

Kempower Q1 2025 Interim Report



KEMPOWER





Q1 2025:

Year started with a strong sales execution



Tomi Ristimäki
Chief Executive Officer



Monil Malhotra
President, North America



Jukka Kainulainen
Chief Financial Officer



Key takeaways Q1 2025

Strong sales execution: Order intake grew **32 percent** to EUR 59.4 million.

Financial performance: Revenue growth was modest, and operative EBIT was in line with the expectations.

- Revenue growth was modest as we started the year with **lower order backlog for the first quarter**.

Record quarter for North America: Order intake from North America grew **over 300 percent** to **EUR 10.3 million**.

DC charging market:

- **Strong growth in BEV** registrations **and DC charging installations** in both Europe and North America.
- Demand still affected by customers' inventory levels.
- We expect the market to recover during the second half of 2025.

Q1 2025 key figures



59.4

EUR million
Order intake



43.5

EUR million
Revenue



+32%

Order intake growth
Year-on-year, %



+2%

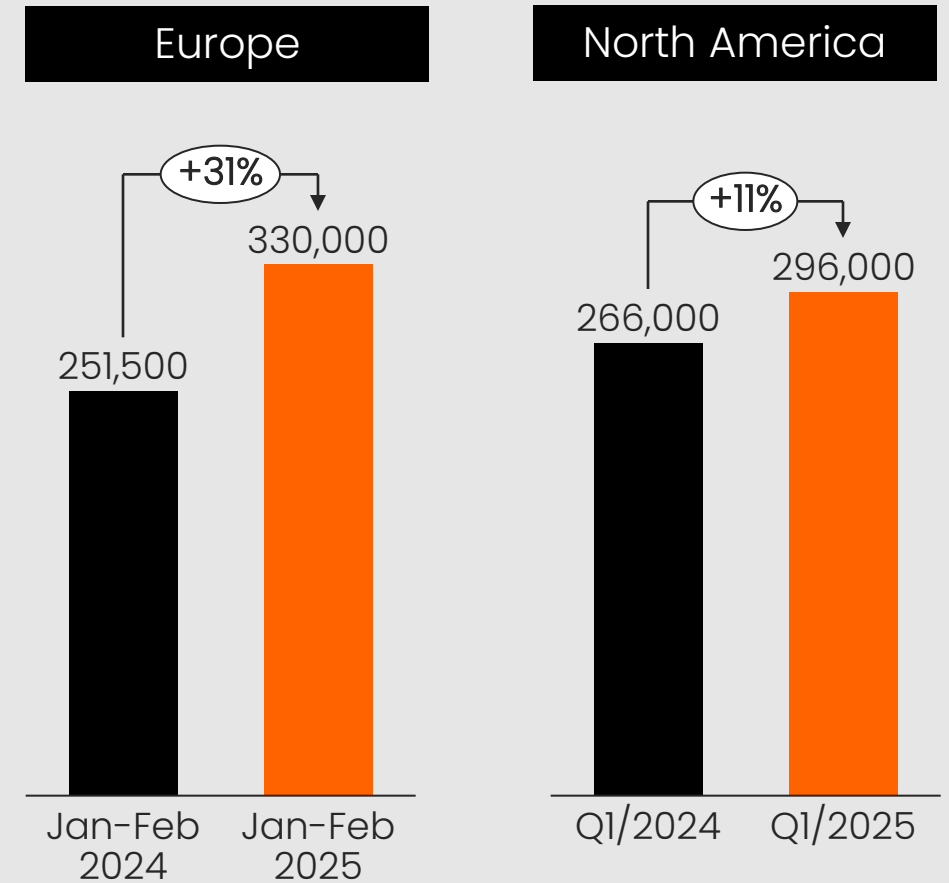
Revenue growth
Year-on-year, %



DC charging market

- Significant growth in BEV registrations in both Europe and North America.
 - Positive indicator for industry growth in the near future.
- The market still weak for DC charging manufacturers, with customers' excess inventories continuing to impact the demand.
- DC charging point installations grew significantly in both Europe and North America.
- Market for commercial vehicle charging continues to grow.
- We expect market to recover during the second half of 2025.

BEV registrations





Positive sales development

- Kempower onboarded **11** new customers during the first quarter of 2025.
- New customer acquisition from 2024 starting to show in order intake.
- Order intake grew in Rest of Europe **more than 50 percent**, driven by Germany, France, Austria and Italy.
- Order intake from North America grew **more than 300 percent**.
- Commercial vehicle segment continues to generate **significant share** of revenue.



North America





Second record quarter in a row for North America

- Order intake from North America was **EUR 10.3 million**, highest in Kempower history.
 - **Over 300% growth** compared to Q1/2024.
- Strong performance in both **US and Canada**.
- **Strategic wins** in private and commercial vehicle segments during Q1.
- **Strong sales pipeline** to build growth both in US and Canada and customer sentiment is positive.





