



## Kempower financial statements release 2021: Kempower continued strong growth in Q4 2021

16.2.2022 09:30:00 EET | Kempower Oyj | Interim information

Kempower Oyj, Company Release, 16.2.2022 at 9:30 EET

### Kempower financial statements release 2021: Kempower continued strong growth in Q4 2021

#### October-December 2021 highlights (comparison figures in parenthesis October-December 2020)

- Order backlog increased to EUR 13.7 million (EUR 3.8 million)
- Order intake increased to EUR 11.5 million (EUR 2.2 million)
- Revenue increased by 328% to EUR 8.4 million (EUR 2.0 million)
- Gross Margin was 46% (52%)
- EBIT was EUR -1.0 million (EUR -0.3 million)
- Loss for the period EUR -5.5 million including IPO fees of EUR -5.8 million
- Cash flow from operating activities was EUR 2.9 million (EUR -0.2 million)
- Headcount grew to 136 employees (38) at the end of the period
- Net Debt totalled EUR -90.4 million (EUR 2.9 million) after a successful Nasdaq First North Growth Market IPO and EUR 100.1 million Gross Proceeds
- Trading with the Kempower shares on the Nasdaq First North Growth Market Finland started on 14 December 2021

#### January-December 2021 highlights (comparison figures in parenthesis January-December 2020)

- Order intake increased to EUR 37.4 million (EUR 7.1 million)
- Revenue increased by 741% to EUR 27.4 million (EUR 3.3 million)
- Gross Margin was 46% (54%)
- EBIT was EUR 1.1 million (EUR -2.2 million)
- EBIT margin was 4% (-68%)
- Loss for the period EUR -4.5 million including IPO fees of EUR 6.6 million
- Cash flow from operating activities was EUR -2.2 million (EUR -2.5 million)

Key figures						
	Q4/2021	Q4/2020	H2/2021	H2/2020	2021	2020
Order backlog	13.7	3.8	13.7	3.8	13.7	3.8
Order intake	11.5	2.2	17.3	5.9	37.4	7.1
Revenue	8.4	2.0	18.4	2.5	27.4	3.3
Revenue growth %	328 %	712 %	633 %	726 %	741 %	894 %
Gross Profit	3.9	1.0	8.7	1.3	12.7	1.8
Gross Margin %	46 %	52 %	48 %	53 %	46 %	54 %
EBITDA	-1.0	-0.3	1.2	-0.8	1.2	-2.1
EBITDA margin %	-11 %	-16 %	6 %	-32 %	5 %	-66 %
Operating profit/loss (EBIT)	-1.0	-0.3	1.1	-0.9	1.1	-2.2
EBIT margin %	-12 %	-17 %	6 %	-34 %	4 %	-68 %
Operative EBIT	-1.0	-0.3	1.1	-0.9	1.1	-2.2
Operative EBIT margin %	-12 %	-17 %	6 %	-34 %	4 %	-68 %
Profit/loss for the period	-5.5	2.1	-4.3	1.6	-4.5	0.2

Equity ratio %	92 %	10 %	92 %	10 %	92 %	10 %
Cash Flow from operating activities	2.9	-0.2	2.1	-1.2	-2.2	-2.5
Investments	0.8	0.1	1.0	0.2	1.6	0.5
Net Debt	-90.4	2.9	-90.4	2.9	-90.4	2.9
Items affecting comparability*	5,8	-	6,4	-	6,6	-
Undiluted earnings per share in EUR	-0.13	0.05	-0.11	0.04	-0.12	0.01
Diluted earnings per share in EUR**	-0.13	0.05	-0.11	0.04	-0.12	0.01
Personnel headcount, end of period	136	38	136	38	136	38

\*Items affecting comparability include expenses related to the initial public offer and the First North listing, which have been included in financial expenses in accordance with FAS.

\*\*Options granted to personnel in November 2021 have no dilution effect during 2021 due to the company's loss for the period.

## CEO Tomi Ristimäki comments on the Q4 results:

### Kempower continued strong growth in Q4 2021

In 2021, battery electric vehicle (BEV) registrations in Europe grew to 1.2 million passenger cars, equalling 65% growth compared to 2020. At the same time, we made a breakthrough in the Nordic DC (Direct Current) charging market with our scalable product portfolio.

Our strategy execution progressed well in Q4 2021 with 328% revenue growth year-on-year. In 2021, our revenue growth was 741% reaching EUR 27.4 million driven by strong demand mainly in the Nordics and also in the rest of Europe. We also maintained our gross margin on a healthy 46% level for the full year.

As part of our growth strategy, we have invested in people and recruited nearly 100 new professionals during the year. In addition, we invested in the expansion of our production capacity which increased from 500m<sup>2</sup> to 2800 m<sup>2</sup> in only four months. This is a concrete example of our scalable operating model and professional people for managing the growth. In 2022, our new factory space with additional 10 300m<sup>2</sup> capacity will scale up our production capacity even further. In December 2021, we completed the process of certifying both production facilities with ISO 14001 and ISO 45001 certificates in addition to ISO 9001 certification which was received in 2020.

We have intentionally increased our inventory levels due to the global shortage of semiconductor components and we have experienced unit cost increases in some of the components. The overall business impact of the component shortage has been quite limited and hasn't caused any missed customer deliveries. This is a good example of our dual sourcing strategy's success and good work done by our purchasing department.

