KEMPOWER

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INDERES CORPORATE CUSTOMER

EXTENSIVE REPORT

Growth story back on track

Kempower has returned to a strong growth trajectory towards the end of 2025, especially supported by new customer acquisition. The company's competitiveness continues to appear strong in light of market share growth and stable gross margin. We expect the company to be able to improve its profitability in the coming years through the scaling of its cost structure. However, predicting long-term competitive dynamics is not easy in a young industry, which increases the risks of the investment case along with a valuation that relies on strong earnings growth. We reiterate our Accumulate recommendation and raise our target price to EUR 17.5 (was EUR 17.0).

Global provider of fast charging solutions

Kempower is a provider of fast charging equipment and software for electric vehicles, with products suitable for both public charging points for passenger vehicles and for charging commercial and utility vehicles. The business has rapidly expanded to a global scale, and in our assessment, the company has broadly gained market share in recent years through its strong and competitive technology. Production is concentrated in two locations: Lahti, which has significantly larger volumes, and the facility in North Carolina, USA, which is still ramping up its production as sales in the US market progress. The company mainly focuses on Western markets such as Europe, North America, and Australia, but it is also exploring growth opportunities in other geographies.

Strong growth prospects support earnings scalability

The inventory cycle that impacted customer demand in 2023-24 has largely stabilized, and the demand outlook is favorable again, supported by successful new customer acquisition (2025 Q1-Q3 order growth: 38%). Our forecasts include strong order growth estimates for 2026-28e (20-25% annually), which are mainly based on an estimated market growth of around 20% and include only moderate market share growth. We estimate that the company has the potential to improve its position in North America and Central Europe, among other regions, which are relatively new markets for the company. The progress of heavy-duty vehicle investments will also accelerate the market in the medium term.

The company's current cost structure is geared towards advancing its global growth strategy, and we estimate there is significant scaling potential for profitability as growth materializes. We forecast the EBIT margin to improve to 11.6-13.5% by 2027-28, in line with the company's targets. At that point, the return on investment will also become strong, supported by an asset-light business model (ROI 2028e: 30%). The forecast assumes that the company aims for a profitability level in line with its financial targets, such that additional investments in growth are not significantly increased compared to the recent trend (opex growth 2026-28e: 6-15% p.a.).

Strong value creation profile as market dynamics persist

We believe the target market's growth trend is self-evident in the long term, despite short-term volatility. Instead, determining Kempower's competitiveness and long-term profitability are more challenging questions, as the competitive dynamics of a young market can evolve over time. To date, the company's competitiveness appears strong, evidenced by factors such as growing market share and gross margins that have remained high despite market overcapacity (2025e: 49%). The utilization rates of the company's factories are still relatively low in 2025-26, but in 2027-28, earnings-based valuation multiples (EV/EBIT) are already falling to attractive levels (17x and 11x) compared to our estimated fair value range of 15-20x. The investment's riskiness is elevated by factors such as high growth expectations, the valuation's reliance on long-term value creation, and the somewhat difficult predictability of the dynamics of a relatively new industry. Currently, however, the company appears to be on its way to becoming one of the industry's major global players.

Recommendation
Accumulate
(was Accumulate)

Target price:
17.50 EUR
(was EUR 17.00)

Share price:
15.88 EUR

Business risk
●●●○○

Valuation risk
●●●●●

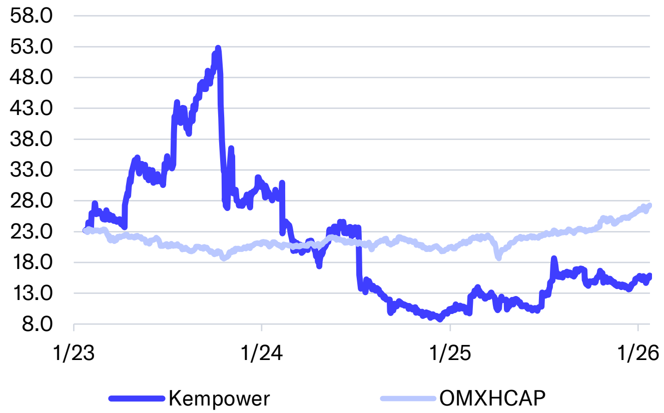
	2024	2025e	2026e	2027e
Revenue	223.7	252.8	331.1	417.2
growth-%	-21%	13%	31%	26%
EBIT adj.	-26.4	-6.7	22.0	48.5
EBIT-% adj.	-11.8 %	-2.6 %	6.6 %	11.6 %
Net income	-23.3	-7.7	16.8	38.7
EPS (adj.)	-0.38	-0.12	0.30	0.70
P/E (adj.)	neg.	neg.	52.1	22.7
P/B	4.8	8.4	7.2	5.5
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	38.8	17.0
EV/EBITDA	neg.	>100	23.6	12.9
EV/S	2.3	3.4	2.6	2.0

Source: Inderes

Guidance (Unchanged)

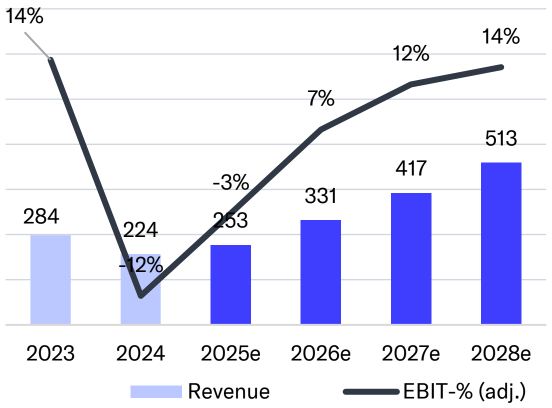
2025 revenue is expected to grow 10-15% (revenue 2024: 223.7 MEUR). Operating EBIT is expected to improve significantly from 2024 (-26.4 MEUR).