North American market

- Market is **growing** driven by growth in BEV registrations – sentiment towards BEVs is changing favorably.
- Environmental Protection Agency (EPA) emission requirements will continue **to drive the transition** to electric trucks.
- Despite temporary slow-down in federal funding, the state level funding continues to **support investments in charging infrastructure**.
- There is significant investment debt in charging infrastructure even with current BEV base.
- In a fast-growing market like Canada, we are **outperforming the market growth**.

New York

"Additional \$28.5 Million Is Now Available To Install Electric Vehicle Fast Chargers Along Major Corridors Across New York State Competitive Program Supports Improving Consumer Access to Reliable Electric Vehicle Charging"

New York State Energy Research and Development Authority
December 18, 2024

California

"California Energy Commission Launches \$55 Million Project for High-Powered Electric Vehicle Charging Stations Throughout the State"

California Energy Commission
February 13, 2025

Florida

"EV registrations growth was driven not by incentives but primarily by EV enthusiasm in the populous central region of Florida"

Green Car Reports
March 3, 2025



Our global setup with local supply chains mitigates the headwinds from the tariffs

- Our setup with production facilities in Europe and US combined with local supply chains gives us operational flexibility and **positions us well** in this situation.
- We continue to monitor the situation — however, we expect tariffs could have **only limited** effect on our business.





Technological leadership

- After the review period we introduced Kempower's 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**.
- The updates are designed to meet the growing demands for **efficient** and **scalable power** solutions in various EV charging applications.





Q1 2025 Financials





Key figures

during the review period

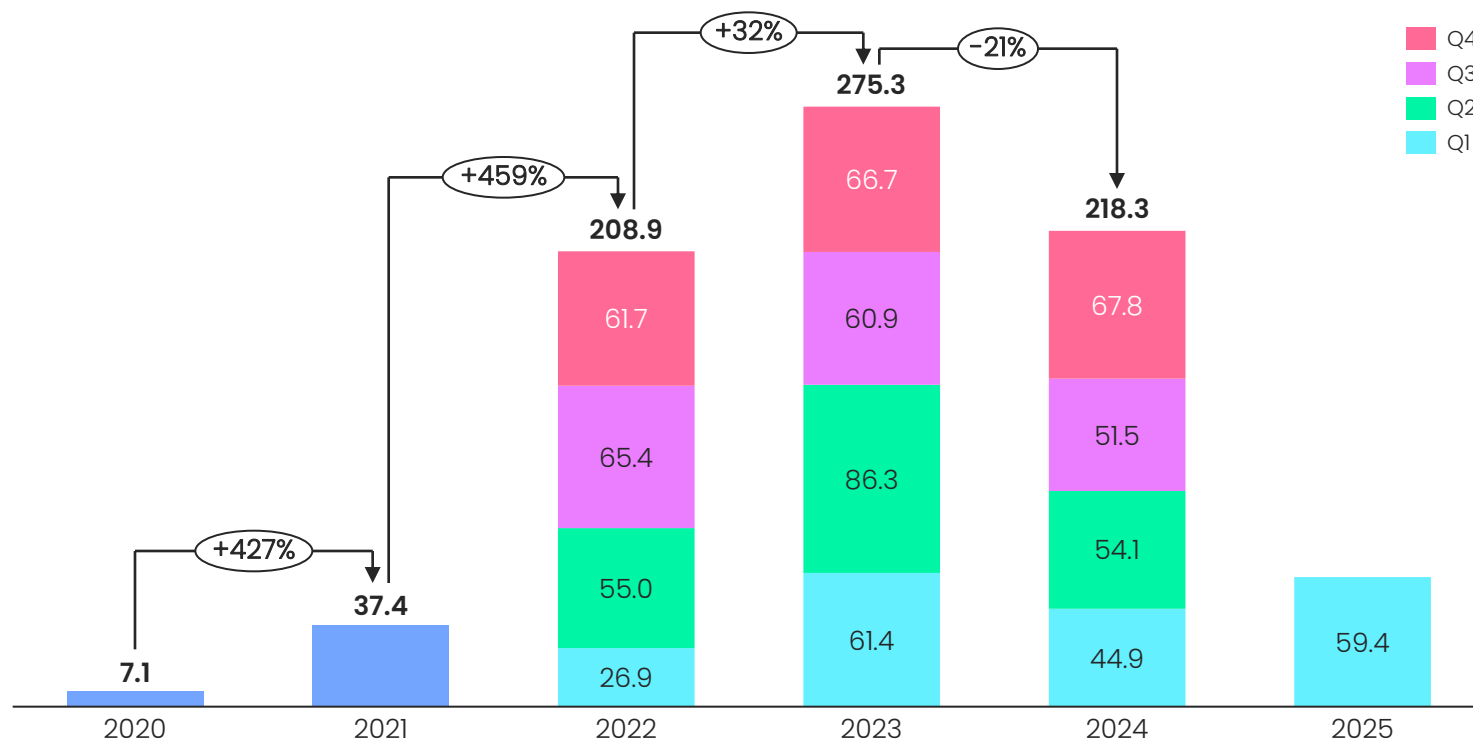
EUR million	Q1/2025	Q1/2024	2024	Comments
Order backlog	106.5	111.9	95.0	<ul style="list-style-type: none">• Q1 2025 Financials were negatively impacted by modest revenue growth.• Fixed costs EUR 26.2m (EUR 30.4m) impacted positively by savings program implemented in 2024.• Improved Operating cash flow primarily driven by improved profitability-largely offset by an increase in trade receivables• Inventory decreased by EUR 5.4 million and is on the lowest level since fourth quarter of 2023.
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%	
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	
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	
Total equity and liabilities	224.0	234.5	230.8	
Headcount end of period	779	834	786	

