



KEMPOWER Corporation

# Interim Report

1 January — 31 March 2025



# Kempower Corporation Interim Report, 1 January–31 March 2025

## January–March 2025 in brief (comparison figures in parenthesis January–March 2024)

- Order intake increased by 32% to EUR 59.4 million (EUR 44.9 million)
- Revenue increased by 2% to EUR 43.5 million (EUR 42.6 million), excluding foreign exchange impact the increase was 4%
- Revenue outside the Nordics was 56% (64%) of revenue
- Gross profit margin was 49.5% (49.8%)
- Operative EBIT increased to EUR -7.3 million (EUR -10.8 million), -16.8% of revenue (-25.4%)
- Loss for the period was EUR 6.2 million (EUR 8.8 million)
- Cash flow from operating activities was EUR -7.5 million (EUR -10.2 million)
- Amount of personnel at the end of the period was 779 (834)
- Amount of energy charged through Kempower chargers was 153,000 MWh (81,400)

## KEY FIGURES

MEUR	Q1/2025	Q1/2024	2024
Order backlog	106.5	111.9	95.0
Order intake	59.4	44.9	218.3
Revenue	43.5	42.6	223.7
Revenue growth, %	2%	-24%	-21%
Gross profit	21.5	21.2	109.0
Gross profit margin, %	49.5%	49.8%	48.7%
Operating profit/loss (EBIT)	-7.3	-10.9	-28.8
EBIT margin, %	-16.8%	-25.5%	-12.9%
Operative EBIT	-7.3	-10.8	-26.4
Operative EBIT margin, %	-16.8%	-25.4%	-11.8%
Profit/loss for the period	-6.2	-8.8	-23.2
Equity ratio, %	48.3%	55.0%	49.3%
Cash flow from operating activities	-7.5	-10.2	-23.4
Investments	1.8	4.6	18.8
Net debt	-14.8	-58.7	-23.8
Net cash	42.6	84.0	53.1
Items affecting comparability	0.0	0.1	2.4
Earnings per share, basic, EUR	-0.11	-0.16	-0.42
Earnings per share, diluted, EUR	-0.11	-0.16	-0.42
Headcount end of period	779	834	786

## 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 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 (operative EBIT 2024: EUR -26.4 million).

The outlook is based on an estimate that the DC charging point installations continue to grow significantly in our key markets Europe and North America. This is based on a third party market study conducted in the beginning of 2025.

Kempower expects that the excess inventories across the DC charging industry will impact the demand during the first half of 2025. The market environment and demand are expected to remain weak during the first half, but to recover during the second half of the year.

Based on the latest market survey, Kempower estimates DC charging installation CAGR to be approximately 30 percent by 2030. 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.

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



CEO TOMI RISTIMÄKI COMMENTS ON THE Q1/2025 RESULTS:

# Year started with a strong sales execution

Order intake was at a good level, increasing by 32 percent compared to the same period in 2024. However, our revenue growth was modest as we started the year with lower order backlog for the first quarter. The lower revenue impacted our operative EBIT which was negative for the first quarter as we anticipated earlier.

During the first quarter, EV registrations and DC charging installations grew significantly in both Europe and North America, which is a positive indicator of market recovery in the near future. Still, the market remains weak for DC charging manufacturers, with customers' excess inventories continuing to impact the demand. We expect the market demand to recover during the second half of 2025.

Our North America growth strategy continues to progress positively, with the region contributing EUR 10.3 million in order intake and growing more than 300 percent from the first quarter of 2024. This marks our highest order intake ever in North America, driven by strong sales execution in both the US and Canada. Notable customer collaborations from the quarter include a significant order from a leading CPO customer in the US and rideshare service company Revel, which expanded its presence by commissioning Kempower chargers on both the East and West Coasts, in New York and San Francisco.

Even though the North America market is currently uncertain, there are numerous growth opportunities both in the US and Canada. The recently announced tariffs could potentially impact supply chains across the DC charging industry. However, our strategic positioning with production facilities and local supply chains in both North America and Europe provide us with the flexibility and resilience needed to mitigate these effects. We currently assess that the tariffs have only a limited impact on our operations.

Order intake grew in Rest of Europe more than 50 percent, driven by countries Germany, France, Austria and Italy. The commercial vehicle customers continued to represent a significant share of our revenue, with notable new openings. These include a collaboration with a waste management company in Germany that is electrifying its waste management fleet with Kempower's fast-charging solutions, and the opening a fast-charging hub for trucks by one of Denmark's largest logistics companies. Additionally, we delivered fast charging equipment to a large charge point operator customer in Central Europe and to Western Australia's largest electric bus depot.

Despite the turbulence in the DC charging market, Kempower remains committed to accelerating the electrification of transportation. The amount of electricity charged through our chargers is constantly growing showing Kempowers' tangible impact in reducing traffic emissions. We remain optimistic about the future of electrification and are dedicated to drive sustainable change in the transportation sector. In terms of sales, the first quarter provided a good start for the year including acquiring 11 new customers. We are carefully optimistic about the year 2025. We are confident that we are on the right track and have ample opportunities for growth.



**Tomi Ristimäki,**  
**President and CEO**

## Market development

This chapter aims to describe the latest market development in the DC-charging and electric vehicle ecosystem in our key markets in Europe and North America. There are limitations to the data as it comes available on different time intervals in different markets.

The electricity charged through Kempower chargers continued to grow from 81,400 MWh in Q1 of 2024 to 153,000 MWh in Q1 of 2025.

During the first quarter of 2025 charging point installations grew strongly both in Europe and North America.

### Europe

During January–February of 2025 the number of new BEV registrations was around 330,000 showing an increase of 31% compared to January–February 2024 (251,500 registrations).

Source: European Automobile Manufacturers' Association (acea)

### North America

During the first quarter of 2025 the number of new BEV registrations was around 296,000 showing an increase of 11% compared to the first quarter of 2024 (266,000 registrations).

Source: KellyBook–CoxAutomotive EV Sales report Q1.

## Kempower and new customers

During the quarter Kempower has been active in expanding its customer base. During the first quarter of 2025 Kempower acquired 11 new customers. Successful new customer acquisition during the quarter and last year is a positive indicator of increasing demand for our charging solutions and future growth.

Notable customer stories from the quarter:

Kempower delivered, in cooperation with TSG Italia, two new e-bus charging sites in the Emilia-Romagna region of Italy.

Kempower provided charging solutions to Faast Point, a new Finnish charge point operator (CPO). Faast Points EV charging stations are equipped with Kempower Station Chargers.

Cooperation with rideshare service company Revel continued as they installed Kempower charging solutions at two new Revel charging stations in New York at John F. Kennedy International Airport (JFK) and in San Francisco's Mission District. The installed charging solutions were delivered from Kempower's production facilities in Durham, North Carolina.

Kempower partnered with The Eastern Townships School Board (ETSB) in Quebec, Canada to provide charging solutions for school bus fleets.

Kempower has continued to expand its footprint in Southeast Asia as we delivered DC charging equipment to DC Handal in Malaysia. The total charging capacity of the EV charging hub, which will cater to both passenger and commercial EVs including buses and trucks is 1.2MW with 28 single-output Kempower Satellites.



## Climate Impact

During the first quarter of 2025 we have continued regular employee training in waste management and we have increased communication and collaboration between teams to strengthen our collective sustainability efforts. We have initiated environmental risk assessments for our processes as part of our proactive approach to identifying and mitigating environmental risks, ensuring our operations align with our sustainability objectives.

### Forerunner Solution

During the first quarter we have continued to enhance the sustainability of our products. We have successfully increased the reuse of components in our products, reducing waste and resource consumption. Additionally, we have begun updating our Life Cycle Assessment (LCA) calculations to better measure and improve our environmental impact.

## Employee Commitment

During the first quarter of 2025 we conducted comprehensive safety trainings for our production and logistics employees to ensure their well-being and preparedness. Additionally, we organized a Health and Safety Week, dedicated to fostering a culture of safety and health awareness throughout the organization.

To strengthen our focus on human rights within our operations, we established a dedicated Human Rights Due Diligence (HRDD) team. We have benchmarked best practices to guide our approach and started designing internal trainings for all employees. Trainings are expected to be completed during 2025, ensuring our workforce is well-informed and aligned with our human rights commitments.

## Sustainability numbers

Scope 2 emissions include the purchased heat and electricity in Kempower Group. Total Scope 2 emissions in the first quarter of 2025 were on the last years level. During the first quarter of 2025 and 2024 electricity in Finnish sites and offices and storage space in Finland were 100% carbon-free.