Share price



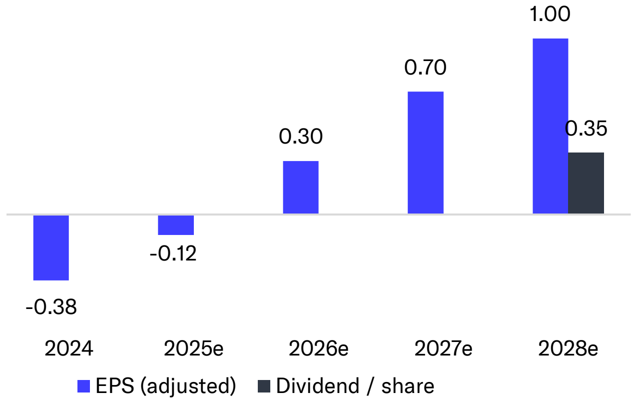
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- The electrification of transport creates a significant need for efficient charging capacity
- Competitive products provide strong margins and support market position
- Growing the customer base and expanding into new markets
- Strength in heavy-duty charging solutions
- Scalable cost structure

Risk factors

- Restoring profitability requires significant growth
- Uncertainty about long-term profitability levels in the industry
- Changes in technological competitiveness could threaten growth and pricing
- A high valuation based on long-term earnings growth carries significant risk

Valuation	2025e	2026e	2027e
Share price	15.9	15.9	15.9
Number of shares, millions	55.3	55.3	55.3
Market cap	878	878	878
EV	863	854	824
P/E (adj.)	neg.	52.1	22.7
P/E	neg.	52.1	22.7
P/B	8.4	7.2	5.5
P/S	3.5	2.7	2.1
EV/Sales	3.4	2.6	2.0
EV/EBITDA	>100	23.6	12.9
EV/EBIT (adj.)	neg.	38.8	17.0
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Contents

Kempower in brief

Kempower develops and manufactures advanced fast and high-capacity EV charging solutions for public charging points and operators of commercial vehicles such as buses, trucks and heavy-duty machinery.

2017
Year of establishment

251 MEUR (+7% y/y)
Revenue last LTM (Q4 24-Q3'25)

-2 MEUR
Adjusted EBIT LTM

49%
Gross margin % LTM

22 / 52 / 20%
Nordics / Rest of Europe / North America
% of orders 2025 YTD

819 (-3 % y/y)
Headcount September 30, 2025

2017-21

- In the first few years, deliveries were mainly to the Nordic countries
- In 2021, distribution was extended to Europe through the establishment of a number of subsidiaries.
- IPO to First North of Nasdaq Helsinki in Q4'2021

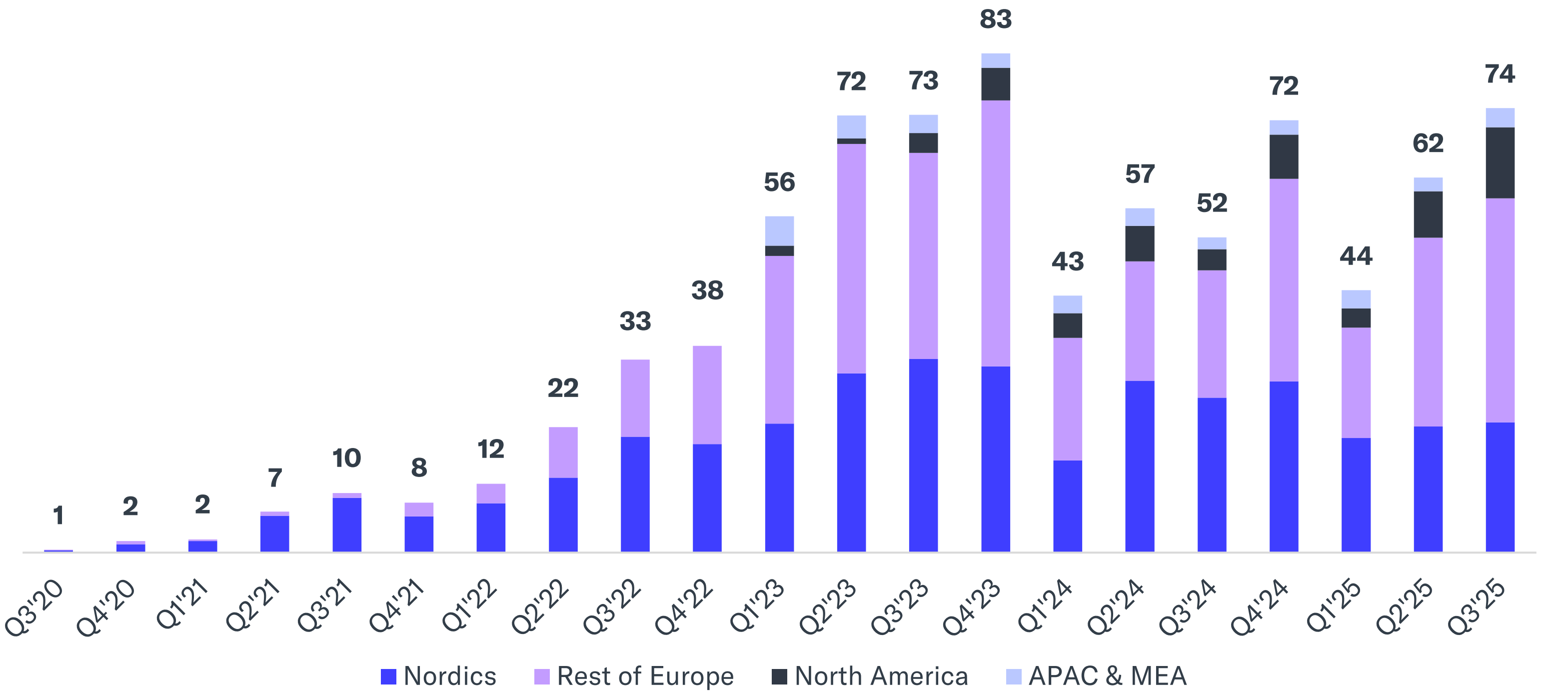
2022-25

- Significant increase in production capacity and human resources
- Strong revenue growth, customers even hoarded chargers in 2023
- Market deterioration in 2024 and gradual recovery in 2025
- Switch to the Nasdaq Helsinki main list in 2024

2026-

- Current cost structure enables significant revenue growth
- Aiming to improve profitability and efficiency
- Strengthening market position in newer geographies
- The increasing role of heavy-duty vehicle customers

Revenue development[1]



1) North America and APAC & MEA reported separately since Q1'23

Company description and business model 1/7

A young company has risen to the global top of the industry

Kempower is an electric vehicle charging technology company that manufactures direct current (DC) fast and high-power charging solutions and supporting software for a variety of applications. The company entered the market relatively late compared to its main competitors and has rapidly gained market share, becoming one of the largest players in the industry during 2021-25. This has been possible due to the company's distinctive technology and design, reliability, and comprehensive software solutions. Customers are mainly operators of public charging stations and owners of commercial electric vehicles such as buses, transport vehicles, and off-highway vehicles.

