

Q1 2022 Report



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## Highlights Q1 2022

- Strong purchase orders registration of 193 MNOK, up 164%
- Revenue growth of 81% despite temporary component shortage
- Export share of 68%
- Gross margin of 46%
- Adjusted EBITDA of 9.1 MNOK
- Maintain the trajectory towards previously announced strong growth projections
- Significant investment in an agile organization

## Key numbers

MNOK/%	Q1-22	Q1-21	2021
Revenues	132.2	73.1	489.0
Export Share	68%	39%	51%
Gross margin	46.2%	33.3%	44.0%
Operating expenses	51.9 <sup>1</sup>	18.4	128.2
EBITDA adj.	9,1 <sup>1</sup>	5.5	86.9
EBITDA Margin (%)	6.9%	7.6%	17.8%
Available liquidity	313 <sup>2</sup>	242	309 <sup>2</sup>

1. Adjusted for salary benefit and social cost on share option program and share program for employees of MNOK 9.4
2. Including funds and available overdraft facility of 50 MNOK.



## Financial Summary

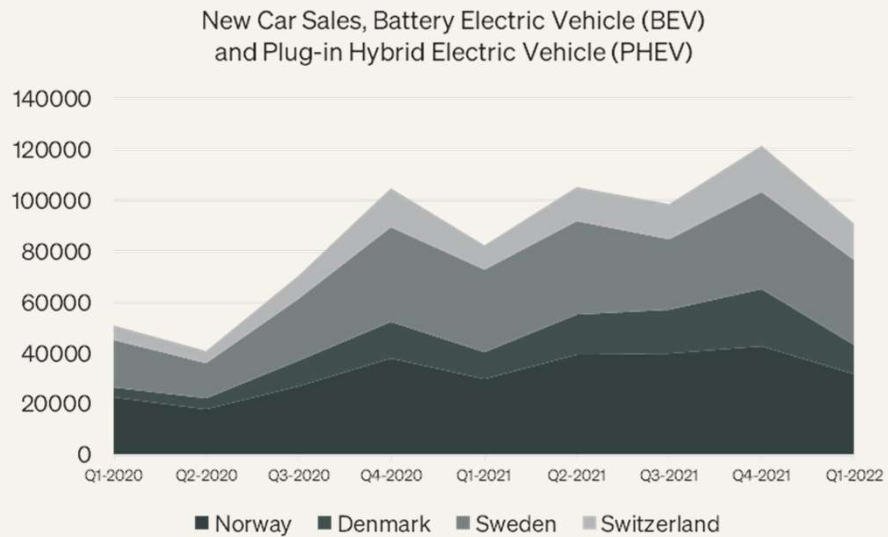
<b>Revenues</b>	<p>First quarter revenue of 132.2 MNOK, which is an increase of 81% compared to the same period last year.</p> <p>Registered purchase orders in the first quarter was 193 MNOK, which is an increase of 164% compared to the same period last year.</p> <p>The export share was 68% in the first quarter, compared to 39% in the same period last year.</p>
<b>Gross margin</b>	<p>Gross margin in the quarter was 46.2%, compared to 33.3% same period last year.</p>
<b>Adjusted EBITDA<sup>1</sup></b>	<p>Adjusted EBITDA in the first quarter of 9.1 MNOK, which is 6.9% of revenue, compared to 5.5 MNOK in the first quarter 2021 (7.6%).</p>
<b>Liquidity Reserve</b>	<p>Strong cash balance with total cash, available overdraft facility and other funds per end of March 2022 of MNOK 313 MNOK.</p>

1. Adjusted for salary benefit and social cost on share option program and share program for employees of MNOK 9.4

## Operational Summary

**Electric vehicle markets** In Zaptec's main markets; Norway, Denmark, Sweden and Switzerland, new passenger plug-in car registrations decreased by 25% (from 121 259 in Q4-21 to 90 833 Q1-22).

However, we see a positive trend if we compare to the same quarter last year, with an increase in car registration by 8 388 (10%).

