

A person with long red hair, wearing a dark jacket and a hat, sits on a large, flat rock. They have their arms raised in a 'V' shape, looking out over a vast, rocky mountain valley. The valley is filled with green pine trees and grey rock formations. The sky is overcast with grey clouds. The image is split into two vertical panels by a thin white line.

Zaptec

Powers

adventure



**Q2 2023 Financial Results**

23 August 2023



# Financial highlights | Q2 2023

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Revenue

**355**

+134% vs. Q2 2022

Order intake

**445**

+104% vs. Q2 2022

Order backlog

**578**

+356% vs Q2 2022

Gross margin

**36%**

vs. 42% in Q2 2022

EBITDA

**23**

vs. 12 in Q2 2022

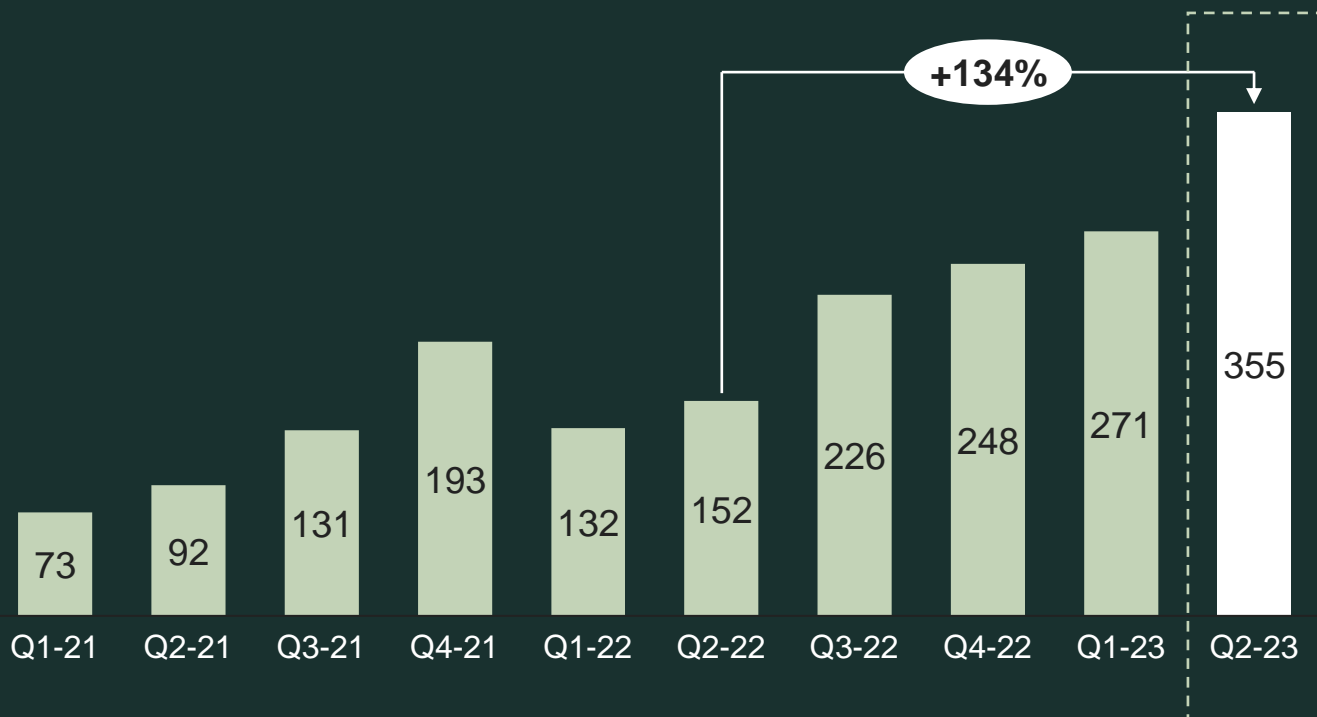
Export share

**78%**

vs. 68% in Q2 2022

# 134% revenue growth – all time high quarterly revenue

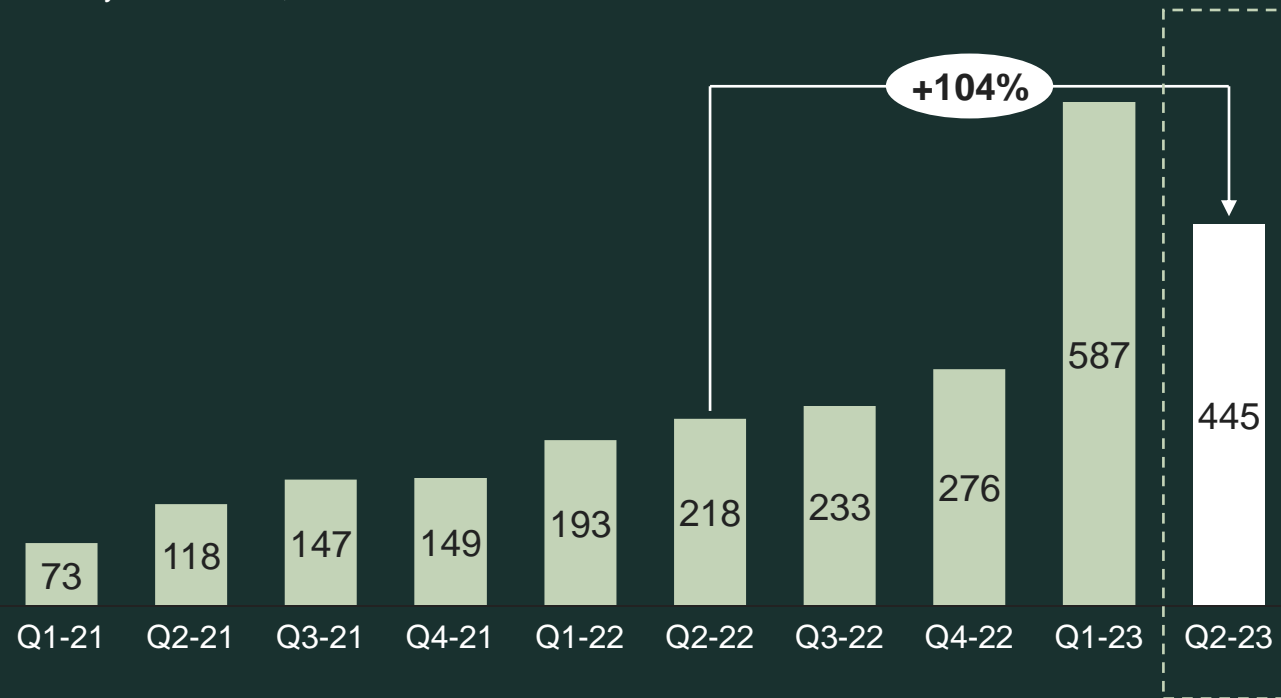
Quarterly revenue, MNOK



- Revenue increased 134% in Q2 2023 compared to Q2 2022 to 355 MNOK
- Zaptec has now generated LTM\* revenue of 1.1 billion NOK

# Order intake continued at a high level

Quarterly order intake, MNOK



- Following a record-breaking order intake in Q1 2023, the order intake continued at a high level in Q2 2023
- In Q2, Zaptec recorded 445 MNOK in order intake, equivalent to a 104% increase compared to Q2 2022
- During Q1 and Q2 combined, the order intake exceeds 1 billion NOK
- The backlog has scheduled deliveries from Q3 2023 to Q1 2024