Kempower's revenue is estimated to be around 253 MEUR in 2025 (2024: 224 MEUR), and the company is on the verge of a profitability turnaround in terms of operative EBIT. The company has significantly expanded its sales, production, and service network in recent years, which has reduced its dependence on the Nordic home market, and increased the share of revenue from the rest of Europe and North America. According to Kempower's medium-term strategy, Europe and North America are its main markets, but the company also supplies its products to other geographical areas such as Australia, Southeast and South Asia, and the Middle East.

Roots in Kemppi served as a springboard

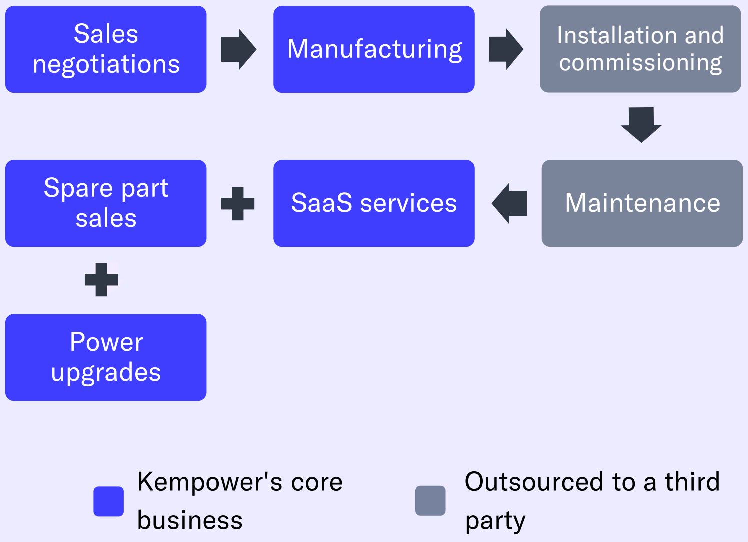
The technological basis for Kempower's charging solutions comes from Kemppi Oy's long development work on DC welding solutions. Kemppi introduced the world's first inverter-based DC power supply in 1977 and has since become a major player in the arc welding industry. The Kempower unit, which sought business outside of welding applications, was incorporated in 2017, and the development of electric vehicle charging solutions became its primary business. The first significant deliveries were made in 2019. In addition to its technological expertise, Kempower has benefited from Kemppi's subcontracting chain, which has helped the young company scale its business rapidly.

Kempower was listed on the First North Market of Nasdaq Helsinki in December 2021 and transferred to the main list in June 2024. Kemppi Group (a holding company that also owns Kemppi Oy) is the largest owner of Kempower, with 62% of the shares. Kempower's other major shareholders are mainly large Finnish institutional investors such as pension funds Varma, Ilmarinen and Elo and Bank Nordea funds.

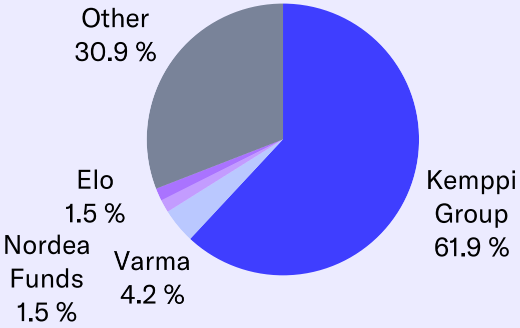
Revenue comes mainly from equipment sales

Kempower's revenue is mainly generated from equipment sales and to a lesser extent from more recurring revenue streams such as spare parts sales, power purchases and SaaS business (Kempower ChargEye software). New equipment sales are very dominant in the company's current growth phase, and we estimate their share will remain high in the long term. We estimate that recurring revenue streams have the potential to increase to roughly 10-20% in the long term as the installed base grows. This is also partly influenced by how successfully Kempower commercializes its ChargEye software for users of other manufacturers' devices.

Equipment sales at the heart of the business



Ownership concentrated on a family company



Source: Kempower and Inderes
Shareholders as of 12/23/.2025

Company description and business model 2/7

Kempower manufactures charging equipment only based on customer orders and therefore does not bear the financial risk associated with managing inventory of finished charging equipment. The equipment is typically delivered and tested around 3-6 months after the order. Kempower supplies the equipment and, in some cases, is also responsible for arranging the installation through subcontractors, but doesn't install the equipment it supplies itself.

The equipment comes with a warranty period of around two years, after which Kempower receives revenue from customers in the form of spare parts sales. Chargers typically have life cycles of 6-8 years, although they can last much longer if properly maintained. The modular structure of the company's products engages customers to use Kempower solutions and offers flexibility in investment decisions. Kempower offers customers the ability to gradually scale up the power capacity of the charging station. Customers can reduce the initial investment by ordering, for example, a 200-kW charging station to start with and increase the power and add charging points later as the number of electric vehicles and charging demand grows.

Distribution in the main markets largely in own hands

Products are sold primarily through our own sales organizations, but also with the support of distribution partners and OEMs. The company has sales offices in 12 European countries, the USA, Canada, and Australia.

Distribution partners are typically utilized when expanding into new markets, but in North America, for example, the focus of distribution has already shifted increasingly towards the company's own organization. In the Middle East and Asia, sales rely mainly on a network of distribution partners, which serves as a flexible and capital-light solution as operations in these countries are still relatively small-scale.

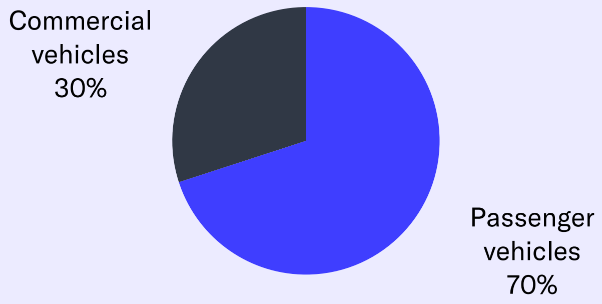
We estimate the share of OEM manufacturers in distribution to be low. OEMs manufacture, for example, electric off-highway vehicles or trucks and sell Kempower's charging solutions with their main product under their own brands.

Charging operators as the main customer group

The most important customer group for Kempower are charge point operators (CPOs) who maintain public charging stations. The second most important are companies operating commercial vehicles and bus fleets that want to charge their own fleet. Kempower works closely with its customers and vehicle manufacturers on product development, especially in the heavy-duty vehicle sector.

The customer base of charging operators is divided into different types of players such as retail companies, energy companies, and full-time charging operators. Many charging operators typically use several equipment manufacturers (e.g. 2-3), which can be put out to tender as needed to minimize costs. We estimate that retail operators are less active in switching between different equipment manufacturers as they strive to provide a consistent customer experience across multiple outlets. Retailers also value comprehensive services, including software, which we believe is one of Kempower's competitive advantages in this customer segment.

