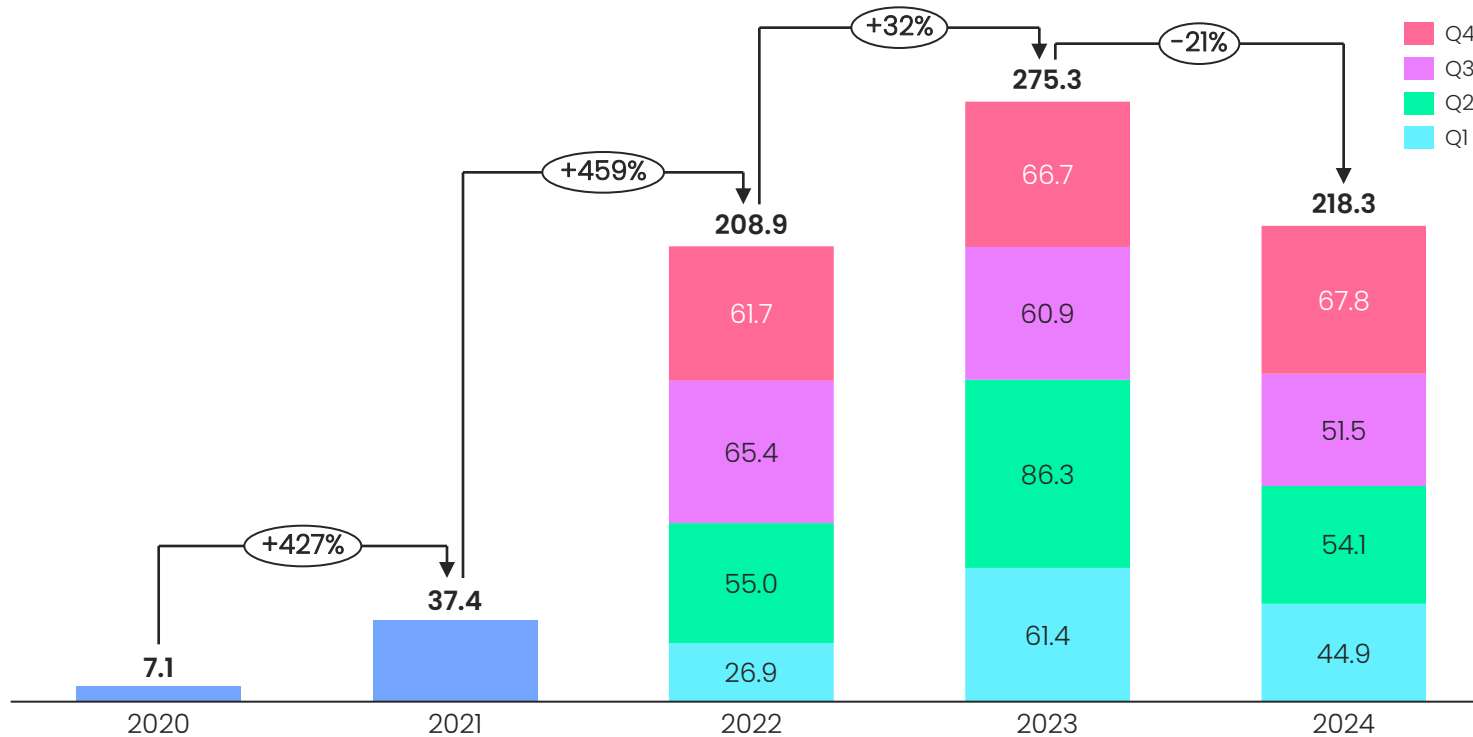
- **Q4 2024 Key figures** – positive result in all key figures.
- **Q4 2024 Financials** were positively impacted by highest revenue during 2024, availability of new charging platform and reduced fixed costs.
- **Positive operating cash flow** resulted from positive operating profit and decrease in net working capital.
- **Inventory** – Successfully decreased inventory during the quarter by EUR 6.1 million according to the plan.