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



Order intake on a good level

Order intake (EUR million)



Comments

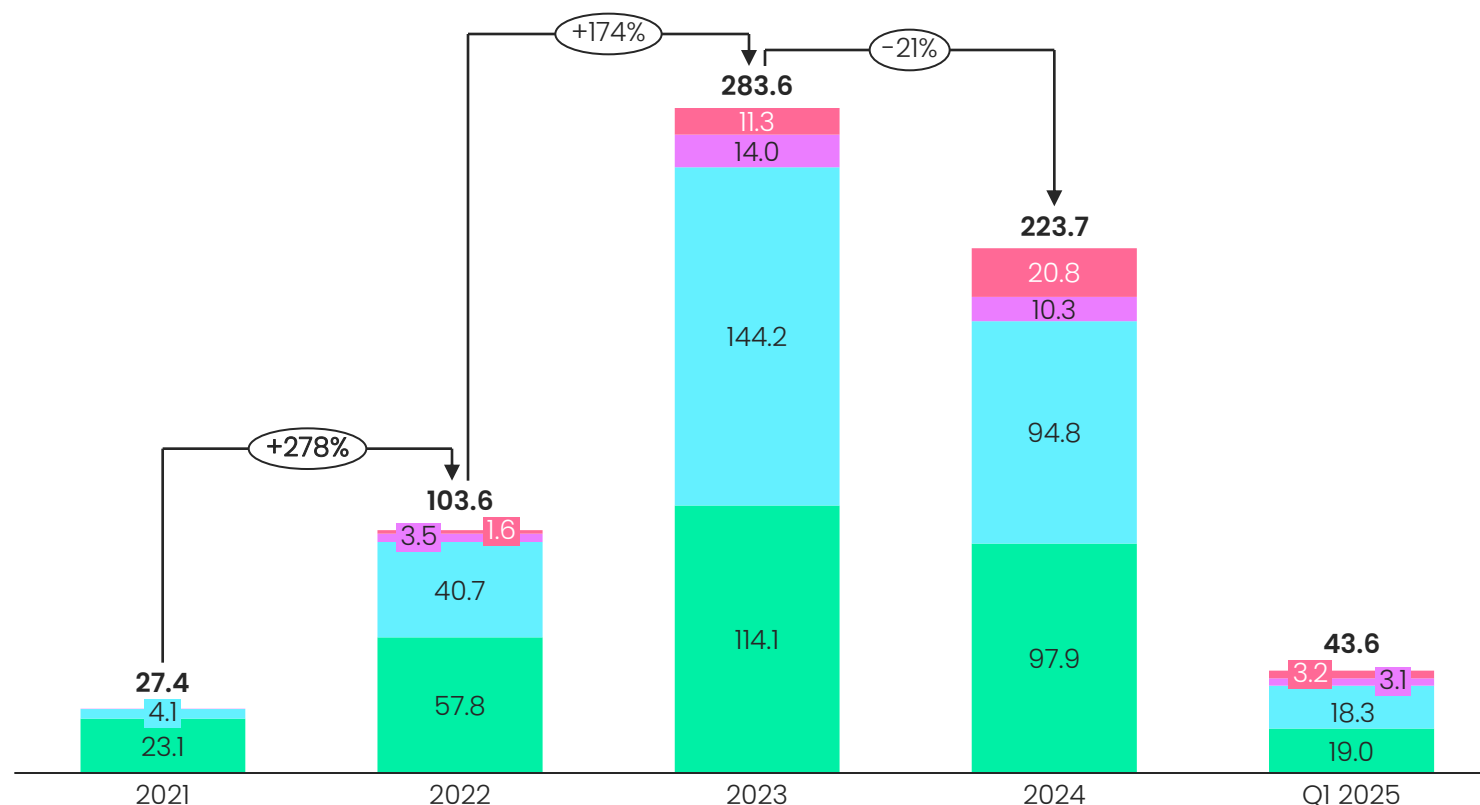
- Order intake **grew +32 percent** during Q1 2025 to **EUR 59.4 million** (EUR 44.9 million) due to strong sales execution.
- **New customer acquisition** during 2024 **contributing** to order intake **positively** even though the customers' high inventory levels still prevail.



