



Zaptec

Powers

Adventure



Q1 2023 Financial Results

10 May 2023



Financial highlights | Q1 2023

Order intake

587

+204% vs. Q1 2022

Order backlog

489

+702% vs Q1 2022

Revenue

271

+105% vs. Q1 2022

Gross margin

41%

vs. 46% for Q1 2022

EBITDA margin

2%

vs. 0% for Q1 2022

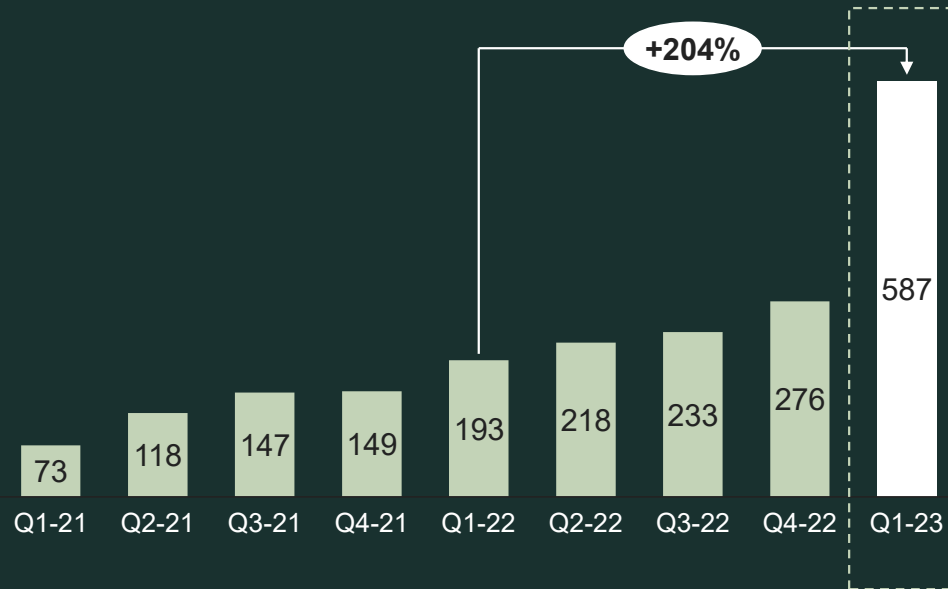
Share capital increase

300

raised in gross proceeds

Record breaking order intake

Quarterly order intake, MNOK



- Record-breaking order intake, up 204% compared to Q1 2022 and up 113% compared to Q4 2022
- Significant portion of order intake in Q1'23 will be delivered later in 2023
- Zaptec Pro MID-type approval arriving late in Q1 expected to boost order intake further in coming quarters

