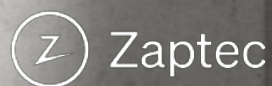


Q1 2021 Update



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Highlights Q1

- Organic revenue growth of 63% versus first quarter 2020
 - Significant increase in export share
 - Strong cash balance and total liquidity available of 241 MNOK
 - Gross margin of 33% is below our ambition, and as previously announced, due to sales of a discontinued low margin product
 - Other operating expenses in share of revenue are reduced 3%
 - Adjusted EBITDA of MNOK 5.5¹
-
- New sales of electric vehicles in Europe continue to be strong
 - Zaptec Go for single-family homes launched
 - Secured production volumes for 2021 and 2022 based of recently announced agreement with Westcontrol
 - New subsidiaries established in Germany and UK
 - Increased organic revenue growth guiding, revenues to grow more than 70% in 2021

Key numbers

MNOK/%	Q1-21	Q1-20
Revenues	73.1	44.8
Export Share	38 %	19%
Gross margin	33.3%	39.1%
Operating expenses	18.8	13.1
EBITDA adj.	5.5 ¹	4.4
EBITDA Margin (%)	7.6%	9.9%
Available liquidity	241.6	7.3

1. Adjusted for salary benefit and social cost on share option program of MNOK 9.7 and other one-off expenses of MNOK 1 in Q1-2021.

Financial Summary

Revenues

First quarter revenue of 73.1 MNOK, which is an increase of 63.3% compared to the first quarter 2020.

The export share was 38%, which is a considerable increase compared to 19% in the same period last year.

The sale was divided between Zaptec Pro and single home market by 82% and 18%, respectively.

Gross margin

Gross margin in the quarter was 33.3%, down 6 percentage points from the first quarter of 2020.

The decrease in margin is as expected due lower margin product mix, including the sale of the outgoing product Zaptec Home in addition to introduction cost related to 4G subscriptions. In the second quarter, Zaptec Home will be replaced by Zaptec Go with a significantly higher margin.

Adjusted EBITDA¹

Adjusted EBITDA in the quarter of 5.5 MNOK, or 7.6% of revenue, compared to 4.4 MNOK in the first quarter 2020 (9.9%).

EBITDA in the first quarter was affected by the product launch of Zaptec Go which first started sales by the end of March, as well as personnel cost for new employees hired to ensure sufficient resources and competency to support the global expansion.

Liquidity Reserve

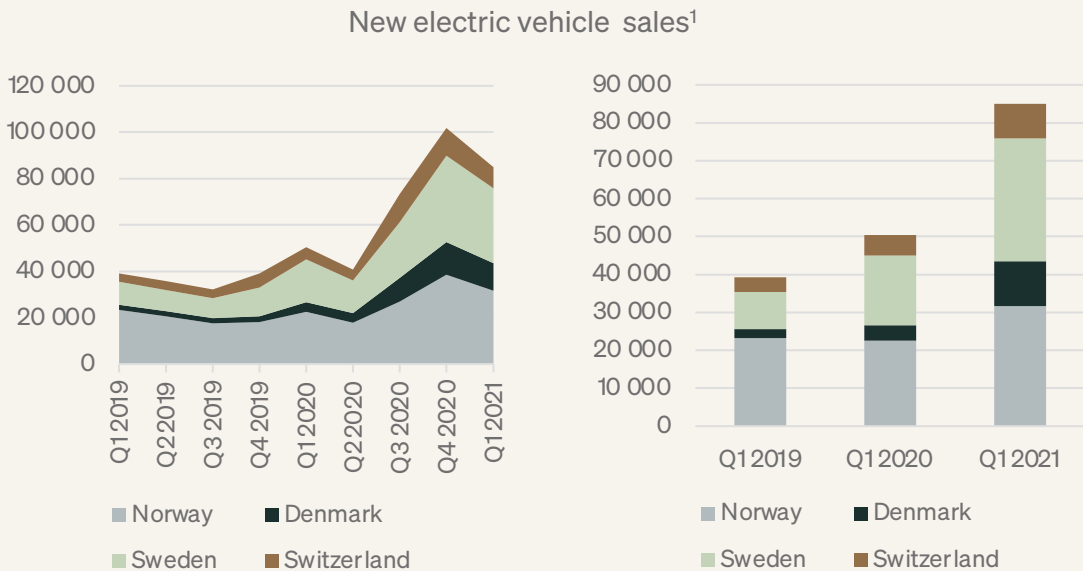
Net cash spending of 4.2 MNOK in the first quarter. Strong cash balance with total cash, available overdraft facility, and other funds per end of March 2021 was MNOK 242M.