Low revenue for the first quarter

Revenue by geographical area (EUR million)

Comments

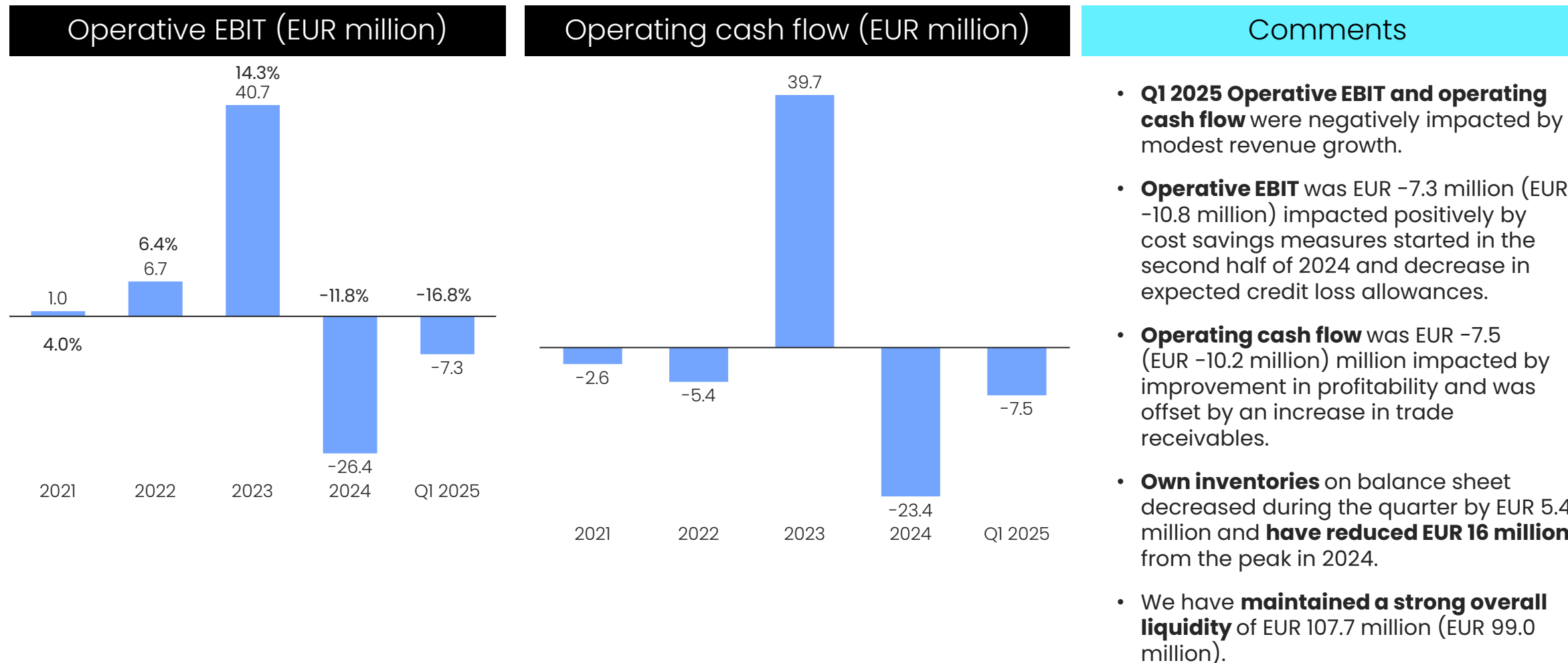


■ Nordics ■ Rest of Europe ■ Rest of World ■ North America

- We started the year with **low order backlog for the first quarter**.
- Revenue for Q1 2025 grew **2 percent** and was **EUR 43.5 million** (EUR 42.6 million) and excluding foreign exchange impact growth was **4 percent**.
- Revenue from the Nordics and the Rest of the World increased during the Q1 2025.
- Q1 2025 is the first quarter since Q4 2023 when we grew our top line.



Profitability and cash flow development





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 (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 with long blonde hair, seen from behind, sitting in a dark blue and red toy car. They are on a concrete sidewalk that leads towards a bright sunset. The sun is low on the horizon, creating a strong golden glow and long shadows. In the background, there is a white picket fence, a black chain-link fence, and some trees. The grass on either side of the sidewalk is green with some fallen leaves.

Q&A