

Kempower Corporation Financial Statements Release 2024, 1 January-31 December 2024 (unaudited): Strong year-end in a challenging market

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October-December 2024 in brief, IFRS

(comparison figures in parenthesis October-December 2023)

- Order backlog decreased to EUR 95.0 million (EUR 110.6 million)
- Order intake increased to EUR 67.8 million (EUR 66.7 million)
- Revenue decreased by 13% to EUR 71.7 million (EUR 82.8 million)
- Revenue outside the Nordics was 60% (63%) of revenue
- Gross profit margin was 49.6% (53.1%)
- Operative EBIT decreased to EUR 0.8 million (EUR 5.5 million), 1.1% of revenue (6.7%)
- Profit for the period was EUR 0.5 million (EUR 5.3 million)
- Cash flow from operating activities was EUR 12.4 million (EUR 0.7 million)
- Amount of personnel at the end of the period was 786 (737)
- Amount of energy charged through Kempower chargers was 129,000 MWh (70,000)

January-December 2024 in brief, IFRS

(comparison figures in parenthesis January-December 2023)

- Order intake decreased to EUR 218.3 million (EUR 275.3 million)
- Revenue decreased by 21% to EUR 223.7 million (EUR 283.6 million)
- Gross profit margin was 48.7% (52.1%)
- Operative EBIT decreased to EUR -26.4 million (EUR 40.7 million), -11.8% of revenue (14.3%)
- Loss for the period was EUR 23.2 million (EUR 33.7 million profit)
- Cash flow from operating activities was EUR -23.4 million (EUR 39.7 million)

KEY FIGURES

MEUR	Q4/2024	Q4/2023	2024	2023
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%
Operating profit/loss (EBIT)	0.7	5.5	-28.8	40.6
EBIT margin, %	1.0%	6.7%	-12.9%	14.3%
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
Equity ratio, %	49.3%	58.3%	49.3%	58.3%
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
Net cash	53.1	99.8	53.1	99.8
Items affecting comparability	0.1		2.4	0.1
Earnings per share, basic, EUR	0.01	0.10	-0.42	0.61
Earnings per share, diluted, EUR	0.01	0.10	-0.42	0.61
Headcount end of period	786	737	786	737

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 to improve significantly from year 2024. Q1 of 2025 operative EBIT will be negative (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 Q4/2024 RESULTS: Strong year-end in a challenging market

The year 2024 ended on a strong note. With the highest order intake of the year 2024 and second highest in company history, EUR 67.8 million, and revenue of EUR 71.7 million, we successfully reached positive operative EBIT and generated positive cash flow. Our operative EBIT was EUR 0.8 million for the quarter. This was a result of hard work by all Kempowerians and demonstrated our ability to react and adapt to quickly changing market situations. Our positive result has been supported by organizational improvements and a decreased cost base. We have also implemented key management changes to strengthen the leadership to drive the company forward. Our renewed leadership is strongly focused on growth, enhancing operational efficiency, fostering innovation, and maintaining a customer-centric approach. These organizational changes position us well to achieve growth.

In 2025, we expect to experience a stark contrast in the DC charging market between the first and second halves of the year. In the first half we will continue to face challenges with weak market conditions and industry-wide excess inventories affecting the demand. We expect inventories to decline approximately at the same rate as in the fourth quarter of 2024. During the year 2024 Kempower chargers' installations grew globally by around 30% which shows continued growth of our installed base. After an extremely challenging year for all DC charging manufacturers, we finally expect the market to start recovering in the second half of 2025. A third-party market study conducted in the beginning of 2025 aligns with our projections and shows that market growth will be driven by increasing demand in the second half of the year.

During the year 2024 we increased our focus on the commercial vehicle segment, and we already see the segment generating a significant share of revenue. Despite the challenging year in DC charging, the commercial vehicle segment grew significantly both in revenue and in orders. This is a very positive development, as we see the commercial fleets becoming the largest DC charging segment by the year 2030. In the private vehicle segment, we have increased the focus on retail customers, where excess inventory does not exist to the same extent. Customer acquisition showed strong growth in the fourth quarter, with 22 new customers added, bringing the total for the year to 66. Success in the new customer acquisition lays the foundation for future growth. New customers include a global logistics leader DP World and leading global car manufacturer Renault's new brand Mobilize, who will bring fast EV charging to locations across France.

In the fourth quarter of 2024 our North American operations generated EUR 7.4 million in revenue and recorded the highest order intake to date, accounting for 15 percent of our total order intake. We increased our market share in North America by achieving an 84 percent year-over-year revenue growth driven by the increasing demand for our charging solutions. I am also pleased with the appointment of Monil Malhotra as the new head of North America. Monil will continue to implement our growth strategy on the continent. At the moment there is uncertainty regarding the federal level EV subsidies in the US. We expect the industry will continue to build on the success of EV adoption in 2024 and that the market potential for EVs will remain strong across the US and Canada. We are actively monitoring the situation and remain confident in our strategic approach.

The truck charging program, including the development of Megawatt Charging System progressed as planned in 2024, with the successful start of pilot deliveries of the Kempower Mega Satellite from our Lahti production facilities in December. This milestone marks a significant step forward in our mission to provide reliable and cutting-edge high-power charging solutions.

2024 was a challenging year for the entire industry, driven by excess inventory and reduced investment by our customers. Despite the market challenges, we have achieved success in many regions like the United Kingdom, Ireland, North America, France, Germany and the Netherlands, while also making significant progress with our technology roadmap as promised. As we enter the year 2025, we are in good shape and position to navigate the challenges and capitalize on emerging opportunities with existing and new customers in this globally growing market.

This release is a summary of Kempower Corporation Financial Statements, 1 January–31 December 2024. The complete report is attached to this release and available at <https://investors.kempower.com>.

Webcast

Webcast for shareholders, analysts and media will take place on Wednesday, February 12, 2025, starting at 2.00 p.m. EET. In the webcast, Kempower's President and CEO **Tomi Ristimäki**, CFO **Jukka Kainulainen**, and CMO **Jussi Vanhanen** will present the results and discuss current company topics. 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 registered users on the webcast platform <https://kempower.events.inderes.com/q4-2024>.

Presentation material and webcast recording will be available later on the company's website at <https://investors.kempower.com/reports-materials/>

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About Kempower:

We design and manufacture reliable and user-friendly DC fast-charging solutions for electric vehicles. Our vision is to create the world's most desired EV charging solutions for everyone, everywhere. Our product development and production are based in Finland and in the U.S., with the majority of our materials and components sourced locally. We focus on all areas of e-mobility, from electric cars, trucks, and buses to machines and marine. Our modular and scalable charging system and world-class software are designed by EV drivers for EV drivers, enabling the best user experience for our customers around the world. Kempower is listed on the Nasdaq Helsinki Stock Exchange in Finland. www.kempower.com

Attachments

- [Download announcement as PDF.pdf](#)
- [Kempower Q4 2024 Interim Report EN.pdf](#)