1. Adjusted for salary benefit and social cost on share option program of MNOK 9.7 and other one-off expenses of MNOK 1 in Q1-2021.

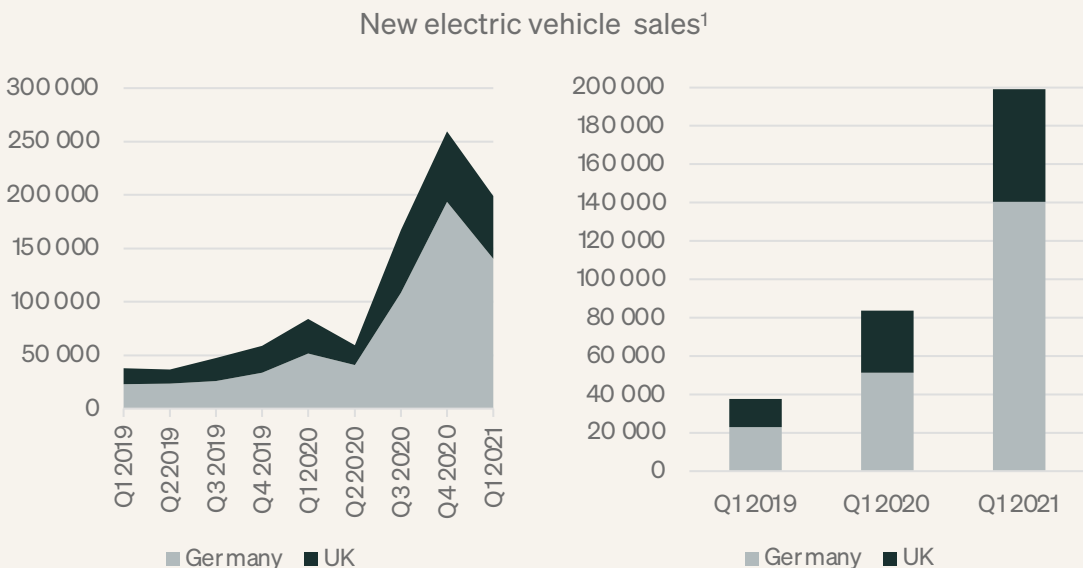
Operational Summary

Electric vehicle markets

The electric vehicle (EV) markets were strong in Q121 in Norway, Denmark, Sweden, and Switzerland, with 85,000 EVs sold. Sales volumes are highest in Norway and Sweden, while Denmark and Switzerland show high percentage growth in Q121 compared to previous years.



The electric vehicle markets in UK and Germany were strong in Q121, with 200,000 EVs sold. The German market is positively impacted by the large number of new electric car models launched by domestic car manufacturers. Volkswagen and Audi are at the forefront and create demand in the domestic market with family-friendly SUV models like ID.4 and high-performance sports models like Audi e-tron Sportback.



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

Zaptec expects the electric vehicle markets to be strong going forward due to falling lithium-ion battery pack prices, the rising energy density per battery and as the policymakers are pushing the auto market towards lower emissions.

According to Bloomberg New Energy Finance (BNEF), 500 EV models will be available globally by 2022 as automakers accelerate their EV launch plans. BNEF expects the passenger EV sales volumes to jump from 1.7 million in 2020 (2,7%) to 8.5 million (10%) in 2025 globally. China represents 54% of the EV sales volumes, and Europe and the USA will be growing at a faster pace onwards, according to BNEF.