In 2021, cloud based back-end software **ChargEye™** became a critical part of our offering in the areas of chargers' lifecycle management, integration platform to customers' systems and as a depot master to bus operators. We also started to deliver totally unique dynamic power sharing solution to our customers which has proven its value by enabling the operator's idle capacity reduction and by shortening the queues at the charging stations. This is especially important for Electric Vehicle (EV) drivers in all fast-growing markets.

In 2021, we were able to strengthen our market position in all main customer groups. In the Charge Point Operators (CPO) and retail chains customer group, our charging systems were widely installed in the Nordics by Recharge Infra. We signed several important frame agreements, for example with Osprey Charging in the United Kingdom, with one of Europe's leading energy companies Vattenfall, and with the biggest retailing cooperative in Finland, S Group.

In the bus and truck operators customer group, we delivered 89 charging points to Malmö in Sweden, which is the largest electric bus depot in the Nordics, and 52 charging points to the bus depot in Jönköping Sweden. In December, Kempower was chosen to deliver electric bus fleet fast charging solutions to Keolis in Gothenburg, Sweden covering approximately 70 fast chargers. Keolis is one of the world's largest operators in public transport.

In the Original Equipment Manufacturers (OEM) customer group, Kempower launched a partnership with Gilbarco Veeder-Root, which is the global leader for technology solutions for retail fueling and convenience market. Kempower has also started a co-operation with Epiroc, a leading productivity and sustainability partner for the mining and infrastructure industries.

At the end of the year, our chargers have been delivered to more than 30 countries and to all inhabited continents of the globe.

Developing emission free business is in our DNA. Our charging solutions could reduce mobility emissions in traffic by 86% and we are committed to 100% carbon neutrality by 2035 and 100% recyclability in our own production by 2025. We are already now reaching a 99% lifetime recyclability rate for our T-series chargers. The preventive maintenance of our charging solutions is executed through the Kempower ChargeEye™ cloud service. In Q4 2021, our eNPS result reached 83 in the personnel satisfaction survey, highlighting the importance of our commitment of being number one workplace for future professionals.

The year 2021 was historical for Kempower, as we became a public company and our share was listed on Nasdaq First North Growth market Finland. The successful listing was an important milestone in Kempower's growth journey, and in the end of 2021 we had almost 27,000 shareholders. Proceeds from the initial public offering will be invested in the execution of Kempower's growth strategy in the rapidly growing DC charging market.

I would like to thank the fantastic Kempower personnel for the outstanding work and dedication in developing and growing Kempower's business. I would also like to warmly welcome all new employees who have joined or will join Kempower in 2022. When looking at 2022, we are in an excellent position to continue expanding our business, developing the company further and making a difference in global EV charging markets by delivering the best electric vehicle (EV) charging experience in the industry.

### **Short term outlook**

Kempower anticipates continued good demand and favorable market development for the products it offers. Kempower expects seasonality to affect its revenue on the first quarter and fourth of the year. Seasonality relates mainly to the slowdown of the installation of chargers in the Nordics caused by the winter season.

Kempower will continue to expand its business in Europe according to set strategic growth targets. During 2021, Kempower established subsidiaries focusing on sales and marketing in Norway, Germany, the Netherlands, the United Kingdom, France and Spain. In 2022, Kempower is in the process of establishing subsidiaries in Sweden and in Italy as well as exploring different alternatives for expansion into the North American markets.

### **Invitation to Kempower's webcast on Financial Statements 2021**

Webcast for shareholders, analysts and media will be take place on Wednesday, February 16, 2022, at 1:00 pm (11:00 am UK time). In the webcast, Kempower's CEO Tomi Ristimäki and CFO Jukka Kainulainen will present the results. The event, including the Q&A session, will be held in English. However, participants can ask questions in English and Finnish via the event chat room. Participants will be able to access the event as unregistered users on the webcast platform at: [www.worksup.com/kempower/](http://www.worksup.com/kempower/)

The presentation material and the webcast recording will be available on the company's website at: <https://investors.kempower.com/>

This release is a summary of Kempower's Financial Statement Release 2021. The complete report is attached to this release and available at: <https://investors.kempower.com/>

#### **Further enquiries:**

Tomi Ristimäki, CEO, Kempower

[tomi.ristimaki@kempower.com](mailto:tomi.ristimaki@kempower.com)

Tel. +358 29 0021900

#### **Kempower, investor relations:**

Jukka Kainulainen, CFO, Kempower

[jukka.kainulainen@kempower.com](mailto:jukka.kainulainen@kempower.com)

Tel. +358 29 0021900

**Kempower, media relations:**

Paula Savonen, Director, Communications, Kempower

[paula.savonen@kempower.com](mailto:paula.savonen@kempower.com)

Tel. +358 29 0021900

**Certified Adviser**

Alexander Corporate Finance Oy

Tel. +358 50 520 4098

**About Kempower:**

Kempower designs and manufactures DC fast charging solutions for electric vehicles and machines. We're a team of electric vehicle enthusiasts with a deep understanding of the charging market and a hands-on mentality. Our product development and production are rooted in Finland, with a majority of our materials and components sourced locally. We focus on all areas of transportation, from personal cars and commercial vehicles to mining equipment, boats, and motorsports. With Kempower Group's 70 years' experience in perfecting DC power supplies, we set the bar high in engineering and user-experience design. Kempower is listed in the Nasdaq First North Growth Market Finland. [www.kempower.com](http://www.kempower.com)

**Attachments**

- [Download announcement as PDF.pdf](#)
- [Kempower Financial statement release 2021.pdf](#)