The role of passenger car charging has so far been emphasized in revenue[1]



1) Source: CMD 2023, Inderes

Key customer groups

Charging operators	EV fleet owners
Independent operator chains	Bus companies
Retail & commerce	Logistics companies
Heavy-duty charging stations	

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Company description and business model 3/7

The customer base has grown and diversified in recent years

In particular, Kempower aims to focus on customers with significant long-term revenue potential. During the rapid growth phase of 2022-23, the company's customer base was relatively more concentrated, but we estimate that it has become more diversified in 2024-25 as the company has accelerated new customer acquisition and expanded into new markets. The initial phase of customer relationships often involves smaller, more experimental orders, after which delivery volumes typically begin to grow if the customer has been satisfied with the solutions provided. The company does not directly report customer concentration, but we estimate that no single customer accounts for more than 10% of revenue.

Production has been expanded rapidly

Kempower has adjacent production and office facilities of 4,000 and 10,000 square meters in Lahti, which were commissioned in 2019 and 2022, respectively. In addition, Kempower introduced a new 14,000-square-meter facility in 2024, located about 10 kilometers from the other two plants. The expansion will support the company's growth ambitions for the coming years and we believe it will enable Kempower to achieve its growth targets for the current strategic period, subject to sufficient demand.

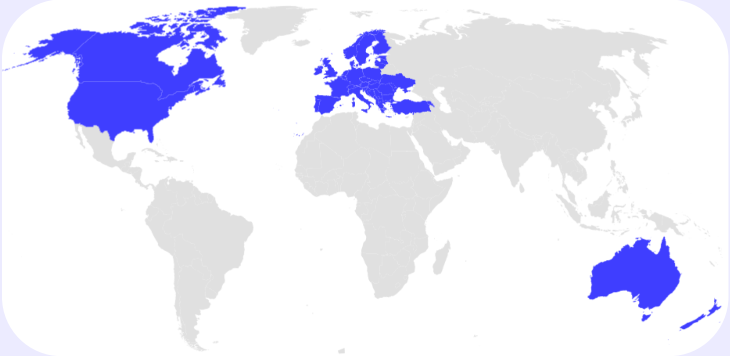
The company also opened a 14,000-square-meter manufacturing facility in Durham, North Carolina, in late 2023. The plant will enable production compatible with NEVI investment grants and fast delivery times to the North American market. Product development and office facilities have also been established at the manufacturing facility.

We estimate that Kempower's current production facilities are sufficient to reach the company's target revenue of 750 MEUR, which supports profitability scaling as volumes grow. We estimate that the company will only need small investments in production lines or storage solutions to fully utilize the capacity of its current facilities. At the same time, it continues to gradually automate work phases and develop its subcontracting chain to improve efficiency.

Production is capital-light assembly work

The manufacture of charging equipment is essentially assembly and testing. We estimate that assembly is relatively simple and doesn't require as much investment in production equipment as, e.g., the process industry, which means that manufacturing capacity can be increased rapidly. The procurement of components and sub-assemblies is a critical business function that requires long-term effort to develop. Historically, Kempower's subcontracting has been quite concentrated with its sister company Kemppi Oy, but we estimate that this dependence has decreased. In 2024, Kempower purchased 27 MEUR of materials from Kemppi Oy, including components and sub-assemblies (2023: 44 MEUR). We believe that Kemppi Oy's specialized expertise and sourcing capacity have helped Kempower to grow rapidly in the early stages of the business. We believe that there is still room for improvement and optimization in Kempower's production and subcontracting, as the company's primary objective in the phase of rapid growth has been to increase production capacity and ensure security of supply. Automation and assembly lines are constantly being improved in small steps, and certain assembly steps may be outsourced in the future to improve production efficiency.

Distribution focused on Western markets



- Own distribution in the Western market
- In other markets, Kempower primarily relies on distribution partners

Plenty of capacity in production plants

Lahti, 3 production facilities (24,000 m2)

- **Opened in 2019:** 4,000 m2, currently power module production
- **2022:** 10,000m2, power unit production, product development and headquarter functions
- **2024:** 10,000m2, satellite production and product development facilities

USA - North Carolina, Durham (14,000 m2)

- Opened in 2023.
- Production, product development, sales and support activities

In addition to production plants, Kempower has sales offices in several countries and research units in connection with universities

Company description and business model 4/7

Clear productization brings efficiency to production

The product range has been developed to optimize manufacturing and subcontracting. The products are largely based on the same components, which makes sourcing and product development more efficient. The range consists of a few main products that can be customized according to the customer's wishes. For example, customers can choose the size and power of the power unit and the number of charging points. There are also different types of plugs and also a traditional slow AC plug for those who need one. Personalizing the look of devices is also a common area of customization, mainly through colors and taping. After purchasing a product, the customer always has the possibility to modify a number of software parameters related to charging, such as how the charging power is distributed between different users. The ChargEye cloud service is also optional and includes several separately priced modules. We understand that the majority of customers use the service.

Kempower is a pioneer in distributed charging systems

One of Kempower's key differentiators behind its success is the company's distributed charging system, where power electronics are separated from the charging points. In traditional fast-charging solutions, which still represent the majority of the market, power electronics and the charging plug are integrated into the same physical unit, resulting in a space-consuming and poorly scalable structure. In Kempower's distributed system, the power unit is typically placed to the side and simultaneously provides power to several (up to 12) lightweight satellite charging points, which allows for more flexible placement and efficient use of space at the charging station. The power unit can dynamically distribute power between satellites according to the needs of each charger, which increases the utilization rate of the installed power electronics compared to traditional standalone charging cabinets. Dynamic power distribution brings cost benefits through both a lower total capacity requirement for power electronics and the sizing of the electrical connection.

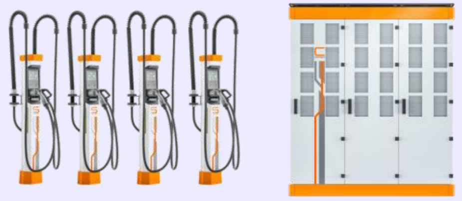
Kempower was the first manufacturer to introduce a distributed and dynamic charging system to the market. A few competitors have launched similar systems in recent years, which could gradually erode the company's first-mover advantage. However, the technical implementation of the solution is not easily replicable. We continue to see the technical competitiveness of Kempower's charging systems as strong, and the company has recently increased the number and power of satellite connectors that can be integrated into the system, which we believe will maintain its lead at least in the short term. The company holds patents related to the system, but these do not entirely prevent competitors from developing similar systems using different technical solutions.