# Production ramping up according to plan

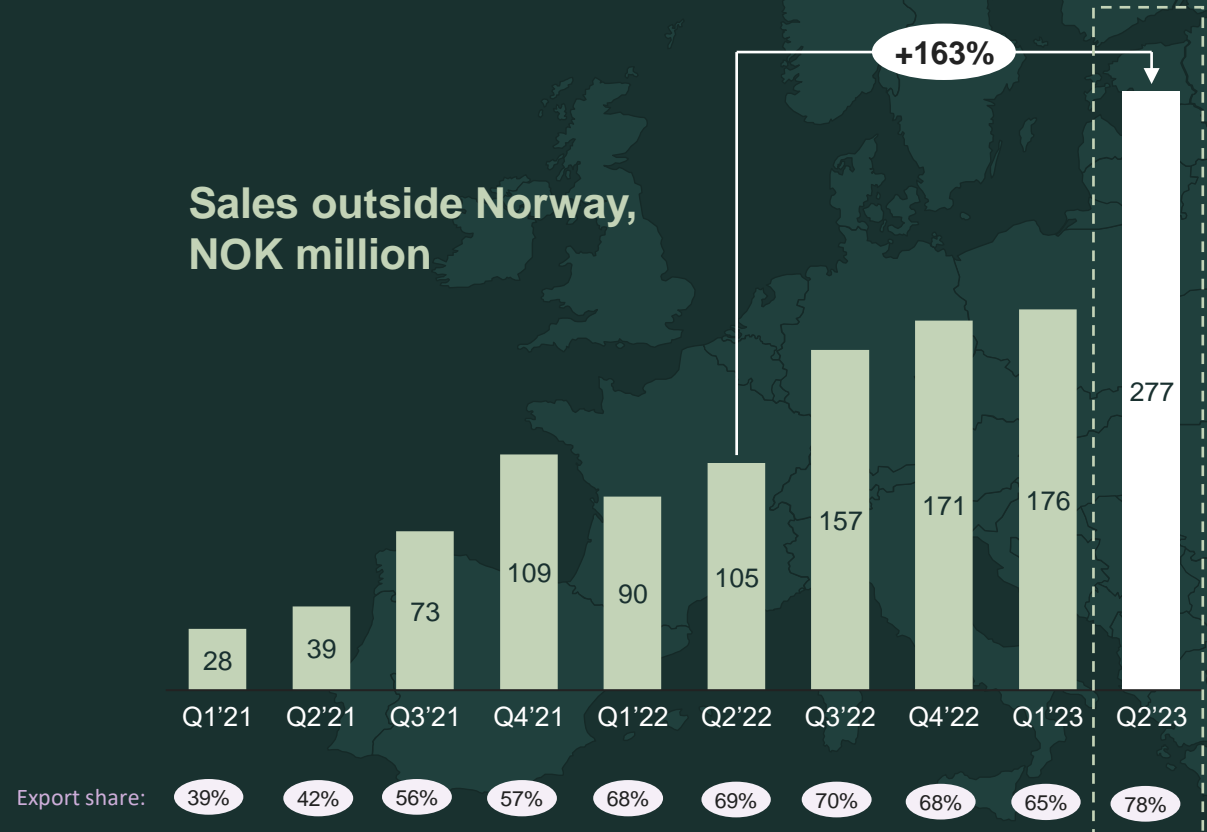
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- Zaptec Pro and Zaptec Go **production continued to ramp up** in Q2'23 in line with our plans
- Production of **MID-type approved version of Zaptec Pro** commenced in the end of Q2'23 at Westcontrol
- Preparations for **start of Zaptec Go production at Sanmina** continued - on track to commence production in Q3'23 which will **further ramp up** Zaptec Go volumes



# Export revenue and export share at record-high levels

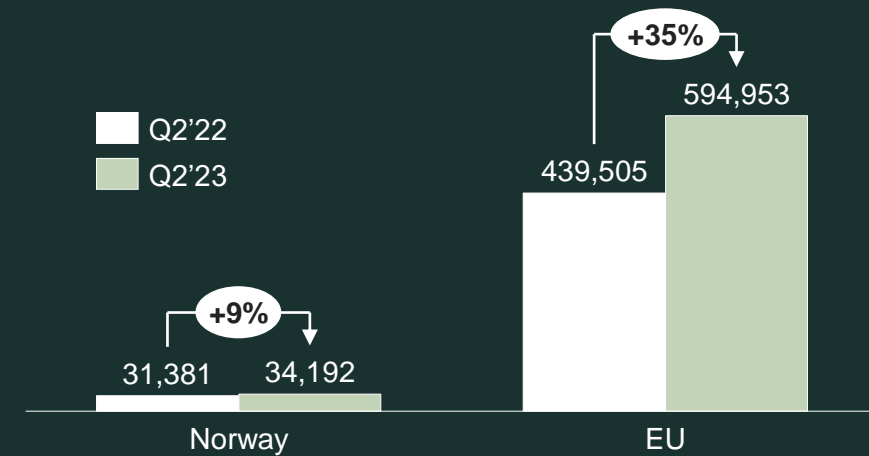
- Both the export revenue and export share increased significantly in Q2'23
- 163% sales growth outside Norway compared to Q2'22 driven by increased sales in export markets – 277 MNOK export revenue in Q2'23
- 78% export share of total revenue in Q2'23
- Signed agreement with new distributor in Spain and targeting growth in several new markets e.g. Italy going forward