Audi e-tron Sportsback

Internationalization

The export share rose from 19% in Q120 to 38% in Q121. Our largest export markets are Switzerland, Sweden, Denmark, and Iceland.

We have appointed Country Managers in Germany and UK to manage sales directly to installers, energy companies, and value-added resellers. Sales in these countries are expected to start in Q421.

Zaptec Pro currently dominates the export sales.

Zaptec's business in Sweden generates good results. The company is experiencing positive growth as more customers choose Zaptec's charging solutions. One of these customers is Stockholm Kooperativa Bostadsförening (SKB). SKB is the largest private tenant player in Stockholm and has decided to invest in Zaptec's charging solutions for rechargeable cars. SKB owns and manages over 8,000 apartments in the Stockholm region. In addition, they build 200 new flats every year with up to 140 associated parking spaces. By installing Zaptec's backplates, many parking spaces are prepared for EV charging. As residents demand more charging points, new charging stations can easily be installed without additional work or investments in the power station.



SKB uses Zaptec charging solution for electric cars to their tenants

840 new Zaptec Pro systems

During Q121, we had 840 new Zaptec Pro installations. This is a large increase from Q120, where we installed 540 Zaptec Pro installations. A typical Zaptec Pro installation is a multi-family home with 10-200 in- or outdoor parking bays where all parking bays are equipped with Zaptec infrastructure. In most of the installations, 10% of the parking bays are equipped with a charging station. The rest of the parking bays represent at future income for Zaptec as our technology is scalable and utilizes all of the installed electricity capacity in the building.



Zaptec Pro charging system

Subscription for Charge365 payment services

New automatic payment contracts increased with 117 new contracts. Charge365 has in total 842 contracts, which represent 18% of all Zaptec Pro installations. The number of active users is 16,478.



Zaptec Pro charging system integrated with Charge365 payment services.

Zaptec Go – our new offering for single-family homes

We launched Zaptec Go in March, and deliveries started in April. Zaptec Go is the smallest, fastest, and most cost-efficient 22 KW charger in the world. Go+ is a service where charging takes place when the electricity prices are low. The distribution of Zaptec Go will initially be our installer network and a new direct online selling platform.

We have entered into an agreement with an innovative international energy company to bundle Zaptec Go with their offering to the market. The market launch will be in early June. We expect one or two additional distribution agreements for Zaptec Go in 2021.



The new Zaptec Go charging station for single-family homes

Production



Our production partner Westcontrol will invest MNOK 100 in new production facilities

In Q121, Zaptec secured a new four-year agreement with Westcontrol AS, our production partner located at Tau, Rogaland. The production capacity at Westcontrol is sufficient to cover our production volumes for 2021 and 2022. Following the new agreement, Westcontrol will invest MNOK 100 in new production facilities, including robotization, new production lines, stock facilities, and fire security enhancements.

Sourcing electronic components to produce and assemble Zaptec chargers has been a challenging task for several months. However, Zaptec has not been out of stock due to difficulties in sourcing components. Our handling of this risk includes buying large volumes and sometimes at higher prices to ensure supply security.

We are competing with the global electronic industry and the electric vehicle industry to procure chipsets, CPUs, Microcontrollers, and PLCs. We believe that the shortage is temporary mainly due to Covid19 effects, but the shortages will continue, at least for the rest of 2021.

As a consequence of a broader range of charging products, the challenge with sourcing volumes of components, and increased sales volumes in continental Europe in 2022 and onwards, we will look for additional competitive production capabilities in the EU.

Technology development

Development of Zaptec Go finalized with a production ramp-up in Q221. At the moment, the production per day is 200 Zaptec Go charging stations and increasing.

Challenging component situation: product updates done to allow for flexible sourcing and securing deliveries for 21 and onwards (Pro and Go). An improved technical design was concluded for Zaptec Pro with a cost reduction to be implemented during Q221.