Reliability is also a key competitive factor

Other competitive advantages of Kempower's solutions include high reliability and the design of the charging cable and user interface. Reliability is evidenced by a ranking maintained by Monta, a software provider for charging operators, which measures uptime and the success of charging events, and in which Kempower's solutions have been at the top during 2025. The spring-operated support device for the charging cable enables ease of use while also improving durability, as the cable cannot be dropped on the ground, where moisture and sand could damage the connector.

Products

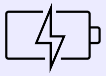
Distributed systems generate the majority of the revenue



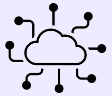
Products with lower volumes

MCS | C-Station | T-Series

Battery and energy management systems



Software (ChargEye)



Productization supports production efficiency

Limited number of products
- All products use largely the same components

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Certain customization options
- Modular design allows for scalability
- Satellite and plug options
- Colors and decals

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Responding to different customer needs in a fast and cost-effective way

Company description and business model 5/7

Product development budgets increased rapidly

Technological know-how and product development play an important role in the rapidly evolving DC charging market. Kempower's product development employed 174 people, or 21% of the company's total staff at the end of September 2025. Product development costs were 7% of January-September 2025 revenue. After cost savings implemented in the second half of 2024, expenses decreased slightly, but overall, R&D resources have naturally grown very strongly during the company's time as a listed company.

Kempower benefits from Kemppi's decades of development in DC power supply technology. However, all IPR rights for Kempower's charging solutions have been transferred to Kempower. Kempower has applied for patents on certain solutions for the company's products, such as the charging cable, power supply and software. Patent applications aim to ensure that Kempower retains the right to use its proven solutions and that other operators can't patent them.

Certain patent applications or patents may also protect Kempower from competition to some extent. However, we consider the competitive moats created by patenting to be insignificant in the overall picture, as it's possible to develop somewhat similar functionalities with several different technical solutions. However, we believe that Kempower has a technological advantage over many competitors in distributed systems and dynamic power management. There are also some strong competitors in the market whose solutions may have technical advantages over Kempower's technology.

The ChargEye cloud service supports customer processes

Kempower has developed its proprietary cloud-based ChargEye software, to which all charging systems supplied by the company are connected upon deployment. The aim of the service is to make it as easy and efficient as possible for client companies to operate. The service improves the maintenance of charging equipment, customer data management and the performance of the electronics in the equipment. Real-time software updates and remote maintenance can be performed through the system. Each charge is recorded in the ChargEye cloud service and the data path can be integrated directly into customers' own ERP systems. The data provides customers with important information on charging cycles, bottlenecks and other factors that can be used to optimize charging station operations. Furthermore, the system utilizes AI and machine learning to develop charging events. Kempower can also use the data to analyze and optimize the performance of its own equipment for different car models.

Software is a key part of Kempower's competitiveness

ChargEye's direct contribution to Kempower's revenue is minor and is unlikely to become substantial even in the long term. However, our own software solution supports sales efforts, as some customers value the opportunity to acquire back-end systems for charging solutions from a single supplier. Such customers include, in particular, those for whom operating charging stations is not their primary business – for example, retail companies, among whom Kempower has been very successful. Some of Kempower's key competitors focus more clearly on hardware manufacturing and less on software, which highlights the competitive advantage created by Kempower's software.

The importance of software for the business

- One-stop-shop for attractive customer segments
- Supports customer retention
- Provides user data for product development
- High-margin income stream in addition to equipment sales

Product development results from recent years

Project	Launch
Megawatt Charging (MCS) for heavy traffic	October 17, 2023
Eichrecht certificate	August 29, 2023
Plug and Charge readiness	April 27, 2023
Next generation SiC-based product platform	February 09, 2024
NACS plug available in North America	April 11, 2024
MORE Power, MORE Plugs	2025

Company description and business model 6/7

Software is being commercialized more and more

Kempower has recently started to invest more in its software business by offering the ChargEye software solution to users of devices other than its own. We understand that the company has had pilots for this type of software delivery underway during 2025. Although the revenue generated by software would remain low in the context of the entire company, the growth in software sales could have an earnings-enhancing effect due to a higher margin profile.

Company description and business model 7/7

Value chain in the industry

KEMPOWER

Component supplier

Supplies typical components or sub-assemblies used in the electronics industry

Equipment manufacturer[1]

Manufactures and develops charging devices and the software to use them

Installer[2]

Performs the installation and provides field services

Customers

Passenger cars

Operators of public charging stations

Buys electricity from the grid, sells electricity to the customer. Bears the utilization rate risk and wants to maximize the amount of electricity sold.

Includes both retail chains and pure charging-focused operators.

Customers

Commercial vehicles[3]

Vehicle owners

Uses a charging solution to charge its own EV fleet. Wants a charging solution that works at the lowest possible cost.

Public charging operators

Sells electricity to a number of commercial vehicle operators. Wants to maximize the amount of electricity sold and bear the utilization risk.