Energy charged through Kempower chargers during the first quarter of 2025 almost doubled from the corresponding time period due to increase in installation base and utilization. The amount of energy charged also has a direct impact in decreasing traffic emissions.

Lost time injury frequency (LTIF) rate decreased significantly compared to first quarter of 2024 as there were no incidents leading to lost time.

KPI	Short term target	Q1/2025	Q1/2024
Scope 2 emissions, t CO <sub>2</sub> eq	The reduction target for Scope 2 emissions will be set in 2025.	311.9	309.1
Energy charged through Kempower chargers, MWh	Increase energy charged through Kempower chargers.	153,000	81,400
Lost time injury frequency (LTIF)	Decrease LTIF.	0	4.2
Proactive safety, pcs	Increase proactive safety.	168	N/A*

\*Proactive safety number from the comparison period in 2024 is not available due to change in calculation method.



## Financial reporting and geographical regions

Kempower’s product portfolio covers DC charging solutions and services. The entire product and service portfolio is reported under a single segment.

## Order intake

Kempower’s order intake was EUR 59.4 (44.9) million in the first quarter of 2025. Order intake grew in Rest of Europe more than 50 percent, driven by countries Germany, France, Austria and Italy. North America order intake grew over 300 percent to EUR 10.3 million. Order intake continues to be negatively impacted by customers’ excess inventory levels.

## Revenue

Kempower reports revenue according to geographical regions below:

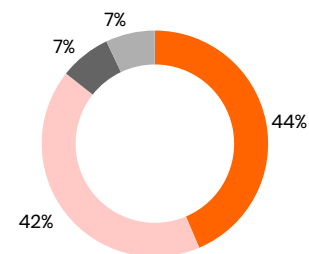
- Nordics
- Rest of Europe
- North America
- Rest of the World

### REVENUE BY GEOGRAPHICAL REGIONS

MEUR	Q1/2025	Q1/2024	Change %	2024
Nordics*	19.0	15.3	24%	97.9
Rest of Europe	18.3	20.3	-10%	94.8
North America	3.2	4.1	-22%	20.8
Rest of the World	3.1	2.8	8%	10.3
<b>Total</b>	<b>43.5</b>	<b>42.6</b>	<b>2%</b>	<b>223.7</b>

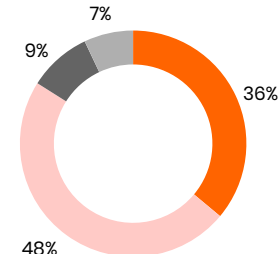
\*Nordics include Finland, Sweden, Norway, Denmark and Iceland

Revenue Q1/2025



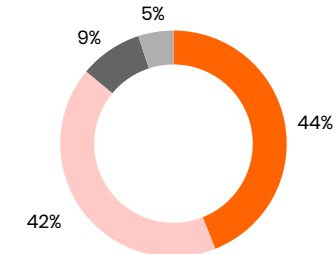
■ Nordics\* 19.0 MEUR  
■ Rest of Europe 18.3 MEUR  
■ North America 3.2 MEUR  
■ Rest of the World 3.1 MEUR

Revenue Q1/2024



■ Nordics\* 15.3 MEUR  
■ Rest of Europe 20.3 MEUR  
■ North America 4.1 MEUR  
■ Rest of the World 2.8 MEUR

Revenue 2024



■ Nordics\* 97.9 MEUR  
■ Rest of Europe 94.8 MEUR  
■ North America 20.8 MEUR  
■ Rest of the World 10.3 MEUR



Kempower's revenue mainly consists of deliveries of electric vehicle chargers and charging stations the company manufactures and charger maintenance services. Kempower also provides its customers with the ChargeEye SaaS service, a cloud-based charging equipment management system. Kempower's customers are mainly public charging operators, commercial vehicle fleet operators, vehicle and equipment manufacturers and distributor and installer partners.

Kempower's revenue for the first quarter of 2025 amounted to EUR 43.5 million (EUR 42.6 million). Revenue increased by 2 percent compared to the first quarter of 2024. The revenue excluding foreign exchange impact increased by 4 percent compared to the first quarter of 2024. In the first quarter revenue increased in the Nordics and Rest of the World, whereas revenue in Rest of Europe and North America decreased. Revenue growth was affected by starting the year with lower order backlog for the first quarter.

Kempower's charging solutions have been delivered to more than 50 countries globally. Kempower's main geographical markets include the Nordics, which accounted for 44 (36) percent of Kempower's revenue for the first quarter of 2025, and Rest of Europe, which accounted for 42 (48) percent of Kempower's revenue for the first quarter of 2025. North America accounted for 7 (9) and Rest of the World 7 (7) percent of Kempower's revenue for the first quarter of 2025.

## Profitability

Kempower's operating loss (EBIT) for the first quarter of 2025 decreased by EUR 3.6 million to EUR -7.3 million (EUR -10.9 million). Kempower's operative EBIT for the first quarter of 2025 increased by EUR 3.5 million to EUR -7.3 million (EUR -10.8 million). The increased operative EBIT for the first quarter was impacted positively by cost saving measures that were started in the second half of 2024. In addition, operative EBIT was impacted by an EUR 1.4 million decrease in expected credit loss allowance driven by received payments from the customers.

During the first quarter of 2025 warranty costs increased by EUR 3.1 million to EUR 4.4 million (EUR 1.4 million). The increase was also driven by preventive repairs outside of warranty obligations in order to improve system reliability for the future. Kempower has increased focus especially on ensuring supplier quality which will have positive impact for the warranty costs.

Items affecting comparability for the first quarter of 2025 amounted to EUR 0.0 million (0.1) and related to restructuring.

Kempower's other operating income for the first quarter of 2025 amounted to EUR 0.8 million (EUR 0.6 million) and mainly comprised governmental grants.

## ITEMS AFFECTING COMPARABILITY

MEUR	Q1/2025	Q1/2024	2024
Expenses related to listing on the official list of Nasdaq Helsinki presented in other operating expenses		0.1	0.7
Expenses related to establishing operations in the United States presented in other operating expenses			0.3
Expenses related to other strategic initiatives presented in other operating expenses			0.2
Expenses related to restructuring presented mainly in employee benefits	0.0		1.2
<b>Total</b>	<b>0.0</b>	<b>0.1</b>	<b>2.4</b>

Kempower's net financial items for the first quarter of 2025 amounted to EUR -0.2 million (EUR 0.2 million).

Kempower's income tax for the first quarter of 2025 amounted to EUR 1.4 million (EUR 1.9 million).

## Research and development

Kempower's research and development expenses including employee benefits amounted to EUR 4.4 million (EUR 6.0 million) for the first quarter of 2025, equivalent of 10% (14%) of revenue.

After the review period we continued leading technological development in DC charging industry by introducing enhanced charging solution with more power, more plugs and more data. The improved charging solution features a 600 or a 1,200 kW Kempower Power Unit connected to 12 charging points. These updates are designed to meet the growing demands for efficient and scalable power solutions in various EV charging applications.

## Cash flow, financing and balance sheet

Kempower's cash flow from operating activities for the first quarter of 2025 amounted to EUR -7.5 million (EUR -10.2 million). The increased cash flow from operating activities during the first quarter was primarily driven by improved profitability, although this was largely offset by an increase in trade receivables. During the first quarter of 2025 inventories decreased by EUR 5.4 million (increase of EUR 14.0 million). At the end of reporting period value of inventory amounted to EUR 51.8 million and is on the lowest level since fourth quarter of 2023.

Kempower's cash flow from investing activities for January-March 2025 amounted to EUR -1.7 million (EUR 5.5 million) and mainly consisted of

investments in intangible assets and property, plant and equipment EUR -1.8 million (EUR -4.6 million).

Kempower's cash and cash equivalents at the end of the reporting period amounted to EUR 11.1 million (EUR 21.4 million). Other financial assets included money market investments amounting to EUR 49.6 million (EUR 62.7 million) at the end of the reporting period.

Kempower has short-term credit facilities totaling EUR 25 million, of which EUR 7.9 million was in use at the end of the reporting period. In addition, Kempower has a unused green revolving credit facility (RCF) amounting to EUR 30 million at the end of the reporting period to support Kempower's growth and sustainability strategies and strengthen Kempower's financing position even further.