We have signed a Cloud Management agreement with Basefarm that will free up development resources, provide more scalability and stability for our Microsoft Azure cloud platform.

Ongoing work to conclude and plan new products and services for 2022, during Q221.



Production ram-up of Zaptec Go at Westcontrol

Organization

In Q1, Zaptec has hired Country Managers and established subsidiaries in the UK and Germany and initiated recruitment of Country Manager in France and Denmark.

The company has also recruited and developed further expertise in Norway to ensure sufficient resources and competency to support the global expansion. A total of 9 new employees joined Q1 in Finance, Charge365, Marketing, Sales, and Technical, both hardware and software.

Furthermore, Zaptec has recruited another seven employees who will join the company in Q2. At the end of Q1, there were 37 employees in Zaptec, of which 31 in Stavanger, 3 in Oslo, and 3 in Stockholm.

In April, the head office in Stavanger relocated into new and larger premises that are up-to-date and have sufficient capacity going forward. The company's new head office is still located in the Innovation Park in Stavanger.

Strategic growth initiatives

No strategic growth initiatives have taken place during Q121.

On 4 May, Zaptec signed a Letter of Intent to acquire NovaVolt AG, our exclusive reseller in Switzerland.

The rationale behind a possible acquisition is to create economic shareholder value by integrating downstream vertically in the value chain. If a final transaction is concluded, NovaVolt AG will be instrumental for significant Central and South Europe revenue.

A customary Due Diligence will take place in Q221, and we expect the transaction to be completed. NovaVolt is a competent and profitable growing company in Switzerland with a dominant market position for large-scale EV charging systems from Zaptec.

Outlook

The electric vehicle market is growing strongly in all our key markets. Zaptec expects this growth to continue due to ESG and policy makers' push for lower emissions, falling battery pack prices and improved batteries allowing longer distance travel and shorter charging times.

In addition, Zaptec is strengthening the organisation and its partnership with Westcontrol to ensure sufficient production capacity and capacity to continue the international growth. Risks related to sourcing of components have been managed well to date.

Our outlook for 2021 is above 70% sales growth with a gross margin +/- 40%

Financial Statements

INCOME STATEMENT (All figures in NOK 1000)

	Q1 2021	Q1 2020	2020
Operating revenues and operating costs			
Revenues	73 081	44 758	219 755
Total revenues	73 081	44 758	219 755
Raw materials and consumables used	48 763	27 258	137 106
Payroll expenses	19 384	8 139	43 977
Depreciation and amortisation expense	1 262	1 208	4 833
Other operating expense	10 121	4 938	21 797
Operating expenses	79 530	41 544	207 713
Operating profit	-6 449	3 214	12 041
Financial income and expenses			
Other interest income	0	4	181
Other financial income	8	33	4 545
Increase in market value of financial current assets	980	0	0
Decrease in market value of financial current assets	0	0	3 135
Other interest expenses	161	231	958
Other financial expenses	95	37	302
Net financial income and expenses	733	-231	332
Profit before tax	-5 715	2 983	12 373
Income tax	670	0	5361
Profit after tax	-6 385	2 983	17 734
Net profit	-6 385	2 983	17 734
Minority share	-46	0	142
Majority share	-6 339	2 983	17 592
Brought forward			
Settling loss brought forward	0	2 983	17 952
From other equity	6 339	0	0
Total allocated	-6 339	2 983	17 592

BALANCE SHEET - ASSETS (All figures in NOK 1000)

	31.03.2021	31.03.2020	31.12.2020
Fixed assets			
Intangible fixed assets			
Research and development	39 640	25 688	35 298
Concessions, patents, licences, trademark	11 510	12 256	11 216
Deferred tax asset	15 019	10 328	15 689
Total intangible assets	66 170	48 272	62 203
Tangible fixed assets			
Equipment and other movables	2 624	1 656	2 246
Total tangible fixed assets	2 624	1 656	2 246
Financial fixed assets			
Other receivables	46	7 503	82
Total financial fixed assets	46	7 503	82
Total fixed assets	68 840	57 432	64 532
Current assets			
Inventories	18 907	20 937	12 952
Debtors			
Accounts receivables	32 094	13 861	30 780
Other receivables	13 847	2 953	8 854
Total debtors	45 941	16 814	39 634
Investments			
Other quoted financial instruments	221 992	0	221 012
Total investments	221 992	0	221 012
Cash and bank deposits	19 559	7 251	23 734
Total current assets	306 398	45 001	297 332
Total assets	375 238	102 433	361 864