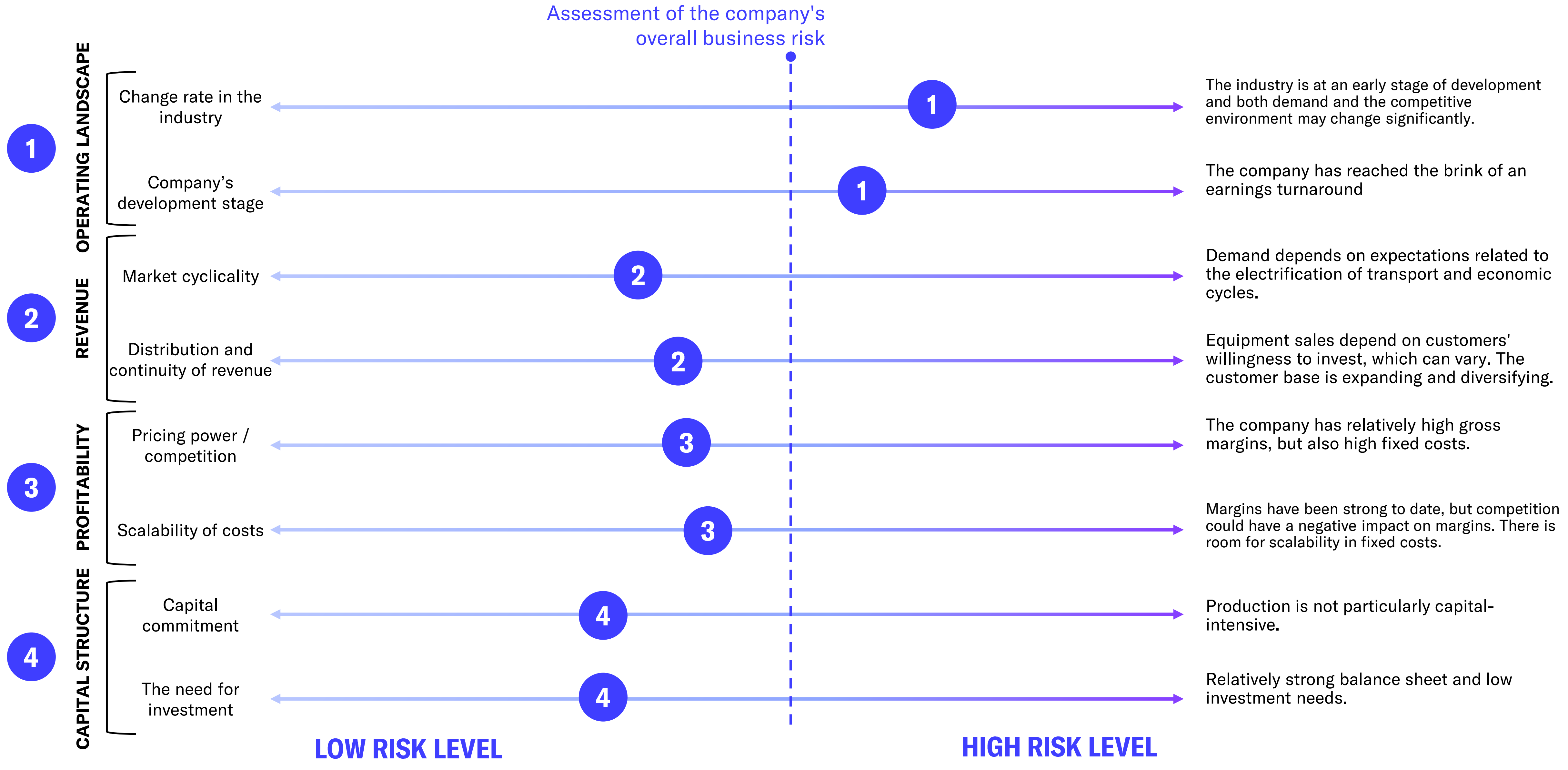
OEMs

OEM can offer a charging solution to the customer, e.g. with a bus or work machine

Logos are examples of Kempower customers

1) Kempower can sell directly to customers (typical in key main markets) or use distribution partners.
2) Installation is not carried out in-house, but is outsourced to local technical service providers.
3) Vehicle owners are the most typical customer type in the commercial vehicle segment.

Risk profile of the business



Source: Inderes

Strategy and financial targets 1/3

The strategy will be updated in spring 2026

We expect Kempower to update its strategy under the leadership of the new CEO, Bhasker Kaushal, in connection with the Capital Markets Day (CMD) to be held in Q2/2026. The company's previous strategy was published in April 2023, when market demand was still growing very strongly. We expect the new strategy to build a natural continuation of the current strategy. In our estimation, the company will update its financial targets to reflect the realities of current market growth.

Key strategic actions in recent years have included expanding distribution to new markets in Western countries, increasing and streamlining production capacity, and accelerating product development. The company targets revenue of 750 MEUR, which, given the weakening market expectations, may appear to be an overly ambitious target. The company's EBIT target is 10-15% by 2026-28 and over 15% in the long term. The company will pursue its objectives primarily through organic means, but acquisitions are also a possible part of the toolbox. Dividends won’t be paid in the short or medium term, as the aim is to use the money to achieve growth objectives.

Expansion and new customer acquisition have been very successful

The strategy has included expanding operations into new geographical areas and evaluating new suitable regions and expansion methods. Since its IPO, the company has established country organizations in most major European markets, the United States, Canada, Australia, and most recently, Malaysia. Europe and North America are key main markets, but the company is considering whether it should increase its presence in other markets such as Asia or the Middle East.

Kempower completed its expansion into the US already in 2023 and has succeeded in gaining a significant number of new customers in the region within two years. North America's share of the company's new orders was already 21% in January-September 2025, which indicates successful expansion and new customer acquisition. In Europe, Kempower already has a fairly extensive distribution network and a strong market position. The company aims to increase its market share especially in countries outside the Nordics. In the DACH region, the company started from behind, having only received the Eichrecht certificate in the fall of 2023, and has invested significantly in this area in recent years. We estimate that the company will also invest in developing aftermarket operations in various regions, such as maintenance, spare parts availability, and software sales.

R&D function scaled to match the company's weight class

During the strategy period, the company has increased its R&D investments to a level closer to that of other major charger manufacturers. In a young industry, technological change can be rapid, underscoring the importance of continuous product development and making it difficult to predict competitiveness. Key technological advancements during the strategy period include the transition to silicon carbide-based next-generation products, the development of heavy-duty charging solutions (Megawatt Charging System), and increasing the potential of distributed charging systems (MORE Power, MORE Plugs). We estimate that product development in the coming strategy period will continue to focus on heavy-duty transport solutions and software, areas in which Kempower traditionally has strong expertise.

Assessment of strategic priorities for the coming years

- Increasing footprint in new geographies (especially North America and Central Europe)
- Readiness to capitalize on the electrification trend in heavy-duty transport
- Optimizing and streamlining processes
- Improving profitability
- Increasing recurring revenue

Strategy and financial targets 2/3

Production capacity is sufficient, focus on efficiency

Kempower has opened new factories in Lahti, Finland and the US during the 2023-24 strategy period. The expanded capacity has not been utilized as intended due to the sharp weakening of market demand during 2024. However, we believe the company has many opportunities to improve production efficiency through both increasing scale and, for example, optimizing the subcontracting chain and product changes. Improving and streamlining operations will be one of the competitive drivers of the future, as we expect the competitive landscape for fast-charging technology to harmonize and consolidate over the long term, with the relative importance of product features in competition decreasing and cost-efficiency, distribution and brand being emphasized.