After the reporting period Kempower has signed a EUR 40 million green revolving credit facility, which is partially converted as an overdraft facility replacing the previous EUR 15 million overdraft facility. After signing the new green revolving credit facility Kempower has EUR 80 million credit facilities in total.

Kempower's equity ratio at the end of the reporting period was 48.3% (55.0%) and 49.3% at the end of the previous financial year. Net debt at the end of the reporting period amounted to EUR -14.8 million (EUR -58.7 million) and to -23.8 at the end of the previous financial year. The change in net debt compared to the end of the previous financial year was due to the decrease in cash and cash equivalents of EUR 5.1 million, the increase of the money market investments of EUR 0.4 million and the increase of lease liabilities and loans totaling EUR 4.3 million.

Kempower has been able to maintain a strong overall liquidity. At the end of the reporting period overall liquidity amounted to EUR 107.7 million (EUR 99.0 million) and included cash and cash equivalents, money market investments, unused short term credit facilities and green revolving credit facility (RCF).

## Investments

Kempower's gross investments during the first quarter of 2025 totaled EUR 1.8 million (EUR 4.6 million) and related mainly to RDI.

## Personnel

Kempower's headcount at the end of the period was 779 (834), of whom 537 (621) were employed by the parent company and 242 (213) by the subsidiaries. Kempower's average number of personnel converted into full-time employees amounted to 757 (756) at the end of the reporting period.

Headcount end of period	31 Mar 2025	31 Mar 2024	31 Dec 2024
Operations, Production employees	161	182	169
Administration	80	92	78
Operations, Office employees	112	134	108
Research, development and innovations	152	171	161
Sales and marketing	274	255	270
<b>Total</b>	<b>779</b>	<b>834</b>	<b>786</b>

Headcount end of period by type of employment	31 Mar 2025	31 Mar 2024	31 Dec 2024
Permanent employees	771	782	776
Temporary employees	8	52	10
<b>Total</b>	<b>779</b>	<b>834</b>	<b>786</b>



## Shares

Kempower's share is listed on the Official List of Nasdaq Helsinki.  
Kempower's registered share capital is EUR 80,000 and the total number of shares outstanding at the end of the reporting period was 55,329,208 (55,277,746). The average number of shares outstanding during January-March 2025 was 55,288,547 (55,277,746).

The company held 213,712 pcs of the company's own shares at the end of the reporting period (265,174 pcs 31 March 2024).

The Company has one series of shares. Each share entitles its holder to one vote at the Annual General Meeting. The shares have no nominal value. Kempower's shares are included in the book-entry system maintained by Euroclear Finland Oy. The trading code of the shares is KEMPOWER and the ISIN code is FI4000513593.

Share indicators	Q1/2025	Q1/2024	2024
Highest price (EUR)	14.40	32.48	32.48
Lowest price (EUR)	9.70	18.60	8.61
Volume weighted average price (EUR)	11.79	24.89	17.71
Closing (EUR)	12.42	20.58	9.68
Turnover (EUR)	67,479,706	198,117,566	418,465,594
Turnover volume	5,723,915	7,960,695	23,631,012
Market capitalization at the end of the period MEUR	687	1,138	535
Number of registered Shares	55,542,920	55,542,920	55,542,920
Number of own shares	213,712	265,174	269,224
Number of outstanding Shares	55,329,208	55,277,746	55,273,696

## Major shareholders

At the end of the reporting period on 31 March 2025 the Company had 60,612 shareholders.

15 largest shareholders on 31 March 2025:

Shareholder	Number of shares	% of shares
Kemppi Group Oy	34,400,000	61.93%
Varma Mutual Pension Insurance Company	2,572,678	4.63%
Nordea Funds	675,583	1.22%
Elo Mutual Pension Insurance Company	530,000	0.95%
Ilmarinen Mutual Pension Insurance Company	508,000	0.91%
Nordea Life Assurance Finland Ltd	396,886	0.71%
Handelsbanken Fonder	377,941	0.68%
Oy Julius Tallberg Ab	356,309	0.64%
Kempinvest Oy	348,432	0.63%
KLP Kapitalforvaltning AS	336,645	0.61%
Norges Bank Investment Management	330,526	0.60%
Wipunen varainhallinta Oy	325,000	0.59%
BlackRock	300,424	0.54%
Heikintorppa Oy	250,000	0.45%
Kempower Corporation	213,712	0.38%

Source: Modular Finance AB – Monitor

Further information on the shares, major shareholders and management shareholdings is available on the Company's website

<https://investors.kempower.com/>.

## Kempower Corporation's Leadership team and Board of Directors

During the quarter Monil Malhotra joined Kempowers' Leadership Team as President of North America.

The members of Kempower's Global Leadership Team are:

- Chief Executive Officer Tomi Ristimäki
- Chief Financial Officer Jukka Kainulainen
- President, North America, Monil Malhotra (member of the Leadership team since February 2025)
- Chief Operating Officer Sanna Otava
- Chief People Officer, Hanne Peltola
- Chief Markets Officer Jussi Vanhanen
- Chief Sales Officer, Mathias Wiklund

The members of Kempower's Board of Directors are:

- Chair of the Board Vesa Laisi
- Vice Chair of the Board Antti Kemppi
- Member of the Board Teresa Kemppi-Vasama
- Member of the Board Olli Laurén
- Member of the Board Tuula Ryttilä
- Member of the Board Eriikka Söderström
- Member of the Board Barbara Thierart-Perrin.

## Personnel offering, stock options and long-term incentive programs

### Existing stock option program

In November 2021, Kempower launched a stock option program, the target group of which is key employees working in Kempower's subsidiaries outside of Finland as well as selected employees who have been employed after the Personnel Offering. The program aims to foster employee commitment, broaden the Company's ownership base and give the opportunity to Kempower's personnel to benefit from the potential increase in the Company's value. The number of options per employee is set so that the subscription price of the options does not exceed the respective employee's two months' combined gross salary. The subscription period for stock options is between 1 January 2025 and 15 December 2025 and the subscription price is EUR 1.85 per option. In total 107,946 options were given.

### Share-based incentive plan 2023–2025

Kempower launched in February 2023 a share-based incentive programme for Kempower's group's key employees. The aim is to align the objectives of the shareholders and key employees for increasing the value of the Company in the long-term, to commit the key employees to work for the Company and to offer them a competitive incentive scheme that is based on earning and accumulating shares.

The Performance Share Plan 2023–2025 consists of a three (3) year performance period, covering the financial years of 2023–2025.

In the plan, the target group is given an opportunity to earn Kempower's shares based on performance. The potential rewards based on the plan will be paid after the end of the performance period. The reward will be paid partly in Kempower's shares and partly in cash. The cash proportion of the reward is intended for covering taxes and statutory social security contributions arising from the rewards to the participants. In general, no reward is paid if the participant's employment or director contract terminates before the reward payment.

During the performance period, the rewards are based on the Total Shareholder Return of the Kempower share in 2023–2025 and Group Revenue in 2023–2025. The value of the maximum rewards to be paid on the targeted level will correspond to a total of approximately 206,200 Kempower's shares including also the cash proportion.

It is the intention of the Board of Directors that no new shares will be issued in connection with the PSP 2023–2025 Program and therefore, the PSP 2023–2025 program would have no dilutive effect on the number of the Kempower Corporation's registered shares.

Approximately 40 persons, including the CEO and other Kempower Leadership Team members, belong to the target group of the performance period.

The Leadership Team member is obliged to hold at least 50 per cent of the shares received as a net reward from the performance share plan, until the total value of the member's shareholding in Kempower equals to 50 per cent of their annual base salary of the preceding year. Such number of Kempower's shares must be held as long as the membership in the Leadership Team continues.



## Share-based incentive plan 2024–2026

In December 2023 the Board of Directors of Kempower resolved to establish a Performance Share Plan for the group's key employees. The aim is to align the objectives of the shareholders and key employees for increasing the value of the Company in the long-term, to commit the key employees to work for the Company and to offer them a competitive incentive scheme that is based on earning and accumulating shares.

The Performance Share Plan 2024–2026 consists of a three (3) year performance period, covering the financial years of 2024–2026.

In the plan, the target group is given an opportunity to earn Kempower's shares based on performance. The potential rewards based on the plan will be paid after the end of the performance period.

During the performance period, the rewards are based on the Absolute Total Shareholder Return of the Kempower share in 2024–2026, Group Revenue in 2024–2026 and CO<sub>2</sub> emission reduction per Revenue in 2024–2026. The value of the maximum rewards to be paid will correspond to a total of approximately 219,400 Kempower's shares including also the cash proportion.