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



# Second highest order intake in our history

## Order intake (EUR million)



## Comments

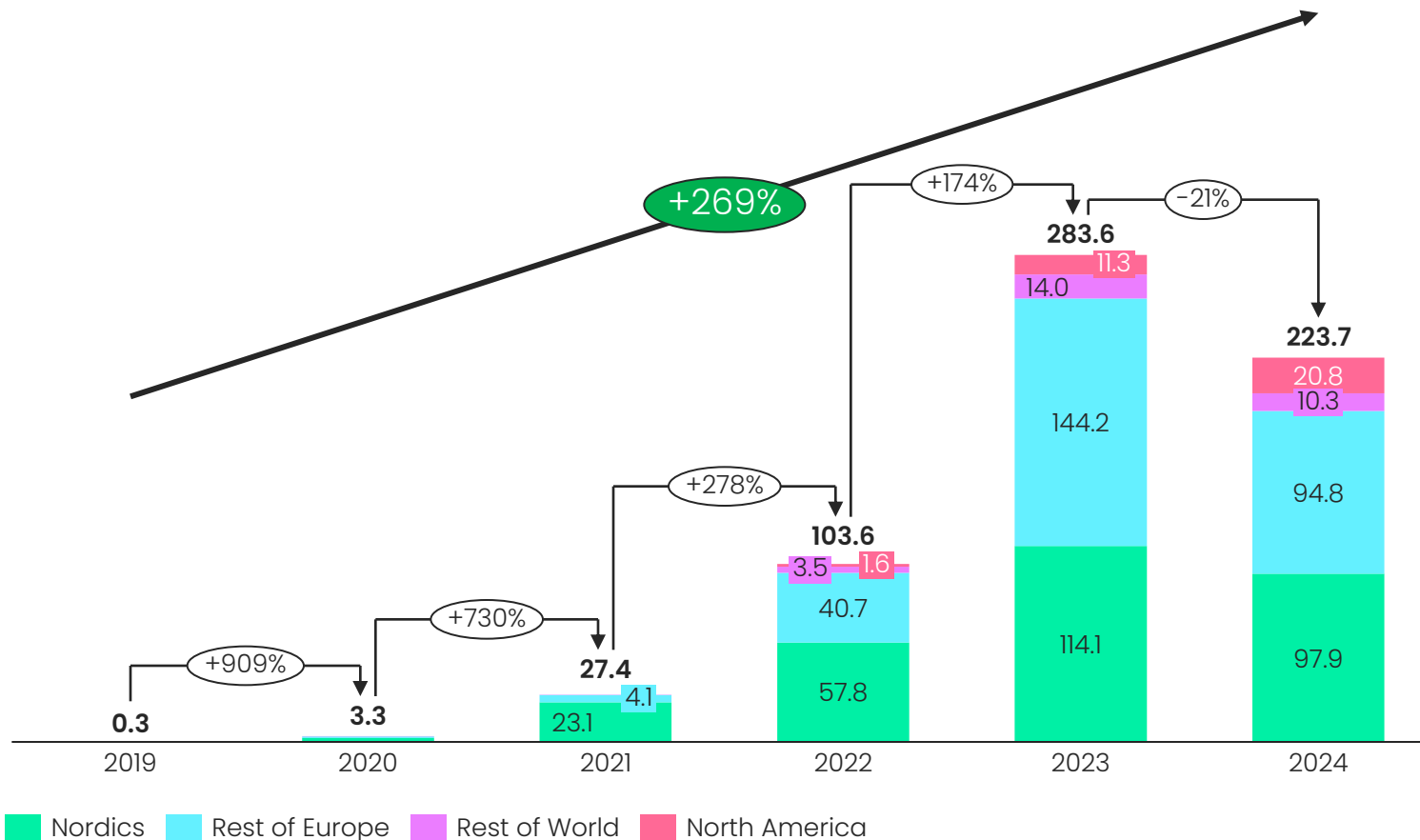
- Order intake during Q4 2024 **EUR 67.8 million** (EUR 66.7 million) which was second highest quarter in Kempower's history.
- Order intake during the year 2024 **EUR 218.3 million** (EUR 275.3 million) has been negatively affected by customers' high inventory levels and overall weak market environment.
- Order backlog decreased to **EUR 95.0 million** at the end of Q4 2024 (EUR 110.6 million in Q4 2023)



# Q4 2024 revenue on a strong level

Revenue by geographical area (EUR million)