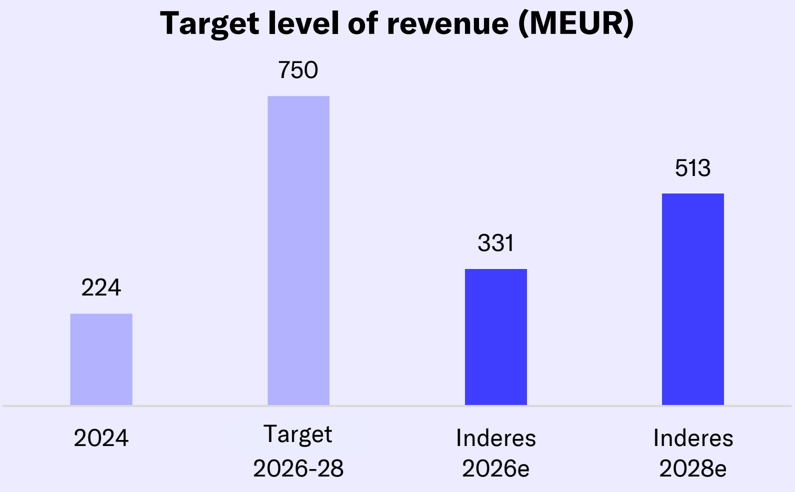
The revenue target could decrease or be postponed

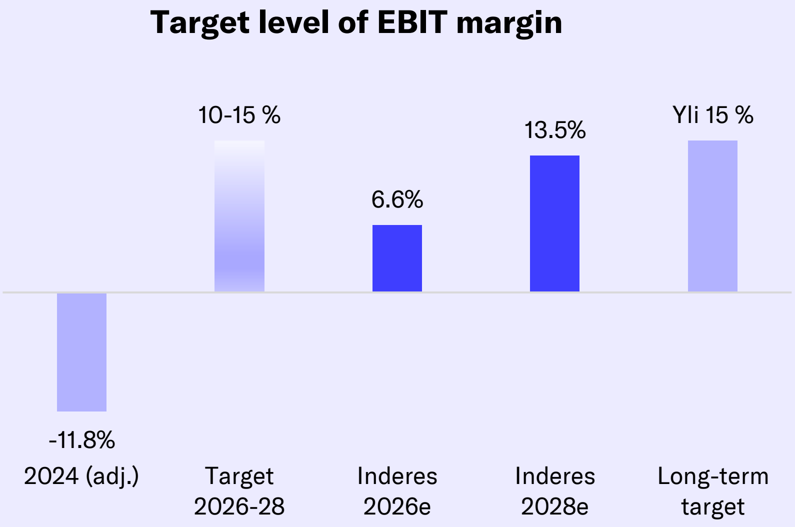
Kempower's target to grow revenue to 750 MEUR by 2026-28 still looked very realistic in mid-2023, but as growth has slowed, we estimate that the probability of achieving this target has decreased. However, the company's failure to meet its growth targets is not due to its market share, which has continued to grow in 2025.

Determining long-term profitability is challenging

We estimate that Kempower has significant potential to improve its profitability by scaling its operations. The current functions and fixed cost base enable the company to achieve strong growth without a significant need to increase operating expenses. The company has demonstrated strong profitability in favorable market conditions (adj. EBIT 2024: 14.3%), but growth investments have, on the other hand, pushed profitability into negative territory in weaker market conditions (2024: -11.8%). The company is now on the verge of a profitability turnaround, and we believe that profitability development in the coming years will mainly depend on market demand.

In our view, the current profitability targets are more realistic than the growth targets. The company targets an EBIT margin of 10-15% by 2026-28 and at least 15% in the long term. Estimating the long-term profitability level is challenging, but given the current competitive dynamics, we see the 10-15% target as fully realistic over the next few years. The company's gross margins of nearly 50% are among the highest in the industry. However, fluctuating market growth rates and potential increased competition could put pressure on margins in the future.





Strategy and financial targets 3/3

Timeline of strategic goals

-2021 | 2021 - 2026 | 2026-

Strong evidence of product competitiveness

- Kempower has launched fast-charging solutions for a wide range of applications in 2019-20
- The company has quickly become one of the largest and best-known manufacturers of fast chargers in Northern Europe
- High demand and gross margins have proven the strong competitiveness of the products

Scaling operations and geographic expansion

- Sales organisations built in Europe, North America and Australia
- Production starting in the US during 2023 and promoting sales in P-America
- Expanding production in Lahti, Finland
- Increasing product development resources

Optimizing profitability and growth in heavy-duty transport

- The organization and cost structure enable strong growth, which supports improved profitability
- The increasing role of heavy-duty transport in the customer base
- Improving operational efficiency
- Development of aftermarket operations and software sales

This is based entirely on Inderes' estimate, as the new strategy will only be published in 2026 (CMD in Q2)

Challenges and risks relevant to the implementation of the strategy

Challenger position

- The company entered the market from behind, as its main competitors had been in the market for years

Fluctuations in market demand

- Balancing growth and profitability has been challenging in a changing market
- Fluctuating demand and uneven electrification of transport
- International expansion has progressed but has limited profitability

Future risks

- Price erosion. Cost-efficiency will become an increasingly important competitive factor
- Changes in competitive dynamics and, for example, the potential rise of Chinese players
- The progress of electrification depends partly on political decision-making

Source: Inderes

Market and competitive environment 1/3

The market is expected to multiply

We estimate the market for DC chargers for electric vehicles in Kempower's target regions of Europe and North America to be around 3 BEUR in 2024. Based on our own calculations, the market is estimated to grow to roughly 9 BEUR by 2030, which would imply an annual growth rate of about 20%. The calculation includes an assumption of an approximately 5% annual price erosion per charging point but also assumes a slight increase in the number of chargers relative to the size of the EV fleet (mainly in North America).

Kempower itself presented an estimate at its 2023 CMD that the market would grow to 14 BEUR by 2030. However, expectations for the electrification of transport have since changed, partly due to political decisions, especially in the United States. While policy can affect the medium-term outlook, we believe that in the long term, the majority of road transport will be electrified as technology becomes more competitive than internal combustion engines, even without public subsidies.

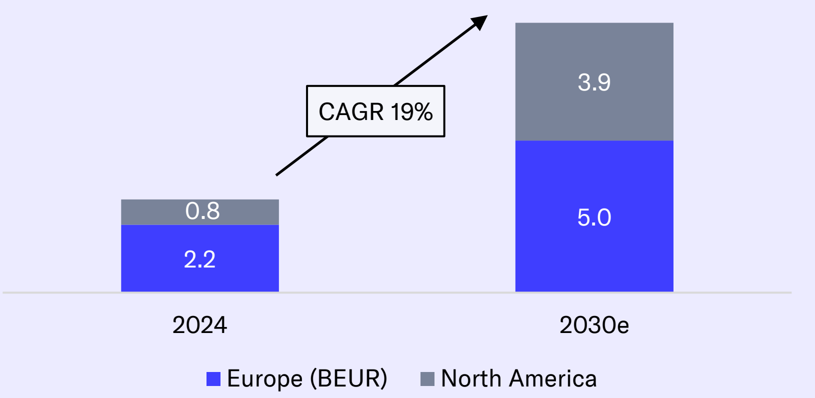
In the short term, the market has been volatile

Demand for DC chargers grew strongly in 2021-22, driven by high expectations for the rapid electrification of transport and investors' growth-seeking behavior, which created a favorable financing environment for charging operators. However, the electrification of passenger vehicles began to slow in 2023-24 as interest rates rose, consumer confidence weakened, and, in part, acquisition subsidies were reduced. The market has developed in a more favorable direction during 2025, supported by factors such as a pick-up in electric vehicle sales in Europe, although this has not yet fully reflected in charger sales. Due to high investments in previous years, the utilization rates of many charging operators have not developed as desired, and financing has recently relied on debt.