It is the intention of the Board of Directors that no new shares will be issued in connection with the PSP 2024–2026 and therefore, the PSP 2024–2026 would have no dilutive effect on the number of the Kempower's registered shares.

Approximately 50 persons, including the CEO and other Kempower Leadership Team members, belong to the target group of the performance period.

## Share-based incentive plan 2025–2027

In February 2025 the Board of Directors of Kempower has resolved to establish a Performance Share Plan for the group's key employees. The aim is to align the objectives of the shareholders and key employees for

increasing the value of the company in the long term, to commit the key employees to work for the company and to offer them a competitive incentive scheme that is based on earning and accumulating shares.

The Performance Share Plan 2025–2027 consists of a three (3) year performance period, covering the financial years of 2025–2027.

In the plan, the target group is given an opportunity to earn Kempower's shares based on performance. The potential rewards based on the plan will be paid after the end of the performance period.

During the performance period, the rewards are based on the Absolute Total Shareholder Return (TSR) of the Kempower share in 2025–2027, Group Revenue in 2025–2027 and CO<sub>2</sub> emission reduction / Revenue. The value of the maximum rewards to be paid will correspond to a total of approximately 675,000 Kempower's shares including also the cash proportion.

It is the intention of the Board of Directors that no new shares will be issued in connection with the Performance Share Plan 2025–2027 and therefore, the plan would have no dilutive effect on the number of the Kempower's registered shares.

Approximately 50 persons, including the CEO and other Kempower Leadership Team members, belong to the target group of the performance period.

## Employee share savings plan

In February 2023 The Board of Directors of Kempower decided to establish an Employee Share Savings Plan (ESSP) for the employees of Kempower and its subsidiaries.

The aim of the ESSP is to encourage employees to acquire and own Kempower shares, and it is intended to align the interests of the

shareholders and the employees as well as to increase employees' motivation and long-term commitment to the Company.

The ESSP consists of annually commencing plan periods, each one comprising of a 12-month savings period and a holding period following the savings period. The ESSP is offered to all Kempower employees in countries where there are no legal or administrative constraints for participation. The employees will have an opportunity to save a proportion of their salaries and an extra bonus and invest those savings in Kempower shares. The savings will be used for acquiring Kempower shares quarterly after the publication dates of the respective interim reports. As a reward for the commitment, Kempower grants the participating employees a gross award of one matching share for every two (2) savings shares acquired with their savings. Continuity of employment and holding of acquired savings shares for the duration of the holding period are the prerequisites for receiving the award.

The potential award will be settled in shares, or partly in shares and partly in cash, after the end of the holding period. The cash proportion is intended to cover taxes and tax-related costs arising from the award in those countries where the employer has the obligation to withhold taxes. Matching shares will be freely transferable after their registration on the participant's book-entry account. Any dividends to be paid on the acquired savings shares, the matching shares given within the ESSP, and any other shares received within the ESSP will be reinvested in additional shares on the next potential acquisition date. These shares will have an equal right to matching shares.

Participation in the ESSP is voluntary and the employees will be invited to participate in one plan period at a time. The first savings period commenced on 1 April 2023 and ended on 31 March 2024. The holding period of the first plan period began at the first acquisition of savings shares and ends on 31 March 2026. The estimated maximum expense for the first plan period is approximately EUR 1,3 million. The final expense depends on the employees' participation and savings rate in the plan, and

the fulfillment of the prerequisites for receiving matching shares, as well as the number of shares acquired from the market with savings.

In February 2025 the Board of Directors of Kempower resolved to launch a new plan for period 2025–2028 of the Employee Share Savings Plan (ESSP) established in 2023. The new savings period commenced on 1 April 2025 and ends on 31 March 2026.

### **Restricted Share Unit Plan 2024–2027**

In December 2023 the Board of Directors of Kempower resolved to establish a Restricted Share Unit Plan for selected key employees of the group. The purpose of the plan is to align the interests of the Company's shareholders and key employees to increase the Company's value in the long-term, to commit key employees at the Company and to offer them a competitive incentive plan based on receiving the Company's shares.

The plan is intended to be used as a tool in situations seen necessary by the Board of Directors, for example ensuring retention of key talents to the Company, attracting a new talent or other specific situations determined by the Board of Directors.

The Board of Directors may allocate rewards from the Restricted Share Unit Plan 2024–2027 during financial years 2024–2027. The value of the rewards to be allocated during 2024 on the basis of the plan corresponds to a maximum total of 20,000 shares of Kempower, including also the proportion to be paid in cash.

The rewards will be paid by the end of May 2027, 2028, 2029, 2030 or 2031, but always so that there is at least three (3) years between the determination and the payment of the reward. The reward is based on a valid employment or director contract and on the continuity of the employment or service.



## Short-term risks and uncertainty factors

Kempower's systematic approach towards risks facing its business is an integral element of the management of the Company. It includes risk identification, assessment, mitigation, follow-up, and reporting. Risks and development of risks are followed-up frequently by the Leadership team. In addition, Kempower has implemented a risk management process which is aligned with the governance annual cycle. To support the growth and success of the Company, it is necessary to increase risk awareness within the organization to ensure that risk management is integrated into strategic planning, annual business planning and budgeting, daily decision making and practices.

Kempower's business is global, and the Company is therefore exposed to macroeconomic risks and other macro-level trends, such as cyclical fluctuations or a slowdown in global economic growth. The global operating model also exposes Kempower to risks related to supply chain, which may thus affect the Company's operations for example in the form of risks related to the temporary disruptions in supply chain, availability or cost levels of raw materials and components or sustainability related risks within the supply chain.

Kempower is constantly developing its product portfolio to respond to its customers' needs. Remarkable quality issues due to design errors and delays in product development and product launches could have significant negative impact to Kempower's business operations. To mitigate the risk Kempower is continuously developing its quality processes such as quality testing in R&D and production phases.

Kempower's future growth is dependent on the Company's ability to keep up the pace with the rapidly changing technologies in the Electric Vehicle market. To manage the risk Kempower is investing in R&D activities to gain

and maintain the competitive advantages and to respond to customer demand and competition.

Achieving Kempower's strong growth targets depends on the Company's ability to respond to market changes. The Company's business may also be greatly affected if new or changed laws and regulations are introduced in the market, of which the Company would not have been aware and thus prepared for the changes. To manage the risks, Kempower is constantly increasing its ability to identify and adapt to the global and market specific regulatory requirements.

Kempower has a growth strategy and implementing it involves risks, such as scaling of operations. Failure of Kempower to effectively increase its production capacity, supply chain and service capabilities could have a negative impact on the Company's ability to meet its short-term growth targets. Kempower has significantly expanded its production capacity, and the capacity expansion will continue also from now on. In addition, the Company has invested in scaling up the service network. The market expansion to North American market includes multiple risks for example political risks. Kempower executes a detailed business plan for the market penetration activities and failure, or slowdown of the activities could also have a material impact on the Company's ability to meet its growth targets.

The component shortage during the COVID-19 pandemic resulted abnormally high demand for DC charging equipment. The high demand created significant excess inventory to some of Kempower's large customers. As a result the ordering from these clients has decreased significantly. If the destocking of inventory levels is happening significantly slower than anticipated, this could impact Kempower's financial performance in the short term.

Kempower's business success and implementation of its strategy depend on the Company's ability to recruit and engage qualified, motivated and skilled individuals. If Kempower is unable to attract and retain qualified key

employees, it could have material adverse effect on Kempower's business. The shortage of skilled people in the labor market may also have a detrimental effect on the availability and retention of labor in Kempower. To manage the risk the Company has invested in competitive incentive models, career planning and reinforcing the Kempower corporate culture.

Kempower's production uses IT systems and tools whose connectivity and continued accessibility are a prerequisite for efficient production and deliveries. Disturbances in the network, cybercrimes and leakage of information could harm or disrupt Kempower's business and have a material adverse effect on its revenue and results of operations. Kempower has prepared business continuity and recovery plans to mitigate the risks in production.

Kempower's ability to protect its intellectual property rights and operate without infringement of competitors intellectual properties is a significant factor in securing the Company's ability to achieve its business objectives. To ensure these abilities Kempower is investing to its intellectual property rights related capabilities.

