

ZAPTEC

Q3 2020

Anders Thingbø – CEO
Kurt Østrem – CFO



Highlights Q3 2020

- Revenue growth continues despite negative effects from Covid19
- Gross margin temporary lower
- Operating cost as a share of revenues has been reduced
- EBITDA on par with Q3-2019
- Strong cash generation
- New sales of electric vehicles in Europe recovering
- Technology development with Apollo product launch in Q1-21 on schedule

Key revenue figures development

Q3 2020

<i>MNOK</i>	<i>Q3 - 2020</i>	<i>Q3 - 2019</i>	<i>Change</i>
Total	48,6	38,7	25,6 %
Norway	34,6	34,8	-1 %
International	14	3,9	259 %

Sept.

<i>MNOK</i>	<i>sep. 20</i>	<i>sep. 19</i>	<i>Change</i>
Total	24,2	16,6	45,8 %
Norway	19	15	26,7 %
International	5,2	1,6	225,0 %

Per sept.

<i>MNOK</i>	<i>Per sept. 2020</i>	<i>Per sept 2019</i>	<i>Change</i>
Total	140,7	110,1	27,8 %
Norway	105,3	99,7	5,6 %
International	35,4	10,4	240,4 %

Market share stable in Norway

Largest export markets are Switzerland, Sweden, Denmark and Iceland

September the strongest contributor to revenues in Q3 2020

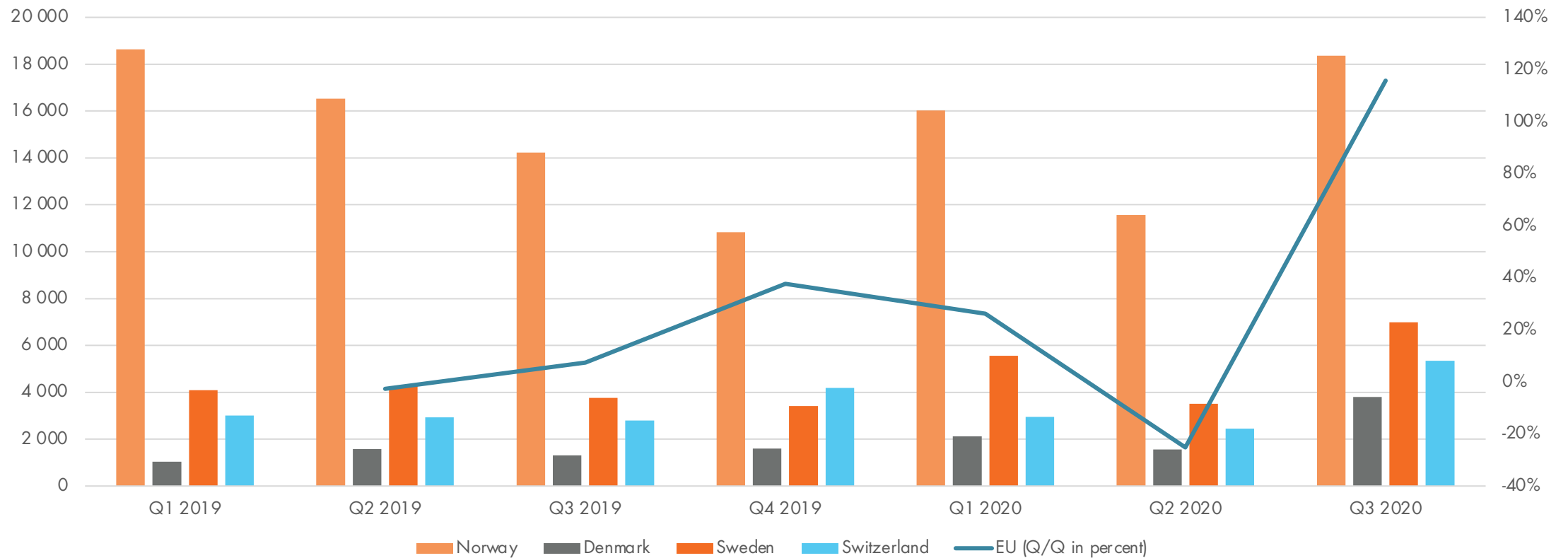
Key profitability figures development

	Q3 - 2020	Q3 - 2019	Change	Per sept. 2020	Per sept 2019	Change
Gross margin	34%	44%	-10%	37%	45%	-8%
Operating cost	12	11	1	35	31	4
EBITDA	5,5	5,6	-0,1	18,7	18,4	0,3
Product mix						
Pro	85%	95%		86%	95%	
Home	15%	5%		14%	5%	