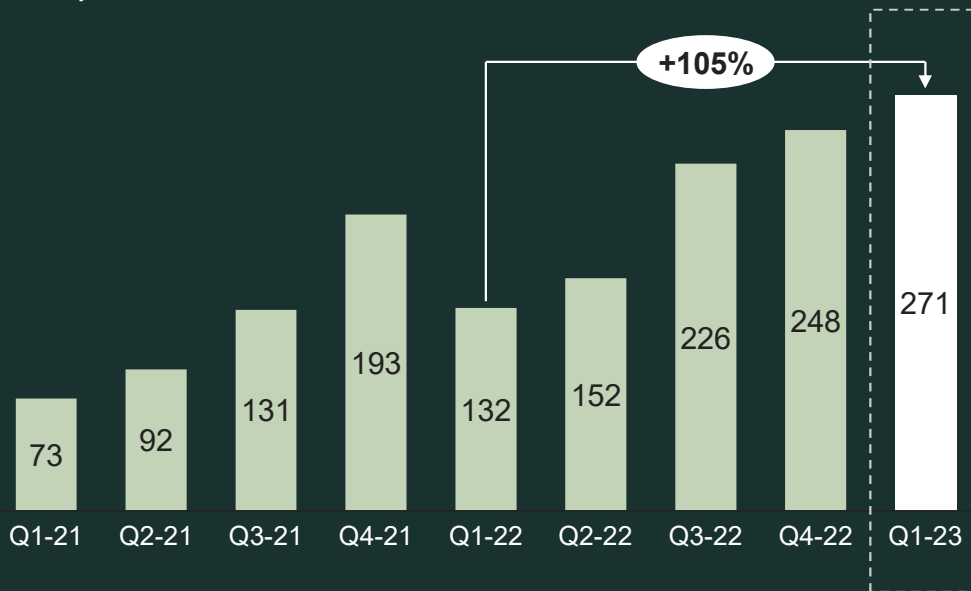
Significant production ramp-up

- **Zaptec Pro and Zaptec Go** production increased significantly Q1'23 in line with our plans
- Zaptec Pro **production ramp-up** at Sanmina in Q1'23 following production start in Q4'22
- Zaptec Go production being prepared for 2H'23 start-up at Sanmina to **further ramp up** Zaptec Go volumes
- Ongoing evaluations for further acceleration of Zaptec Go production **due to high demand**



105% revenue growth in the first quarter

Quarterly revenue, MNOK



- Revenue increased 105% in Q1 2023 compared to Q1 2022
- This is all time high quarterly revenue, despite that first quarter historically has been a slow quarter in terms of revenue

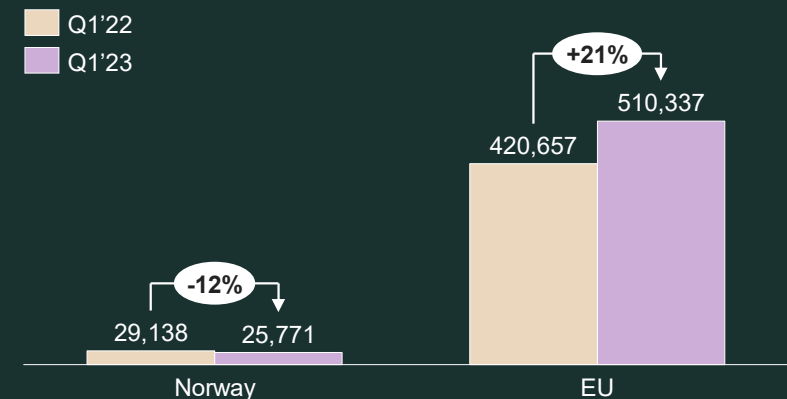
Market development

Mixed electric vehicle sales figures

- Plug-in vehicle sales in Zaptec's largest market, Norway, **declined 12%** compared to Q1 2022, following introduction of VAT for electric vehicles for purchase price above 500.000 NOK from 1st Jan 2023
- Despite challenging macro environment, plug-in vehicle sales in Europe **increased 21%** in Q1'23 vs Q1'22
- EV adoption still on the rise in EU as plug-in vehicles market share of new vehicle registrations **increased to 19,2%** in Q1'23 from 18,7% in Q1'22

Plug-in vehicles sales in Q1 2023 vs Q1 2022

Battery electric vehicles (BEV) & Plug-in hybrid electric vehicles (PHEV)



Market development

Electrification megatrend intact on the back of strong key drivers

- Governments incentivise electric vehicles
- Customers demand environmentally friendly solutions
- Automakers transition to electric
- Increased availability of models
- Reduced battery cost and improved range
- Reduced total cost of ownership
- Increased availability of charging infrastructure