## Market development

# Continued EV adoption, however slow growth in Norwegian plug-in vehicle sales in the second quarter

- Plug-in vehicle sales in Zaptec's largest market, Norway increased 9% compared to Q2 2022.
- Continued high plug-in share of new vehicle sales in Norway of around 90%.
- Plug-in vehicles sales continued to increase in EU and was 35% higher in Q2'23 vs Q2'22
- Plug-in share of new vehicle sales in EU increased to 21% in Q2'23 vs 19% in Q2'22

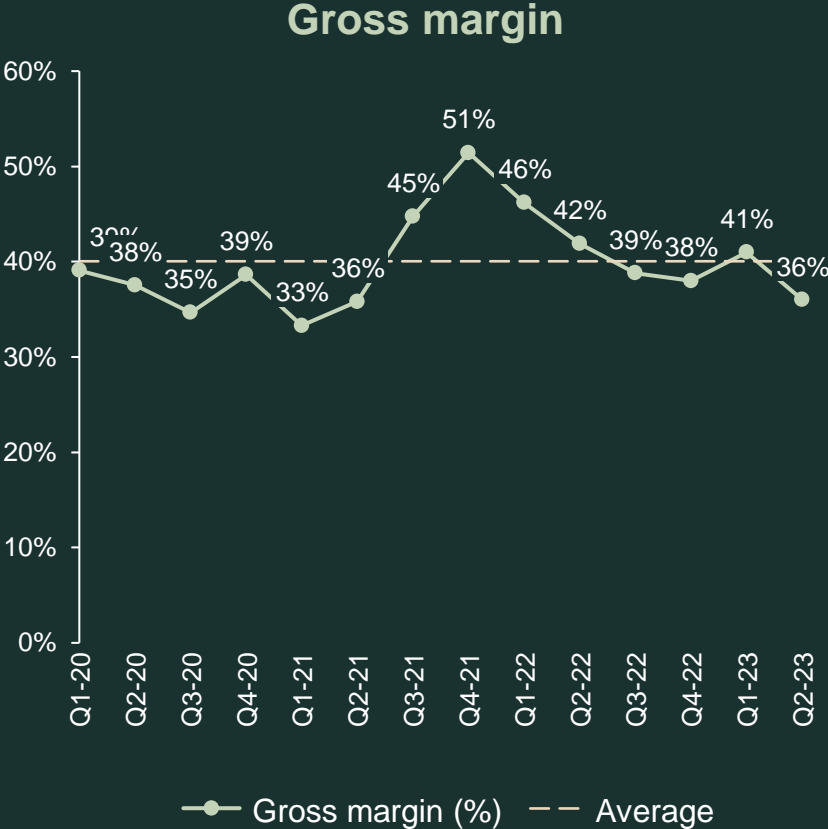


### Plug-in vehicles sales in Q2 2023 vs Q2 2022

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

# Gross margin negatively impacted by product mix in the second quarter – expected to increase going forward

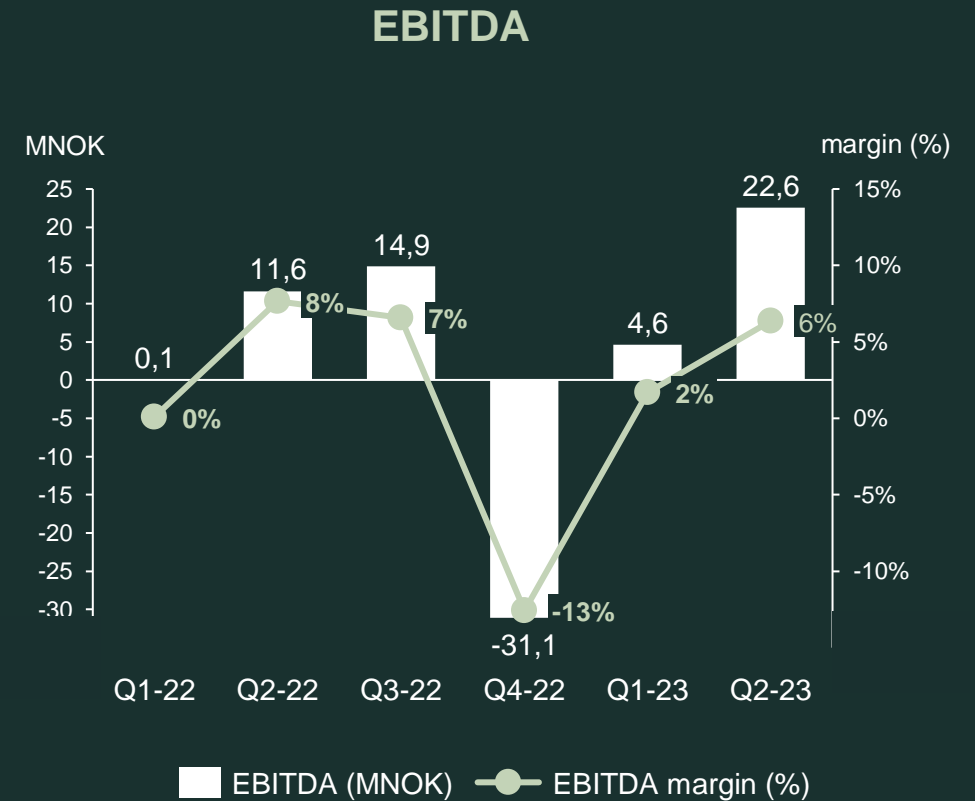
- The **gross margin was 36%** in Q2'23, compared to 41% in the previous quarter
- The margin was negatively impacted by **product mix**, as Zaptec Go contributed to a relatively larger share of revenue compared to our expectations and compared to Q1'23
- Expecting **increased gross margin** going forward due to reduced Zaptec Go production cost from 1<sup>st</sup> August 2023





# Improved EBITDA due to strong revenue growth and cost control

- **EBITDA grew to 23 MNOK** in Q2 2023, up from 12 MNOK in the same quarter last year
- **EBITDA margin increased to 6%** compared to 2% in the previous quarter due to strong revenue growth and cost control
- **Expect improved EBITDA going forward**, due to;
  - Continued sales growth from market penetration in immature markets and order backlog deliveries
  - Increased gross margin
  - Continued cost focus



# Strategy and outlook

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- The **global trend towards electrifying transportation** is evident, yet electric vehicle (EV) adoption rates vary across countries.
- Zaptec's successful strategy revolves around **providing safe, high-quality EV charging solutions in markets with strong EV adoption outlook**
- As more nations hit the EV adoption tipping point and Zaptec's presence grows via subsidiaries and/or distribution channels, the potential market expands significantly. In essence, Zaptec anticipates **growing demand in both current and new markets**.
- The outlook for continued revenue growth, and improved gross and EBITDA margins, is optimistic due to lower production costs and the benefits of scale.



# Summary

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- **Growth story continued in full force** despite challenging macro environment and low growth in EV sales
- **All time high quarterly revenue** of 355 MNOK
- **Strong order intake** of 445 MNOK
- Zaptac Pro MID production initiated at Westcontrol
- Preparations for Zaptac Go production start at Sanmina which will boost deliveries in the second half of 2023
- **Quarterly EBITDA** of 23 MNOK, positive outlook for gross margin and EBITDA





# Q&A

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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.

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