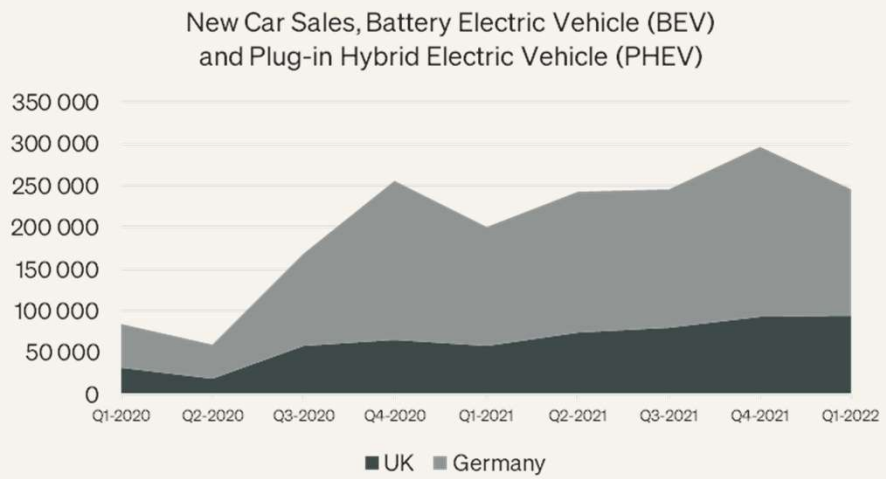


Source: ofv.no, bilstatistik.dk, powercircle.org, Swissinfo.ch

Electric vehicle markets cont.

In Q1-22 a total of 245 369 new passenger plug-in cars were registered in UK and Germany. This is approximately 50 000 less than prior quarter. As shown by the graph below the main reduction comes from Germany.

This is in line with expectation as several car manufactures over the last few weeks have announced that they will reduce or stop production due to supply bottlenecks caused by the Covid19 pandemic and Russia's invasion of Ukraine.

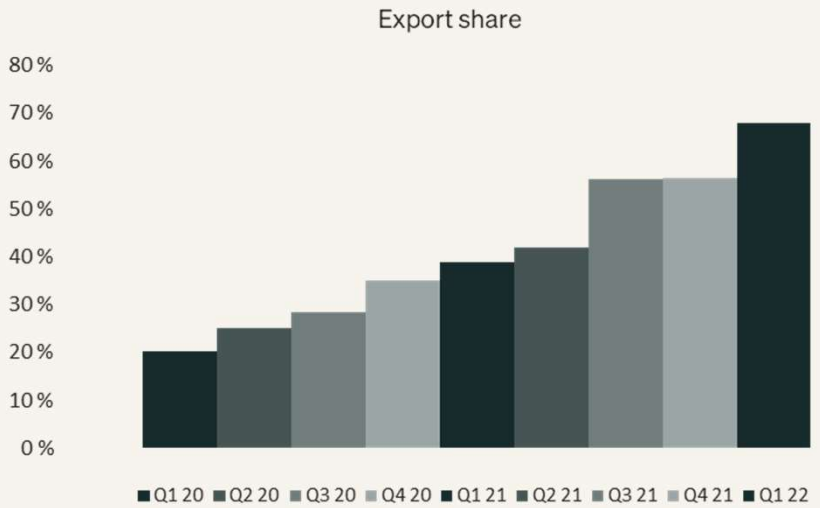


Source: InsideEVs

## Internationalisation

The export share increased from 57% in Q4 21 to 68% in Q1 22.

Our largest export markets were Sweden, Denmark, Switzerland and Island. In addition, Zaptec is in the early phase of penetrating other markets.



## 1470 car parks ready to go with Zaptec Pro

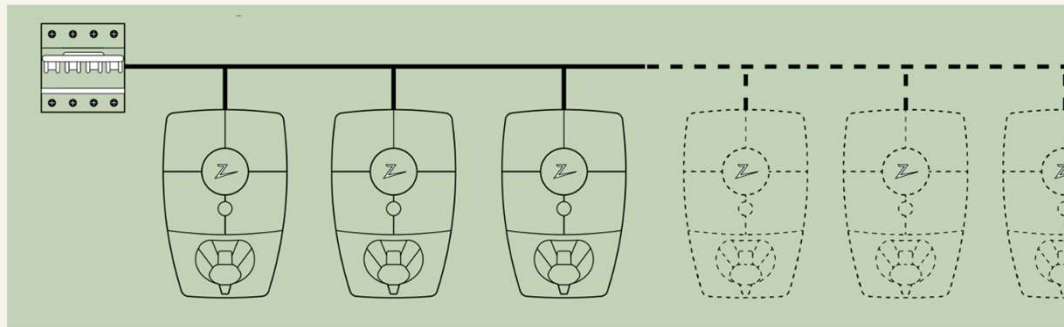
We managed to prepare a total of 1470 car parks with Zaptec Pro chargers during the quarter. That is up from 844 car park installations in the same quarter last year.

Providing chargers to car parks and making public parking spaces ready for the EV domination, is essential for us. Not only do we have the technology we need to provide faster charging points, but there is also a sizeable future revenue stream for the company.

There are several parking possibilities in each car park, where typically 20% is equipped with a Zaptec Pro charger.

As the EV demand increases, the car park owner can add multiple Zaptec Pro chargers to the same car park several months - or years - later.

Zaptec Pro has been chosen as the large-scale EV charging system in Europe for over 11.000 large buildings and parking facilities.