Kempower has carried out a long-term climate risk and opportunity assessment including scenario analysis as per TCFD guidance, for which we used two climate scenarios: IPCC SSP1-2.6 (global temperature increase well below 2°C), and IPCC SSP4-8.5 (global temperature increase up to 4°C). The top risks identified were physical, especially in the 4°C scenario, including local damages due to extreme weather, disruptions in the global supply chain and negative regional impacts on the workforce. These risks were estimated to have a small or small-to-medium sized financial impact.

# Significant events during the period

## January 2025

- Sprocket Power and Kempower announced strategic collaboration in the U.S. to meet the growing need of EV charging infrastructure.
- Kempower partnered with Mobilize to bring EV ultra-fast charging network to France.
- Monil Malhotra was appointed as President, North America and member of Kempower Global Leadership Team.
- Ziegler Energy Solutions partnered with Kempower to offer cutting-edge EV charging solutions and service.

## February 2025

- Kempower announced it will electrify school bus fleet for Eastern Townships School Board in Quebec, Canada.
- Kempower announced it has established new share-based incentive plan for the group's key employees and resolved on a new plan period of the employee share savings plan and the continuation of the restricted share unit plan.
- Change in Kempower's holding of treasury shares.
- Kempower launched enhanced Station Charger – extends the company's next-generation charger platform with Power Module V2.

## March 2025

- Kempower was named Europe's eighth fastest growing company (2020–2023 CAGR) by the Financial Times.
- Faast Point launched a new public EV charging brand in the Virta charging network with Kempower Station Chargers.
- Change in Kempower Corporation's holding of treasury shares.
- Kempower announced that its DC charging solutions have been installed at two new Revel charging stations in New York at John F. Kennedy International Airport (JFK) and in San Francisco's Mission District.

## Events after the balance sheet date

- Notice to Annual General Meeting 2025 was published 11th of April 2025.

## 2025 Financial calendar

- July 24, 2025: Half-Year Financial Report, January 1–June 30, 2025 (H1)
- October 29, 2025: Interim Report for January 1 – September 30, 2025 (Q3)

Lahti 24 April 2025

Kempower Corporation  
Board of Directors

# Key figures, calculation of key figures and reconciliations

Kempower presents certain key figures, which mainly relate to business performance and profitability. All of these performance measures are not defined in IFRS standards, and they are classified as alternative performance measures. Kempower follows ESMA's (European Securities and Market Authority) recommendations for its reporting on alternative performance measures.

Kempower uses alternative performance measures to reflect business performance and profitability. In Kempower's view, the alternative performance measures provide the investors, securities analysts and other parties with significant additional information related to Kempower's results of operations, financial position and cash flows and are widely used by analysts, investors, and other parties. The alternative performance measures should not be considered in isolation or as a substitute for the measures under IFRS. All companies do not calculate alternative performance measures in a uniform way, and, therefore, the alternative performance measures presented may not be comparable with similarly named measures presented by other companies.

Order backlog, order intake and revenue growth are used as key figures to reflect the development of the Group's business volume. Order backlog reflects the amount of legally binding orders received from the external customers, which are not yet delivered to customers nor recognized in the revenue. Order intake reflects the legally binding orders received from the external customers during the period. Revenue growth (%) describes the relative change of revenue compared to the revenue of the comparative period.

Operative EBIT is used to reflect the comparable profitability and improve the comparability of operational performance between periods. Material items outside the ordinary course of business including gains and losses on disposal, impairment charges and items relating to structural arrangements and capital reorganizations are identified as items affecting comparability.



## RECONCILIATION OF THE KEY FIGURES

MEUR	Q1/2025	Q1/2024	2024
<b>Revenue growth, %</b>			
Revenue	43.5	42.6	223.7
Revenue of the comparative period	42.6	55.8	283.6
Change of revenue	1.0	-13.2	-59.9
<b>Revenue growth, %</b>	<b>2%</b>	<b>-24%</b>	<b>-21%</b>
<b>Gross profit</b>			
Revenue	43.5	42.6	223.7
Materials and services	-20.3	-19.6	-107.1
Variable employee benefits	-1.7	-1.7	-7.7
<b>Gross profit</b>	<b>21.5</b>	<b>21.2</b>	<b>109.0</b>
<b>Items affecting comparability</b>			
Expenses related to listing on the official list of Nasdaq Helsinki presented in other operating expenses		0.1	0.7
Expenses related to establishing operations in the United States presented in other operating expenses			0.3
Expenses related to other strategic initiatives presented in other operating expenses			0.2
Expenses related to restructuring presented mainly in employee benefits	0.0		1.2
<b>Items affecting comparability</b>	<b>0.0</b>	<b>0.1</b>	<b>2.4</b>
<b>Operative EBIT</b>			
Operating profit/loss (EBIT)	-7.3	-10.9	-28.8
Items affecting comparability	0.0	0.1	2.4
<b>Operative EBIT</b>	<b>-7.3</b>	<b>-10.8</b>	<b>-26.4</b>
<b>Investments</b>			
Investments in intangible assets	1.0	0.4	3.3
Investments in tangible assets excluding Right-of-use assets	0.8	4.2	15.5
<b>Investments</b>	<b>1.8</b>	<b>4.6</b>	<b>18.8</b>
<b>Earnings per share, basic, EUR</b>			
Profit/loss for the period attributable to the equity holders of the Company	-6.2	-8.8	-23.2
Average number of shares, 1,000 pcs	55,289	55,278	55,275
<b>Earnings per share, basic, EUR</b>	<b>-0.11</b>	<b>-0.16</b>	<b>-0.42</b>
<b>Earnings per share, diluted, EUR</b>			
Profit/loss for the period attributable to the equity holders of the Company	-6.2	-8.8	-23.2
Average number of shares adjusted for the dilutive effect, 1,000 pcs	55,448	55,390	55,424
<b>Earnings per share, diluted, EUR</b>	<b>-0.11</b>	<b>-0.16</b>	<b>-0.42</b>

## Calculation of key figures

Key figure	Definition
Order backlog	Received legally binding orders from external customers not yet delivered to customer
Order intake	Received legally binding orders from external customers during the period
Revenue growth, %	Change of revenue compared to the revenue of the comparative period presented as a percentage
Gross profit	Revenue – Materials and services – Variable employee benefits
Gross profit margin, %	Gross profit as a percentage of revenue
EBIT margin, %	Operating profit/loss (EBIT) as a percentage of revenue
Operative EBIT	Operating profit/loss (EBIT) – Items affecting comparability
Operative EBIT margin, %	Operative EBIT as a percentage of revenue
Equity ratio, %	Total equity / (Total assets – Advance payments)
Investments	Investments in intangible assets and property, plant and equipment excluding Right-of-Use assets
Net debt	Non-current loans from financial institutions + Non-current lease liabilities + Current loans from financial institutions + Current lease liabilities – Cash and cash equivalents – Current other financial assets
Net cash	Cash and cash equivalents + Current other financial assets – Non-current loans from financial institutions – Current loans from financial institutions
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 reorganizations
Earnings per share, basic	Profit/loss for the period attributable to the equity holders of the Company divided by the weighted average number of shares outstanding during the period
Earnings per share, diluted	Profit/loss for the period attributable to the equity holders of the Company divided by the weighted average number of shares outstanding adjusted for the dilutive effect

# Condensed financial statement information

## 1 January 2025–31 March 2025

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEUR	Q1/2025	Q1/2024	Change	2024
<b>Revenue</b>	<b>43.5</b>	<b>42.6</b>	<b>1.0</b>	<b>223.7</b>
Other operating income	0.8	0.6	0.1	3.1
Materials and services	-20.3	-19.6	-0.6	-107.1
Employee benefits	-16.0	-18.2	2.2	-71.8
Depreciation, amortization and impairment losses	-3.4	-2.3	-1.1	-10.8
Other operating expenses	-12.0	-13.9	1.9	-65.9
<b>Total operating expenses</b>	<b>-51.6</b>	<b>-54.1</b>	<b>2.4</b>	<b>-255.6</b>
<b>Operating profit/loss</b>	<b>-7.3</b>	<b>-10.9</b>	<b>3.6</b>	<b>-28.8</b>
Total finance income and expenses	-0.2	0.2	-0.5	0.6
<b>Profit/loss before taxes</b>	<b>-7.5</b>	<b>-10.6</b>	<b>3.1</b>	<b>-28.2</b>
Income tax	1.4	1.9	-0.5	5.0
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-6.2</b>	<b>-8.8</b>	<b>2.6</b>	<b>-23.2</b>
<b>Profit/loss for the period attributable to the equity holders of the parent company</b>	<b>-6.2</b>	<b>-8.8</b>	<b>2.6</b>	<b>-23.2</b>
<b>Other comprehensive income for the period</b>				
Items that may be subsequently reclassified to profit or loss				
Translation difference	0.2	-0.1	0.3	-0.1
<b>Total other comprehensive profit/loss for the period</b>	<b>0.2</b>	<b>-0.1</b>	<b>0.3</b>	<b>-0.1</b>
<b>Comprehensive profit/loss for the period</b>	<b>-6.0</b>	<b>-8.9</b>	<b>2.9</b>	<b>-23.4</b>
<b>Comprehensive profit/loss for the period attributable to the equity holders of the parent company</b>	<b>-6.0</b>	<b>-8.9</b>	<b>2.9</b>	<b>-23.4</b>
<b>Earnings per share for profit attributable to the equity holders of the parent company</b>				
Basic and diluted earnings per share, EUR	-0.11	-0.16	0.05	-0.42