BALANCE SHEET – EQUITY & LIABILITIES (All figures in NOK 1000)

	31.03.2021	31.03.2020	31.12.2020
Equity			
Share capital	471	334	469
Own shares	0	-6	0
Share premium reserve	327 366	97 085	323 993
Other paid-in equity	14 843	0	6 287
Total restricted equity	342 680	97 412	330 749
Retained earnings			
Other equity	0	0	38
Loss brought forward	-29 073	-36 969	-22 718
Total retained earnings	-29 073	-36 969	-22 679
Minority interests	39	0	87
Total equity	313 645	60 443	308 156
Liabilities			
Other provisions	2 093	0	886
Total provisions	2 093	0	886
Other long-term liabilities			
Liabilities to financial institutions	6 708	10 542	7 667
Total of other long term liabilities	6 708	10 542	7 667
Current liabilities			
Liabilities to financial institutions	1 127	3 346	0
Account payables	42 101	21 724	32 639
Public duties payable	1 306	1 626	7 329
Other short term liabilities	8 256	4 752	5 187
Total short term liabilities	52 791	31 448	45 154
Total liabilities	61 592	41 990	53 708
Total equity and liabilities	375 238	102 433	361 864

STATEMENT OF CASH FLOWS (All figures in NOK 1000)

	31.03.2021	31.03.2020	31.12.2020
Cash flow from operating activities			
Profit before tax	-5 715	2 983	12 373
Taxes paid	0	0	0
Gain/Loss fixed assets	0	0	0
Depreciation of property, plant and equipment	1 262	1 208	4 833
Impairment of property, plant and equipment	0	0	0
Gain/Loss sale of shares	0	0	0
Impairment of shares	0	0	0
Movement shares/funds	-980	0	3 135
Earnings from funds	0	0	-4 146
Change in inventories	-5 955	-4 130	3 854
Change in accounts receivables	-1 314	-6 359	-23 278
Change in accounts payables	9 462	2 752	13 667
Other items related to operating activities	1 760	-4 753	4 181
Net cash flow used in operating activities	-1 479	-8 299	14 618
Cash flow from investing activities			
Purchase of property, plant and equipment	-6 276	-2 509	-16 841
Net invested in stocks and shares	0	0	-220 000
Movement in other interest-bearing items	36	-3 500	3 921
Net cash flow from investing activities	-6 240	-6 009	-232 920
Cash flow from financing activities			
New finance debt	0	0	0
Repayment of finance debt	-958	-958	-3 833
Issue of share capital	3 375	4 750	229 136
Purchase of own shares	0	-600	-600
Sale of own shares	0	0	2 312
Net change in overdraft facility	1 127	3 346	0
Net cash flow from financing activities	3 543	6 538	227 014
Net change in bank deposits, cash and equivalents	-4 175	-7 771	8 713
Cash and equivalents at beginning of period	23 734	15 021	15 021
Cash and equivalents and end of period	19 559	7 251	23 734

Disclaimer – forward looking statements

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to our future business and/or results. These statements include certain projections and business trends that are “forward-looking.” All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words “estimate,” pro forma numbers, “plan,” project,” “forecast,” “intend,” “expect,” “predict,” “anticipate,” “believe,” “think,” “view,” “seek,” “target,” “goal”, “outlook” or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results/pro forma results as a result of certain risks and uncertainties. Further information about these risks and uncertainties are set forth in our most recent annual report for the Year ending December 31, 2020. These forward-looking statements are made only as of the date of this press release. We do not undertake any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements in this report are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from Fourth parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections



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