## Market development during Q1 2022

We are continuously getting our cutting-edge technology out and about. In Q1, Toyota Norway announced to become an official supplier of Zaptec Go's in connection with the launch of their first electric car, the Toyota bZ4X. They believe that the choice of having an electric car charger is a natural step in the customer journey.

In the press release, The Toyota Norway representative Alf Moland, Beyond Zero Development Manager, says: "We want a charger that meets our customers' expectations, and Zaptec ticks off all customer requests."

We even signed a new agreement with Eways in the Swedish market. Both companies believe that the collaboration will strengthen the position in the Swedish market. Eways was founded in 2015, has 85 employees and is managing over 16 000 charge points.

In March, we received information from the international and prestigious Red Dot that the Zaptec Go home charger was awarded the 2022 Red Dot Design Award for best product design.

The biggest challenge with making the Zaptec Go was creating a charger that people wanted to have on their walls. The Red Dot award is an external confirmation of excellent design we deeply take pride in receiving.



reddot winner 2022



## Production

Production levels were lower than planned during the quarter due to shortage in components, which resulted in a backlog of both Zaptec Pro and Zaptec Go chargers at the end of first quarter. The backlog is expected to be delivered during the second and third quarter.

Sourcing of electronic components continue to be challenge to all due to high demand and the global situation with challenges in supply chain, especially on component sourcing from China. Zaptec have acted both technically and within supply chain to prevent further delay in production.

Expanded production capacity at Westcontrol in addition to new production lines at Sanmina from the fourth quarter 2022 will secure production required to meet Zaptec's growth targets.



## Outlook

The current global macro political environment has impacted component sourcing and logistics for many businesses, and most car manufacturers now have significant lead time on deliveries of their EV models. However, Zaptec regard this as a temporary challenge, and improved access to components has already materialized.

Westcontrol restarted production of chargers the last week of April and Zaptec expect to maintain the trajectory towards previously announced strong growth projections.

Global commitments towards sustainable energy and the shift towards e-mobility remains resolute and unchanged.

Target EBITDA margin in the range of 15-20%.



## INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

In NOK 1000  
(Unaudited)

	Q1 2022	Q1 2021	2021
<b>Operating income and operating expenses</b>			
Revenue	132 177	73 081	488 972
<b>Operating income</b>	<b>132 177</b>	<b>73 081</b>	<b>488 972</b>
Raw materials and consumables used	71 108	48 763	273 843
Payroll expenses	30 476	19 384	112 948
Depreciation and amortisation expense	6 681	1 262	15 414
Write down of tangible and intangible assets	0	0	211
Other operating expenses	30 818	10 121	62 628
<b>Operating expenses</b>	<b>139 083</b>	<b>79 530</b>	<b>465 044</b>
<b>Operating profit</b>	<b>-6 905</b>	<b>-6 449</b>	<b>23 928</b>
<b>Financial income and expenses</b>			
Other interest income	0	0	33
Other financial income	43	8	5 082
Increase in market value of financial current assets	462	980	0
Decrease in market value of financial current assets	2 602	0	1 930
Other interest expenses	195	161	792
Other financial expenses	80	95	788
<b>Net financial income and expenses</b>	<b>-2 372</b>	<b>733</b>	<b>1 605</b>
<b>Profit before tax</b>	<b>-9 278</b>	<b>-5 715</b>	<b>25 533</b>
Income tax expense(+)/benefit (-)	-2 275	670	17 313
<b>Profit after tax</b>	<b>-7 002</b>	<b>-6 385</b>	<b>8 221</b>
<b>Other comprehensive income</b>			
Total comprehensive income for the year	-7 002	-6 385	8 221
Minority share	0	-46	0
Majority share	-7 002	-6 339	8 221
<b>Brought forward</b>			
To other equity	0	0	8 221
From other equity	7 002	6 339	0
Total allocated	-7 002	-6 339	8 221

## BALANCE SHEET - ASSETS

In NOK 1000  
(Unaudited)