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MEUR	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	5.0	1.9	4.2
Property, plant and equipment	51.7	41.8	54.0
Non-current receivables	0.1	0.1	0.1
Deferred tax receivables	10.6	5.0	9.1
<b>Total non-current assets</b>	<b>67.3</b>	<b>48.7</b>	<b>67.4</b>
<b>Current assets</b>			
Inventories	51.8	65.6	57.5
Trade receivables	30.9	27.1	30.4
Other receivables	3.2	2.9	1.7
Prepaid expenses and accrued income	10.2	6.1	8.4
Other financial assets	49.6	62.7	49.2
Cash and cash equivalents	11.1	21.4	16.2
<b>Total Current assets</b>	<b>156.7</b>	<b>185.7</b>	<b>163.4</b>
<b>TOTAL ASSETS</b>	<b>224.0</b>	<b>234.5</b>	<b>230.8</b>

MEUR	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	0.1	0.1	0.1
Reserve for invested unrestricted equity	95.8	95.7	95.7
Other reserves	0.0	0.0	0.0
Treasury shares	-4.7	-5.3	-5.3
Translation differences	0.1	-0.1	-0.1
Retained earnings	21.2	43.1	44.7
Profit/loss for the period	-6.2	-8.8	-23.2
<b>Total equity</b>	<b>106.3</b>	<b>124.7</b>	<b>111.8</b>
<b>Non-current liabilities</b>			
Lease liabilities	21.0	20.3	22.4
Loans from financial institutions	2.6		2.7
Provisions	8.7	3.7	6.0
Deferred tax liabilities	0.0	0.0	0.0
Other liabilities	0.1	0.1	0.1
<b>Total non-current liabilities</b>	<b>32.4</b>	<b>24.1</b>	<b>31.2</b>
<b>Current liabilities</b>			
Lease liabilities	6.9	5.0	6.8
Loans from financial institutions	15.5		9.7
Provisions	5.2	8.8	8.3
Advance payments	3.9	7.9	3.9
Trade payables	21.4	34.5	29.7
Other liabilities	4.9	1.7	3.5
Accruals and deferred income	27.7	27.8	25.9
<b>Total current liabilities</b>	<b>85.4</b>	<b>85.7</b>	<b>87.8</b>
<b>Total liabilities</b>	<b>117.8</b>	<b>109.8</b>	<b>119.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>224.0</b>	<b>234.5</b>	<b>230.8</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

MEUR	Q1/2025	Q1/2024	Change	2024
<b>Cash flow from operating activities</b>				
Profit/loss for the period	-6.2	-8.8	2.6	-23.2
Adjustments:				
Depreciation, amortization and impairment	3.4	2.3	1.1	10.8
Change in provisions	-0.4	-1.7	1.3	0.2
Financial income and expenses	0.2	-0.2	0.5	-0.6
Income taxes	-1.4	-1.9	0.5	-5.0
Other non-cash items	0.4	0.2	0.1	1.4
<b>Cash flow before changes in working capital</b>	<b>-3.9</b>	<b>-10.0</b>	<b>6.1</b>	<b>-16.5</b>
<b>Changes in working capital</b>				
Change in trade and other receivables	-3.2	7.1	-10.3	2.2
Change in inventories	5.4	-14.0	19.4	-5.6
Change in trade payables and short-term liabilities	-5.0	7.2	-12.2	-0.5
<b>Cash flow from operating activities before financial items and taxes</b>	<b>-6.7</b>	<b>-9.7</b>	<b>3.0</b>	<b>-20.3</b>
Interest and other financial expenses paid	-0.6	-0.3	-0.3	-1.8
Interest and other financial income received	0.1	0.6	-0.5	0.9
Taxes paid	-0.3	-0.8	0.5	-2.1
<b>Cash flow from operating activities</b>	<b>-7.5</b>	<b>-10.2</b>	<b>2.7</b>	<b>-23.4</b>

MEUR	Q1/2025	Q1/2024	Change	2024
<b>Cash flow from investing activities</b>				
Increase (-)/decrease (+) of other financial assets	-0.0	10.0	-10.0	24.5
Investments in intangible assets and property, plant and equipment	-1.8	-4.6	2.8	-18.8
Proceeds from sale of tangible and intangible assets	0.1		0.1	0.1
<b>Cash flow from investing activities</b>	<b>-1.7</b>	<b>5.5</b>	<b>-7.2</b>	<b>5.8</b>
<b>Cash flow from financing activities</b>				
Purchase of treasury shares				-0.0
Options exercised	0.1		0.1	
Payment of lease liabilities	-1.7	-1.2	-0.5	-6.1
Proceeds from non-current loans				2.7
Proceeds from current loans	5.8		5.8	9.7
Repayment of current loans	-0.1		-0.1	
<b>Cash flow from financing activities</b>	<b>4.1</b>	<b>-1.2</b>	<b>5.3</b>	<b>6.2</b>
<b>Net change in cash and cash equivalents</b>	<b>-5.1</b>	<b>-6.0</b>	<b>0.8</b>	<b>-11.4</b>
Cash and cash equivalents at the beginning of the period	16.2	27.4	-11.2	27.4
Effects of exchange rate fluctuations on cash held	0.0	-0.0	0.1	0.2
<b>Cash and cash equivalents at the end of the period</b>	<b>11.1</b>	<b>21.4</b>	<b>-10.3</b>	<b>16.2</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MEUR	Share capital	Invested unrestricted equity fund	Other reserves	Translation differences	Treasury shares	Retained earnings	Total
<b>Shareholders' equity 1 Jan 2025</b>	<b>0.1</b>	<b>95.7</b>	<b>0.0</b>	<b>-0.1</b>	<b>-5.3</b>	<b>21.5</b>	<b>111.8</b>
Profit/loss for the period						-6.2	-6.2
Currency translation differences				0.2			0.2
<b>Total comprehensive income for the period, net of tax</b>				<b>0.2</b>		<b>-6.2</b>	<b>-6.0</b>
<b>Transactions with owners</b>							
Share-based payments		0.1			0.6	-0.3	0.4
<b>Transactions with owners, total</b>		<b>0.1</b>			<b>0.6</b>	<b>-0.3</b>	<b>0.4</b>
<b>Shareholders' equity 31 March 2025</b>	<b>0.1</b>	<b>95.8</b>	<b>0.0</b>	<b>0.1</b>	<b>-4.7</b>	<b>15.1</b>	<b>106.3</b>
<b>Shareholders' equity 1 Jan 2024</b>	<b>0.1</b>	<b>95.7</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.3</b>	<b>42.4</b>	<b>132.9</b>
Profit/loss for the period						-8.8	-8.8
Currency translation differences				-0.1			-0.1
<b>Total comprehensive income for the period, net of tax</b>				<b>-0.1</b>		<b>-8.8</b>	<b>-8.9</b>
<b>Transactions with owners</b>							
Share-based payments						0.6	0.6
<b>Transactions with owners, total</b>						<b>0.6</b>	<b>0.6</b>
<b>Shareholders' equity 31 March 2024</b>	<b>0.1</b>	<b>95.7</b>	<b>0.0</b>	<b>-0.1</b>	<b>-5.3</b>	<b>34.3</b>	<b>124.7</b>
<b>Shareholders' equity 1 Jan 2024</b>	<b>0.1</b>	<b>95.7</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.3</b>	<b>42.4</b>	<b>132.9</b>
Profit/loss for the period						-23.2	-23.2
Currency translation differences				-0.1			-0.1
<b>Total comprehensive income for the period, net of tax</b>				<b>-0.1</b>		<b>-23.2</b>	<b>-23.4</b>
<b>Transactions with owners</b>							
Acquisition of treasury shares					-0.0		
Share-based payments						2.3	2.3
<b>Transactions with owners, total</b>					<b>-0.0</b>	<b>2.3</b>	<b>2.3</b>
<b>Shareholders' equity 31 Dec 2024</b>	<b>0.1</b>	<b>95.7</b>	<b>0.0</b>	<b>-0.1</b>	<b>-5.3</b>	<b>21.5</b>	<b>111.8</b>



# Notes to the condensed financial statements

## Basic information about the Group

Kempower Corporation ("the Parent Company") is a Finnish public liability limited company and the parent company of the Kempower Group ("Kempower", "the Kempower Group" or "the Group"). Kempower Corporation's registered address is Ala-Okeroistentie 29, 15700 Lahti. Kempower Corporation is part of Kemppi Group, whose parent company is Kemppi Group Oy. Kemppi Group Oy's registered address is Kempinkatu 1, 15800 Lahti.