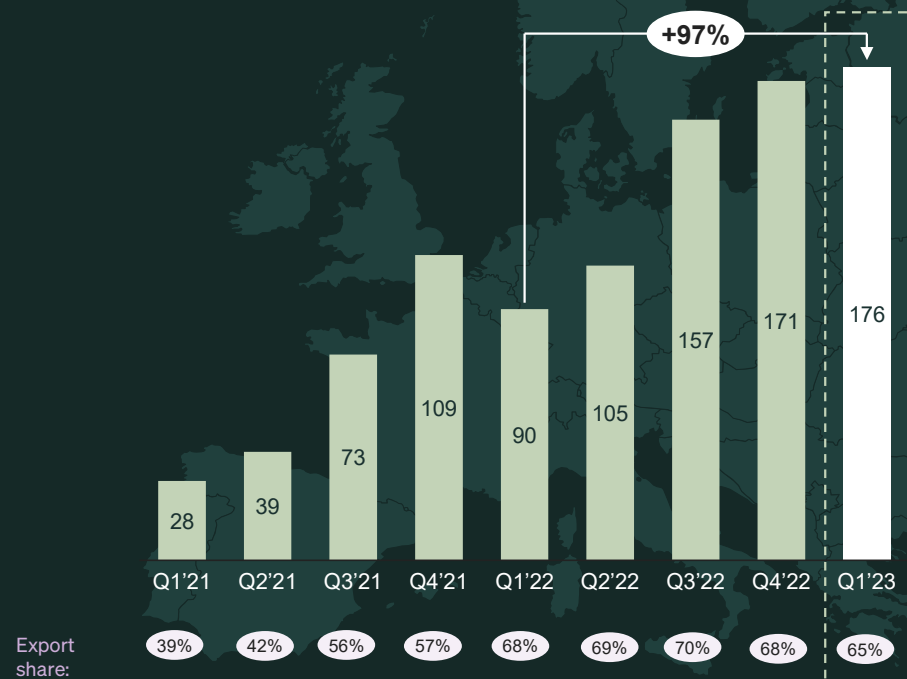


Ford F-150 Lightning

Export share decreased in Q1, but is expected to increase in the future

- **Strong sales in Norway** led to reduced export share of 65% in Q1
- **97% sales growth outside Norway** compared to Q1 2022
- Expecting **increased export share** going forward, driven by increased sales in export markets, related to e.g. MID-type approval of Zaptec Pro
- Market entry in **Spain and Italy** planned later in 2023 is also expected to increase export share

Sales outside Norway, NOK million



Other Q1 Highlights

Increased demand after Swedish Electrical Safety Authority review of charging stations

- In 2022, the Swedish Electrical Safety Authority (SESA) **reviewed several charging stations** available in the market **including Zaptec Go**
- The purpose of the review is to help customers select **safe charging stations** with transparent installation principles
- In Q1'23, SESA publicly announced **Zaptec Go had passed** the review
- **No remarks** for Zaptec Go on technical deficiencies of electrical safety; sales in the market continues as normal
- Zaptec experienced **strong demand increase** for Zaptec Go following the announcement of the SESA test results

Other Q1 Highlights

MID-type approval for Zaptec Pro

- On 30th March 2023, the Zaptec Pro **MID-type approval** was completed
- This approval shows that Zaptec Pro complies to the energy measurement accuracy and documentation **requirements in major European markets**
- MID certified version of Zaptec Pro is expected to **unlock market segments** in key markets in Germany and other EU markets
- Volume production is expected to **commence in end of Q2**, enabling increased Zaptec Pro sales later in 2023



Other Q1 Highlights

Zaptec granted a patent for phase balancing charging technology

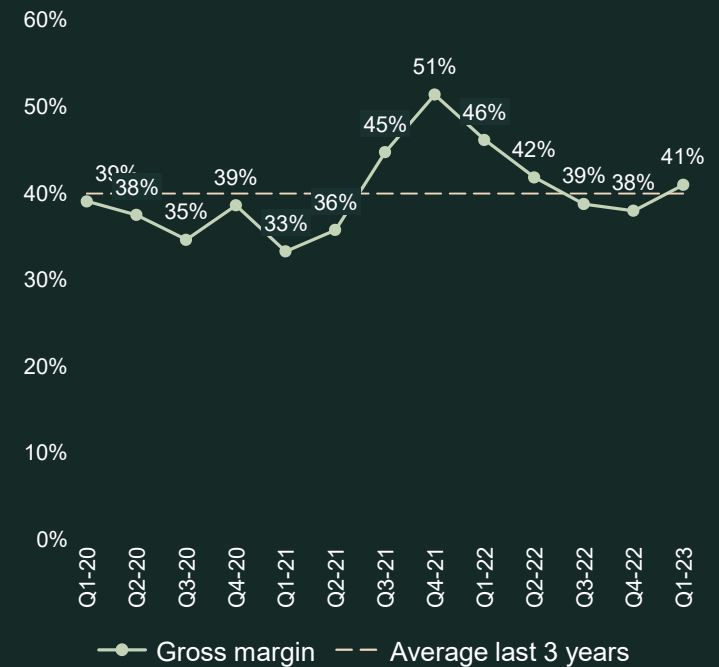
- In March 2023, Zaptec was granted its patent application for phase balancing and has protected its charging technology by this
- **The patent makes the Norwegian technology for smart power utilization unique**
- The technology now under patent protection enables more cost-effective infrastructure installation at large facilities that charge multiple electric vehicles simultaneously, with better use of power and faster charging speeds
- Patented phase balancing technology a **key competitive advantage** in target markets going forward