Comments



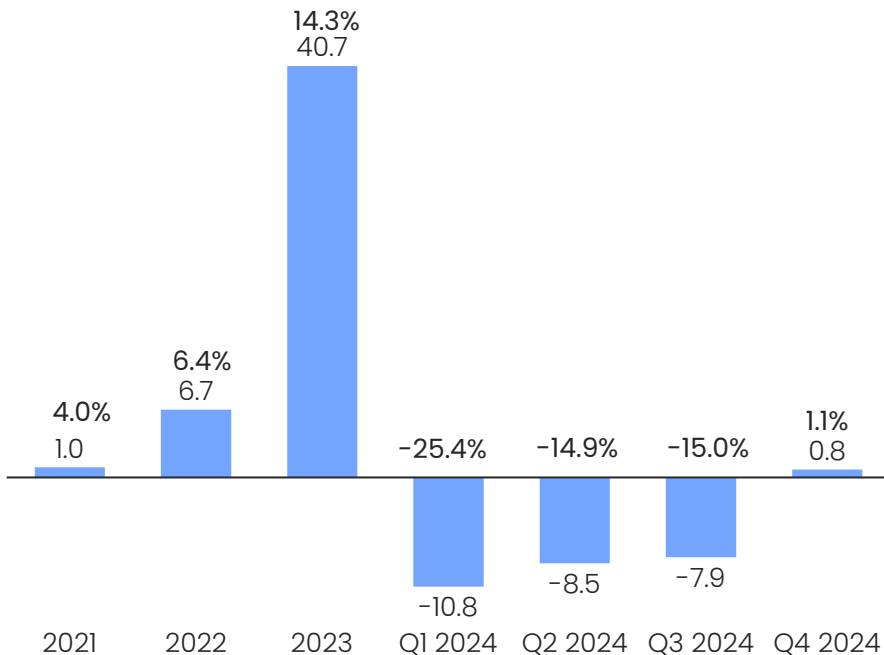
- Revenue for Q4 2024 was **EUR 71.7 million** (EUR 82.8 million) and for the year 2024 **EUR 223.7 million** (EUR 283.6 million).
- The decrease in revenue both for the fourth quarter and year 2024 are mainly explained by high inventory levels of our customer base and reduced investment across DC charging market.
- Revenue for Q4 2024 in **North America** grew by **37%** and for the year 2024 by **84%**.
- Revenue from Rest of Europe and Nordics decreased during the Q4 2024.