## Basis of preparation

The unaudited interim condensed consolidated financial statements of Kempower Corporation for three months ending on 31 March 2025 have been prepared in accordance with IFRS Accounting Standard 34 Interim Financial Reporting ("IAS 34"). As such, they do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Kempower's annual consolidated financial statements as of 31 December 2024.

Kempower's Board of Directors approved these unaudited interim condensed consolidated financial statements to be published on 24 April 2025.

The interim condensed consolidated financial statements including notes thereto are presented in millions of euros unless otherwise stated. The figures shown in this report are rounded, which means that the sum total of given individual figures may deviate from the sums shown in the tables. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of Kempower's annual consolidated financial statements for the year ended 31 December 2024.

## Revenue

### REVENUE BY GEOGRAPHICAL REGIONS

MEUR	Q1/2025	Q1/2024	Change %	2024
Nordics*	19.0	15.3	24%	97.9
Rest of Europe	18.3	20.3	-10%	94.8
North America	3.2	4.1	-22%	20.8
Rest of the World	3.1	2.8	8%	10.3
<b>Total</b>	<b>43.5</b>	<b>42.6</b>	<b>2%</b>	<b>223.7</b>

\*Nordics include Finland, Sweden, Norway, Denmark and Iceland

### REVENUE BY RECOGNITION TYPES

MEUR		Q1/2025	Q1/2024	2024
Products	Point in time	40.3	40.9	215.2
Services	Over time	3.2	1.6	8.5
<b>Total</b>		<b>43.5</b>	<b>42.6</b>	<b>223.7</b>

## Fixed assets

### INTANGIBLE ASSETS

MEUR, 31 Mar 2025	Intangible rights	Capitalized development costs	Other intangible assets	Prepayments and work in progress	Total
Carrying amount at the beginning of the period	0.4	1.2	0.5	2.1	4.2
Additions				1.0	1.0
Reclassifications	0.0	0.1		-0.1	
Amortizations and impairment	-0.0	-0.1	-0.1		-0.2
Translation differences				-0.0	-0.0
<b>Carrying amount at the end of the period</b>	<b>0.4</b>	<b>1.2</b>	<b>0.5</b>	<b>2.9</b>	<b>5.0</b>
Cost at the end of the period	0.7	2.4	1.8	2.9	7.9
Accumulated amortizations and impairment	-0.3	-1.2	-1.3		-2.8
Translation differences				-0.0	-0.0
<b>Carrying amount at the end of the period</b>	<b>0.4</b>	<b>1.2</b>	<b>0.5</b>	<b>2.9</b>	<b>5.0</b>

Prepayments and work in progress 31 Mar 2025 include EUR 2.7 million capitalized development costs.

MEUR, 31 Mar 2024	Intangible rights	Capitalized development costs	Other intangible assets	Prepayments and work in progress	Total
Carrying amount at the beginning of the period	0.5	0.3	1.0		1.8
Additions				0.4	0.4
Amortizations and impairment	-0.0	-0.1	-0.3		-0.3
<b>Carrying amount at the end of the period</b>	<b>0.5</b>	<b>0.2</b>	<b>0.8</b>	<b>0.4</b>	<b>1.9</b>
Cost at the end of the period	0.7	1.1	1.8	0.4	4.0
Accumulated amortizations and impairment	-0.2	-0.9	-1.1		-2.2
<b>Carrying amount at the end of the period</b>	<b>0.5</b>	<b>0.2</b>	<b>0.8</b>	<b>0.4</b>	<b>1.9</b>

MEUR, 31 Dec 2024	Intangible rights	Capitalized development costs	Other intangible assets	Prepayments and work in progress	Total
Carrying amount at the beginning of the period	0.5	0.3	1.0		1.8
Additions	0.0			3.3	3.3
Reclassifications		1.2		-1.2	
Amortizations and impairment	-0.1	-0.3	-0.5		-0.8
<b>Carrying amount at the end of the period</b>	<b>0.4</b>	<b>1.2</b>	<b>0.5</b>	<b>2.1</b>	<b>4.2</b>
Cost at the end of the period	0.7	2.3	1.8	2.1	6.9
Accumulated amortizations and impairment	-0.3	-1.1	-1.3		-2.7
<b>Carrying amount at the end of the period</b>	<b>0.4</b>	<b>1.2</b>	<b>0.5</b>	<b>2.1</b>	<b>4.2</b>

## PROPERTY, PLANT AND EQUIPMENT

MEUR, 31 Mar 2025	Machinery and equipment	Other tangible assets	Prepayments and work in progress	Right-of-use assets	Total
Carrying amount at the beginning of the period	15.1	9.4	1.5	28.0	54.0
Additions	0.1	0.3	0.5	0.6	1.4
Disposals		-0.0	-0.0	-0.0	-0.1
Reclassifications	0.2	0.9	-1.1		
Depreciations and impairment	-0.8	-0.6		-1.8	-3.2
Translation differences	-0.0	-0.2		-0.2	-0.4
<b>Carrying amount at the end of the period</b>	<b>14.6</b>	<b>9.7</b>	<b>0.8</b>	<b>26.5</b>	<b>51.7</b>
Cost at the end of the period	19.1	12.2	0.8	42.9	75.0
Accumulated depreciations and impairment	-4.4	-2.3		-16.3	-23.0
Translation differences	-0.0	-0.2		-0.2	-0.4
<b>Carrying amount at the end of the period</b>	<b>14.6</b>	<b>9.7</b>	<b>0.8</b>	<b>26.5</b>	<b>51.7</b>

MEUR, 31 Mar 2024	Machinery and equipment	Other tangible assets	Prepayments and work in progress	Right-of-use assets	Total
Carrying amount at the beginning of the period	8.0	3.8	1.9	24.5	38.2
Additions	0.4	0.9	2.9	1.2	5.4
Depreciations and impairment	-0.4	-0.2		-1.4	-2.0
Translation differences	0.0	0.1		0.1	0.2
<b>Carrying amount at the end of the period</b>	<b>8.0</b>	<b>4.5</b>	<b>4.8</b>	<b>24.5</b>	<b>41.8</b>
Cost at the end of the period	10.1	4.9	4.8	33.4	53.2
Accumulated depreciations and impairment	-2.1	-0.5		-9.0	-11.6
Translation differences	0.0	0.1	-0.0	0.1	0.2
<b>Carrying amount at the end of the period</b>	<b>8.0</b>	<b>4.5</b>	<b>4.8</b>	<b>24.5</b>	<b>41.8</b>

MEUR, 31 Dec 2024	Machinery and equipment	Other tangible assets	Prepayments and work in progress	Right-of-use assets	Total
Carrying amount at the beginning of the period	8.0	3.8	1.9	24.5	38.2
Additions	0.4	2.6	12.6	10.2	25.7
Disposals	-0.0	-0.0	-0.1	-0.4	-0.5
Reclassifications	8.7	4.2	-12.9		
Depreciations and impairment	-1.9	-1.4		-6.6	-10.0
Translation differences	0.0	0.3		0.3	0.6
<b>Carrying amount at the end of the period</b>	<b>15.1</b>	<b>9.4</b>	<b>1.5</b>	<b>28.0</b>	<b>54.0</b>
Cost at the end of the period	18.7	10.8	1.5	42.0	73.0
Accumulated depreciations and impairment	-3.7	-1.6		-14.3	-19.6
Translation differences	0.0	0.3		0.3	0.6
<b>Carrying amount at the end of the period</b>	<b>15.1</b>	<b>9.4</b>	<b>1.5</b>	<b>28.0</b>	<b>54.0</b>