Gross margin improvement started to materialize in Q1

- The **gross margin increased to 41%** in Q1'23, compared to 38% in Q4'22
- Expect to **maintain gross margin level** going forward
 - Higher price point for MID certified Zaptec Pro
 - Proactive supply chain efforts to reduce key input component costs
 - Considering additional price increase in 2H 2023, following previously communicated price increase from 1st Feb 2023

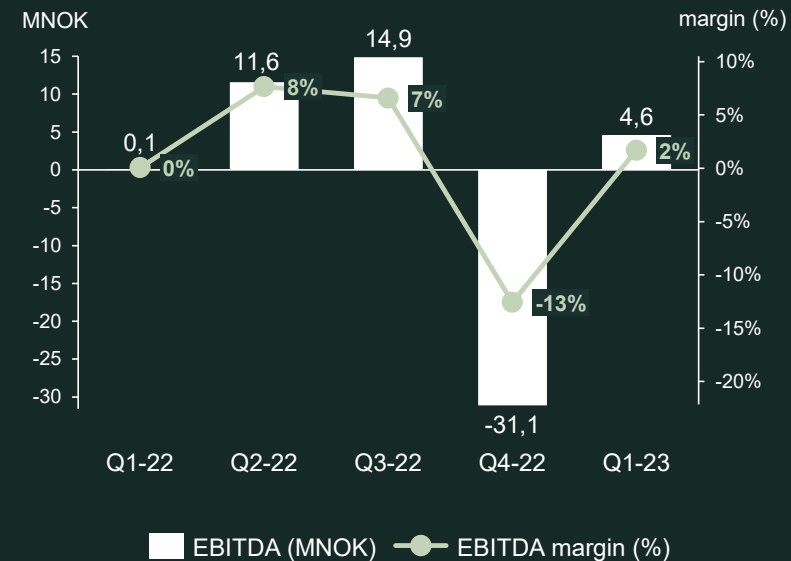
Gross margin development



EBITDA reflects production ramp-up and continued investment in new markets

- **EBITDA margin increased** to 2% in Q1 2023 compared to 0% in Q1 2022. EBITDA margin negatively impacted by production ramp-up and continued growth investments
 - **High production to prepare for future growth**, backed by significant order intake which will be delivered later in 2023
 - Product development and OPEX attributable to **new markets**
- Expect improved EBITDA margin going forward, due to
 - Maintained gross margin
 - Market penetration in new markets and order backlog deliveries
 - Continued cost focus

EBITDA



Summary

- ✓ **Record breaking order intake** of 587 MNOK – a 204% increase compared to Q1'22
- ✓ **All time high quarterly revenue** of 271 MNOK – 105% higher than Q1'22
- ✓ **Strong order backlog** of 489 MNOK for deliveries later in 2023 – up 702% from Q1'22
- ✓ **Significant ramp-up** in production levels of both Zaptec Pro and Zaptec Go
- ✓ **European patent** for dynamic phase balancing granted – separates Zaptec from the crowd
- ✓ **MID compliance for Zaptec Pro reached** unlocking key market segments in major European markets
- ✓ **Gross margin increased to 41%** and **EBITDA margin improved to 2%** – positive outlook for EBITDA going forward



Q&A

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