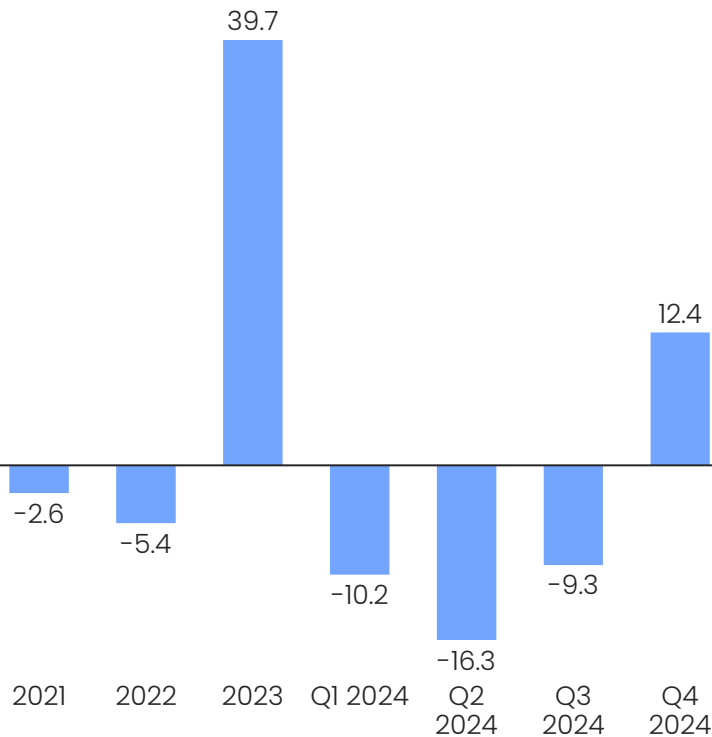


# Profitability and cash flow development

## Operative EBIT (EUR million)



## Operating cash flow (EUR million)



## Comments

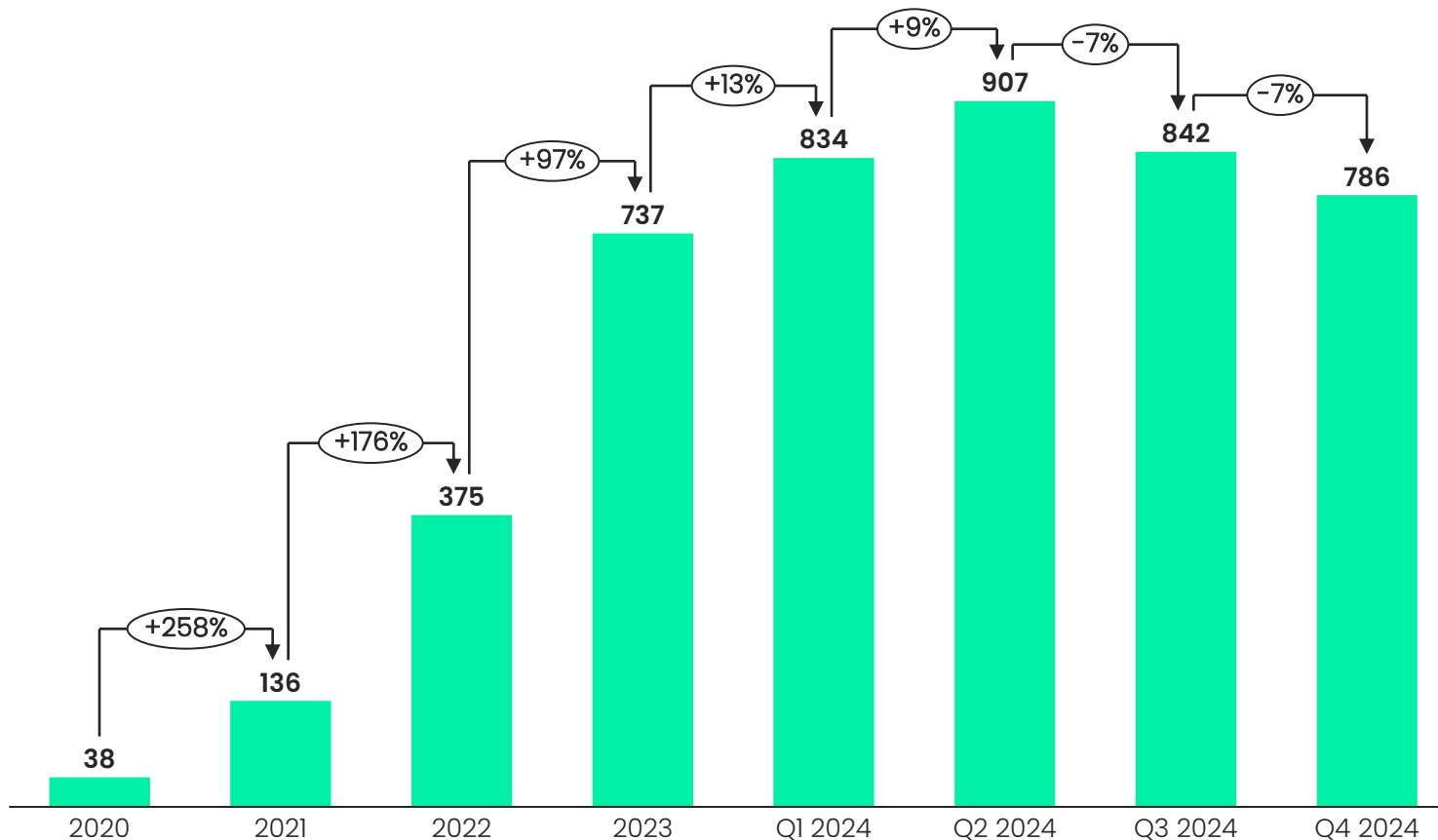
- **Positive operative EBIT** resulted from highest quarterly revenue during 2024 and reduced fixed costs.
- **Positive operating cash flow** during the fourth quarter resulted primarily from positive operative EBIT and decrease in net working capital.
- **Own inventories** on balance sheet decreased during the quarter by EUR 6.1 million.
- Targeted **EUR 10 million annual savings** have been reached compared to second quarter of 2024 cost level.
- We have **maintained a strong overall liquidity** of EUR 114.4 million (114.8).



# Headcount reduced significantly

## Headcount development

## Comments



- At the end of fourth quarter in 2024 we **had 121 employees less** compared to second quarter of 2024 driven mainly by the change negotiations conducted in the third quarter of 2024.



# Kempower's outlook for 2025

In 2025, the company aims to return to a growth trajectory as the DC charging market is expected to start recovering in the second half of the year.

Kempower continues to invest selectively in its growth initiatives including growth in North America, growth in key countries in Europe and developing cutting edge technology. These initiatives enable Kempower strategy execution but weigh on profitability in the short-term.

## Kempower expects:

- 2025 revenue is expected to grow between **10% - 30%** (revenue 2024: EUR 223.7 million).
- 2025 operative EBIT is expected to **improve significantly** from year 2024. Q1 of 2025 operative EBIT will be negative (operative EBIT 2024: EUR -26.4 million).



# Kempower's financial targets

## Financial targets

### Growth

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

### Profitability

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

## Dividend policy

### Dividend

Short term: no dividends

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

A photograph of two young children sitting in a dark-colored toy car with pink seats. They are on a concrete sidewalk, looking away from the camera towards a bright sunset. The sun is low on the horizon, creating a warm, golden glow and long shadows. In the background, there is a white fence, a tree, and a chain-link fence. The overall scene is peaceful and nostalgic.

Q & A