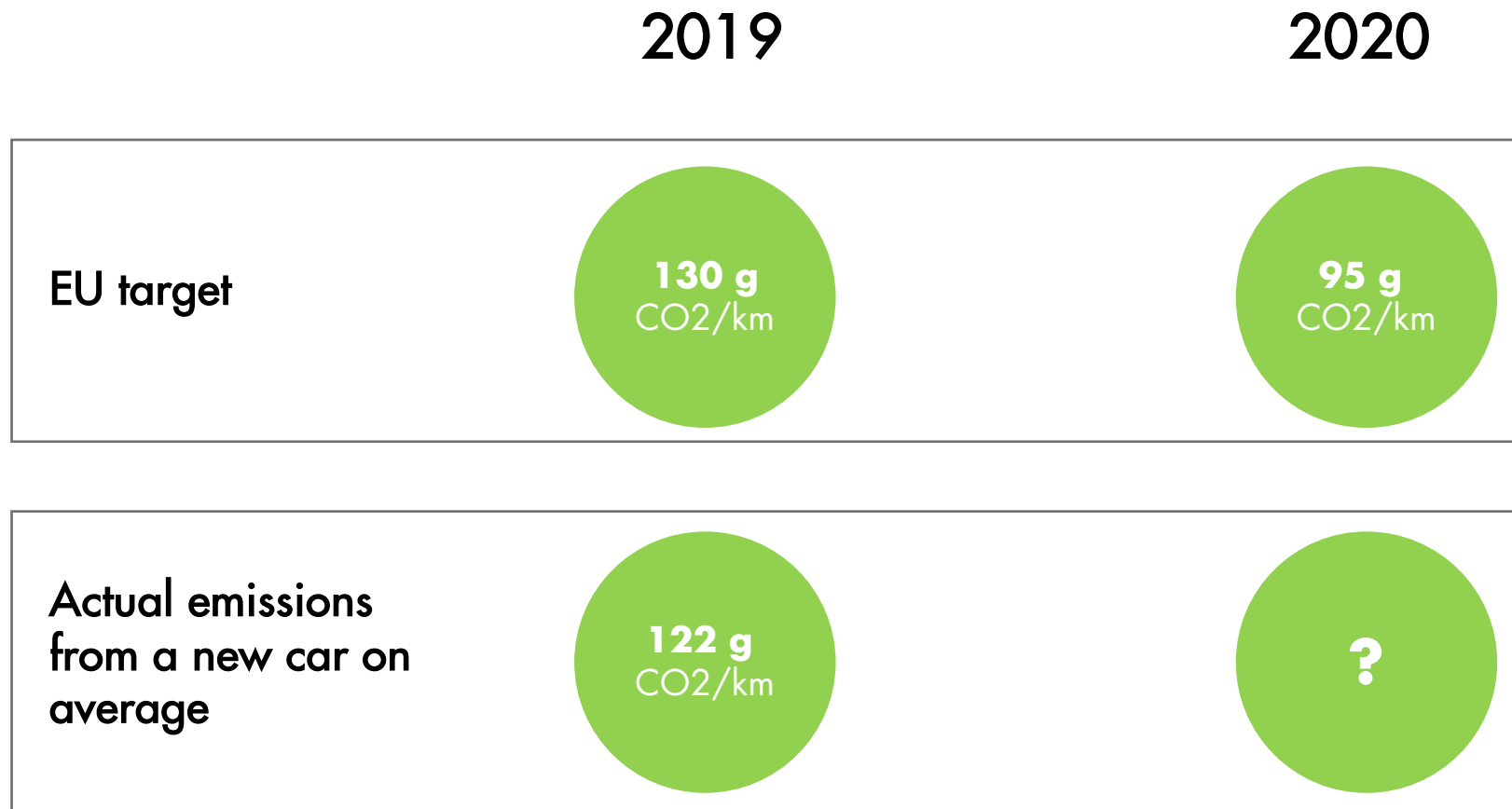
- Gross margin has a temporary reduction in 2020 due to higher demand than expected of ZAPTEC Home which for 2020 has a relatively low gross margin.
- ZAPTEC Home will be replaced by Apollo, a new offering for Single Family Homes, with lower production cost in Q1 2021
- ZAPTEC Pro largest contributor to profitability

EV markets took a U-turn from Q2 to Q3

New Car Sales, Battery Electric Vehicle (BEV) and Plug-in Hybrid Electric Vehicle (PHEV)



ZAPTEC offers world leading technology to assist Europe in reaching its CO₂ emission targets for cars



EU: Specific emission targets for car manufacturers with penalty payments for excess emissions and super credits for producing EVs

Forward looking statements

- Our guiding for revenue growth is 25-30% in 2020
- Our guiding for annual revenue growth is 35-50% for the next 3 years
- Our guiding for EBITDA margin is 20% in 2023