	Q1 2022	Q1 2021	2021
<b>Non-current assets</b>			
<b>Intangible fixed assets</b>			
Research and development	46 782	39 640	43 440
Concessions, patents, licences, trademark	9 925	11 510	10 259
Deferred tax asset	10 315	15 019	5 169
Goodwill	78 371	0	82 948
<b>Total intangible assets</b>	<b>145 393</b>	<b>66 170</b>	<b>141 816</b>
<b>Tangible fixed assets</b>			
Equipment and other movables	5 013	2 624	5 061
<b>Total tangible fixed assets</b>	<b>5 013</b>	<b>2 624</b>	<b>5 061</b>
<b>Financial fixed assets</b>			
Other receivables	275	46	192
<b>Total financial fixed assets</b>	<b>275</b>	<b>46</b>	<b>192</b>
<b>Total current assets</b>	<b>150 681</b>	<b>68 840</b>	<b>147 069</b>
<b>Current assets</b>			
<b>Inventories</b>	<b>15 154</b>	<b>18 907</b>	<b>26 173</b>
<b>Debtors</b>			
Accounts receivables	71 729	32 094	80 916
Other receivables	37 702	13 847	28 605
<b>Total debtors</b>	<b>109 431</b>	<b>45 941</b>	<b>109 521</b>
<b>Investments</b>			
Other quoted financial instruments	181 360	221 992	183 500
<b>Total investments</b>	<b>181 360</b>	<b>221 992</b>	<b>183 500</b>
<b>Cash and cash equivalents</b>	<b>96 179</b>	<b>19 559</b>	<b>76 258</b>
<b>Total current assets</b>	<b>402 125</b>	<b>306 398</b>	<b>395 451</b>
<b>Total assets</b>	<b>552 805</b>	<b>375 238</b>	<b>542 520</b>

## BALANCE SHEET - LIABILITIES

In NOK 1000  
(Unaudited)

	Q1 2022	Q1 2021	2021
<b>Equity and liabilities</b>			
Share capital	475	471	475
Share premium reserve	355 362	327 366	355 362
Other paid-in capital	27 705	14 843	47 540
<b>Total restricted equity</b>	<b>383 542</b>	<b>342 680</b>	<b>403 377</b>
<b>Retained earnings</b>			
Other equity	0	0	0
Loss brought forward	-21 144	-29 073	-11 783
Not registered capital increase	4 388	0	3 825
<b>Total retained earnings</b>	<b>-16 756</b>	<b>-29 073</b>	<b>-7 958</b>
Minority interests	0	39	0
<b>Total equity</b>	<b>366 786</b>	<b>313 645</b>	<b>395 419</b>
<b>Liabilities</b>			
Other provisions	2 976	2 093	5 851
<b>Total provisions</b>	<b>2 976</b>	<b>2 093</b>	<b>5 851</b>
Other long-term liabilities			
Liabilities to financial institutions	2 875	6 708	3 833
<b>Total of other long term liabilities</b>	<b>2 875</b>	<b>6 708</b>	<b>3 833</b>
<b>Current liabilities</b>			
Liabilities to financial institutions	14 980	1 127	0
Accounts payable	58 628	42 101	66 142
Tax payable	10 999	0	9 248
Public duties payable	17 460	1 306	9 313
Other short term liabilities	78 101	8 256	52 714
<b>Total short term liabilities</b>	<b>180 168</b>	<b>52 791</b>	<b>137 417</b>
<b>Total liabilities</b>	<b>186 019</b>	<b>61 592</b>	<b>147 101</b>
<b>Total equity and liabilities</b>	<b>552 805</b>	<b>375 238</b>	<b>542 520</b>

## STATEMENT OF CASH FLOWS

In NOK 1000  
(Unaudited)

	Q1 2022	Q1 2021	2021
<b>Cash flow from operating activities</b>			
Profit before tax	-9 278	-5 715	25 533
Taxes paid	-1 120	0	0
Depreciation of property, plant and equipment	6 681	1 262	15 414
Write down of tangible and intangible assets	0	0	211
Gain/Loss sale of shares/funds	0	0	-4 679
Movement shares/funds	2 140	-980	1 930
Change in inventories	11 018	-5 955	-10 564
Change in accounts receivables	9 187	-1 314	-39 054
Change in accounts payables	-7 515	9 462	28 683
Other items related to operating activities	-948	1 760	35 843
<b>Net cash flow used in operating activities</b>	<b>10 166</b>	<b>-1 479</b>	<b>53 316</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment activities	-4 746	-6 276	-58 249
Cash from acquisitions	0	0	11 202
Net invested in stocks and shares	0	0	40 000
Movement in other interest-bearing items	-83	36	-110
<b>Net cash flow from investing activities</b>	<b>-4 829</b>	<b>-6 240</b>	<b>-7 157</b>
<b>Cash flow from financing activities</b>			
Repayment of finance debt	-958	-958	-3 833
Sale of own shares	0	0	2 998
Issue of share capital	563	3 375	7 200
Net change in overdraft facility	14 980	1 127	0
<b>Net cash flow from financing activities</b>	<b>14 585</b>	<b>3 543</b>	<b>6 365</b>
<b>Net change in bank deposits, cash and equivalents</b>	<b>19 922</b>	<b>-4 175</b>	<b>52 524</b>
<b>Cash and equivalents at beginning of period</b>	<b>76 258</b>	<b>23 734</b>	<b>23 734</b>
<b>Cash and equivalents at end of period</b>	<b>96 179</b>	<b>19 559</b>	<b>76 258</b>

## **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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