## RIGHT-OF-USE ASSETS

Amounts recognized in the statement of financial position

MEUR, 31 Mar 2025	Buildings	Machinery and equipment	Total
Carrying amount at the beginning of the period	23.5	4.4	28.0
Additions	0.0	0.5	0.6
Disposals		-0.0	-0.0
Depreciations and impairment	-1.2	-0.6	-1.8
Translation differences	-0.2	0.0	-0.2
<b>Carrying amount at the end of the period</b>	<b>22.2</b>	<b>4.3</b>	<b>26.5</b>

MEUR, 31 Mar 2024	Buildings	Machinery and equipment	Total
Carrying amount at the beginning of the period	21.4	3.1	24.5
Additions	1.1	0.2	1.2
Depreciations and impairment	-1.0	-0.4	-1.4
Translation differences	0.1	-0.0	0.1
<b>Carrying amount at the end of the period</b>	<b>21.6</b>	<b>2.9</b>	<b>24.5</b>

MEUR, 31 Dec 2024	Buildings	Machinery and equipment	Total
Carrying amount at the beginning of the period	21.4	3.1	24.5
Additions	6.5	3.7	10.2
Disposals	-0.2	-0.2	-0.4
Depreciations and impairment	-4.4	-2.2	-6.6
Translation differences	0.3	0.0	0.3
<b>Carrying amount at the end of the period</b>	<b>23.5</b>	<b>4.4</b>	<b>28.0</b>



## Financial assets and liabilities by category

The Group categorizes its financial assets and liabilities into the following categories:

MEUR, 31 Mar 2025	Fair value through profit or loss	Amortized cost	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>							
Non-current deposits		0.0	0.0	0.0			
<b>Current financial assets</b>							
Trade receivables		30.9	30.9	30.9			
Other receivables		0.5	0.5	0.5			
Derivatives	0.4		0.4	0.4		0.4	
Other financial assets	49.6		49.6	49.6	49.6		
Cash and cash equivalents		11.1	11.1	11.1			
<b>Total financial assets</b>	<b>50.0</b>	<b>42.6</b>	<b>92.6</b>	<b>92.6</b>	<b>49.6</b>	<b>0.4</b>	
<b>Non-current financial liabilities</b>							
Lease liabilities		21.0	21.0	21.0			
Loans from financial institutions		2.6	2.6	2.6			
<b>Current financial liabilities</b>							
Lease liabilities		6.9	6.9	6.9			
Loans from financial institutions		15.5	15.5	15.5			
Trade payables		21.4	21.4	21.4			
Derivatives	0.2		0.2	0.2		0.2	
Other non-interest-bearing liabilities		0.0	0.0	0.0			
<b>Total financial liabilities</b>	<b>0.2</b>	<b>67.2</b>	<b>67.4</b>	<b>67.4</b>		<b>0.2</b>	

MEUR, 31 Mar 2024	Fair value through profit or loss	Amortized cost	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>							
Non-current deposits		0.1	0.1	0.1			
<b>Current financial assets</b>							
Trade receivables		27.1	27.1	27.1			
Other receivables		1.0	1.0	1.0			
Derivatives	0.1		0.1	0.1		0.1	
Other financial assets	62.7		62.7	62.7	62.7		
Cash and cash equivalents		21.4	21.4	21.4			
<b>Total financial assets</b>	<b>62.7</b>	<b>49.5</b>	<b>112.2</b>	<b>112.2</b>	<b>62.7</b>	<b>0.1</b>	
<b>Non-current financial liabilities</b>							
Lease liabilities		20.3	20.3	20.3			
<b>Current financial liabilities</b>							
Lease liabilities		5.0	5.0	5.0			
Trade payables		34.5	34.5	34.5			
Derivatives	0.2		0.2	0.2		0.2	
Other non-interest-bearing liabilities		0.1	0.1	0.1			
<b>Total financial liabilities</b>	<b>0.2</b>	<b>59.9</b>	<b>60.1</b>	<b>60.1</b>		<b>0.2</b>	

MEUR, 31 Dec 2024	Fair value through profit or loss	Amortized cost	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>							
Non-current deposits		0.0	0.0	0.0			
<b>Current financial assets</b>							
Trade receivables		30.4	30.4	30.4			
Other receivables		0.6	0.6	0.6			
Derivatives	0.1		0.1	0.1		0.1	
Other financial assets	49.2		49.2	49.2	49.2		
Cash and cash equivalents		16.2	16.2	16.2			
<b>Total financial assets</b>	<b>49.3</b>	<b>47.3</b>	<b>96.6</b>	<b>96.6</b>	<b>49.2</b>	<b>0.1</b>	
<b>Non-current financial liabilities</b>							
Lease liabilities		22.4	22.4	22.4			
Loans from financial institutions		2.7	2.7	2.7			
<b>Current financial liabilities</b>							
Lease liabilities		6.8	6.8	6.8			
Loans from financial institutions		9.7	9.7	9.7			
Trade payables		29.7	29.7	29.7			
Derivatives	0.3		0.3	0.3		0.3	
Other non-interest-bearing liabilities		0.0	0.0	0.0			
<b>Total financial liabilities</b>	<b>0.3</b>	<b>71.2</b>	<b>71.6</b>	<b>71.6</b>		<b>0.3</b>	

Other financial assets include money market investments measured at fair value through profit or loss. Cash and cash equivalents include deposits with banks, which are measured at amortized cost.

The book value of trade and other receivables and trade payables, which are measured at amortized cost corresponds to their fair value due to their short maturities.

## Related party transactions

The parties are considered to be related parties if the other party is able to exercise control or significant influence or joint control over the other party in decision making concerning its finances or business. Kempower's related parties include its subsidiaries and parent company Kemppi Group Oy and its subsidiaries other than Kempower Group companies. Related parties also include members of Kempower's Board of Directors, CEO and members of Global Leadership Team as well as their close family members and companies under their significant influence or control. Kempower's related parties also include the members of Kemppi Group Oy's Board of Directors and their close family members and companies under their significant influence or control.

Business transactions between Kempower and Kemppi Group are presented as related party transactions. Such related party transactions include purchases of materials from Kemptron Oy and Kemppi Oy, purchases of administrative services from Kemppi Group companies and premises leased from Kemppi Group companies. Commitments related to future purchases from Kemptron Oy and Kemppi Oy have also been included in related party transactions.

Kempower's headquarters and production facilities are located in rental properties. The headquarters and the connected production facilities in Lahti have been leased from Kemppi Group Oy until 2031.

Kempower's related party transactions are presented in the table on the right.

MEUR	Q1/2025	Q1/2024	2024
<b>Sales and purchases of goods and services to and from Kemppi Group companies</b>			
Products sold	0.6	0.4	4.2
Purchased materials	-3.7	-5.3	-26.6
Purchased administration services	-0.0	-0.0	-0.1
Office and facility lease	-0.5	-0.5	-1.9
<b>Sales and purchases of goods and services to and from other related parties</b>			
Products sold			0.0
Purchased services	-0.0	-0.0	-0.0

MEUR	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>Outstanding balances with Kemppi Group companies</b>			
Trade and other receivables	0.3	0.1	0.4
<b>Total current receivables</b>	<b>0.3</b>	<b>0.1</b>	<b>0.4</b>
Lease liabilities	9.9	11.5	10.3
<b>Total non-current liabilities</b>	<b>9.9</b>	<b>11.5</b>	<b>10.3</b>
Lease liabilities	1.6	1.5	1.6
Trade and other payables	3.5	4.3	7.3
Other current liabilities	0.2	0.1	0.1
<b>Total current liabilities</b>	<b>5.2</b>	<b>6.0</b>	<b>8.9</b>
<b>Commitments to Kemppi Group companies</b>			
Purchase commitments	3.7	11.7	3.3
<b>Total commitments</b>	<b>3.7</b>	<b>11.7</b>	<b>3.3</b>

## Commitments

Kempower has entered into certain binding purchase agreements to ensure the availability of components.

MEUR	31 Mar 2025	31 Mar 2024	31 Dec 2024
Purchase commitments to Kemppli Group companies	3.7	11.7	3.3
Purchase commitments to other companies	19.2	10.7	23.8
Commitments to leases commencing after the reporting period		3.1	
Guarantees given	2.1	1.5	2.1
<b>Total</b>	<b>25.0</b>	<b>26.9</b>	<b>29.2</b>



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