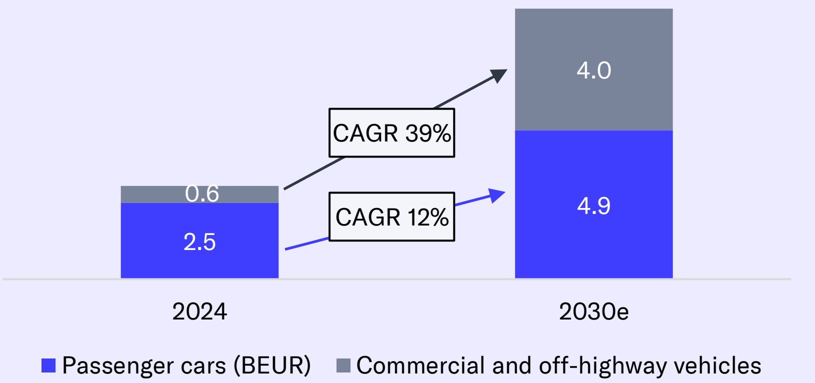
Passenger car charging is currently the most important segment

The public charging segment, mainly for passenger cars, currently accounts for the majority of the total DC charging market for electric vehicles (2024: an estimated 2.5 BEUR). Fully electric passenger cars already account for a significant share of new car sales, 17% in Europe and 8% in the US in January-November 2025. The relative share of new sales has recently grown, especially in Europe, due to stricter EU emission limits. Our market forecast assumes that the share of fully battery electric vehicles (BEVs) in new car sales will grow to 42% in the EU and 27% in North America by 2030. In addition, we have assumed that the number of charging points relative to the car fleet will increase slightly in Europe (13%) and more significantly in North America (24%). As a result of these assumptions and annual price erosion of 5%, we estimate the passenger vehicle segment to grow to just under 5 BEUR by 2030.

Target market growth by geography[1]



Growth of the target market by segment[1]



1) Inderes' estimate of the European and North American fast charger market. The forecast utilizes, among others, the following sources: BCG: Winning the EV Charging Race; McKinsey: The bumpy road to zero-emission trucks; Rabobank: The rise of electric vehicles in the US and the road ahead; Kempower CMD 2023.

Market and competitive environment 2/3

Heavy transport is a major consumer of fast charging

The electrification of large commercial vehicles such as buses and trucks is also a major driver of the DC charger market. Commercial vehicles have higher consumption and utilization rates, which means they also need to be charged more often and faster. While about 10-30% of passenger car charging is done at fast-charging stations, efficient DC charging is the rule rather than the exception for heavy-duty electric vehicles. Heavy-duty vehicles can utilize both private charging depots and public fast-charging stations designed for heavy-duty vehicles along key logistics routes. However, private charging stations, for example, at bus depots or logistics companies' own stations, are currently the most typical operating model.

Commercial vehicles currently represent only a small share of the DC charger market (2024: an estimated 0.6 BNEUR or ~20% of the total DC charger market). However, due to its early stage of development, the segment has a higher relative growth potential than the passenger car segment. Our market forecast assumes that 65% of buses in Europe and 30% in North America will be fully electric by 2030. For trucks, we assume a market share of some 20-25%. We forecast the heavy transport charger segment to grow to 4 BEUR by 2030, which would represent a very high annual market growth of up to 39%. The forecast includes a similar annual price erosion of 5% as seen in the passenger vehicle segment.

Trucks are very important for the growth of the entire target market. According to Kempower's estimate presented at the 2023 CMD, commercial transport could represent a market segment of up to 9 BEUR in 2030 (64% of the total market). This estimate is more than double our current forecast and would require approximately twice the number of electric trucks than we assume. We do not deny that significant progress is constantly being made in the electrification of heavy-duty transport, for example, with the improving availability of new electric truck models and falling battery prices. However, we estimate that the weakening of politically mandated incentives, particularly in the US, has dampened the outlook for heavy-duty transport electrification in the medium term, while low oil prices have strengthened the competitiveness of internal combustion engines. Sustainability and the adoption of new technologies remain important themes for companies, but they are no longer as prominent in the current political climate as they were, for example, at the time of Kempower's 2023 CMD.

Europe ahead of North America

Geographically, the electrification of transportation is slightly further advanced in Europe than across the pond, which is why the relative market growth in the US is expected to be faster than in Europe over the 2023-30 forecast period. In addition to Europe and North America, Kempower also operates with varying intensity in other smaller markets such as Australia, the Middle East and Southeast Asia. The market size in these regions is small compared to Europe and North America, but, e.g., South Asia can be expected to grow into a significant market in the long term.

The 9 BEUR market forecast requires an increase in the number of electric vehicles[1]

	2024	2030e
	13,000,000 13% of new cars 2 % of the car fleet	**50,000,000** 35% of new cars 10% of the car fleet
	40,000 15-20% of new cars ~ 2 % of the car fleet	**300,000** 50% of new cars 15 % of the car fleet
	20,000 2% of new cars <1 % of the car fleet	**800,000** 20-25% of new cars 4 % of the car fleet

1) Inderes' estimate of the European and North American fast charger market.

Market and competitive environment 3/3

In the EU, emissions reduction is progressing consistently

In the EU, the reduction of transport emissions has been pursued quite consistently, although some minor concessions have recently been made, mainly to alleviate the distress of local car manufacturers. Among other things, the EU has set progressively stricter emission limits for new passenger cars and banned the sale of internal combustion engine cars from 2035 onwards. The ban is, however, being abandoned, but transport emissions are still to be cut by 90% relative to 2021 levels, which in practice means that the majority of new cars should be zero-emission in 2035.

The limits on average emissions for new cars, which came into force at the beginning of 2025, have had a stimulating effect on EV sales. Until now, car manufacturers have tried to meet EU emission limits by producing more plug-in hybrids, but this will no longer be sufficient as limits tighten and, on the other hand, the method for calculating hybrid emissions becomes less favorable than before.

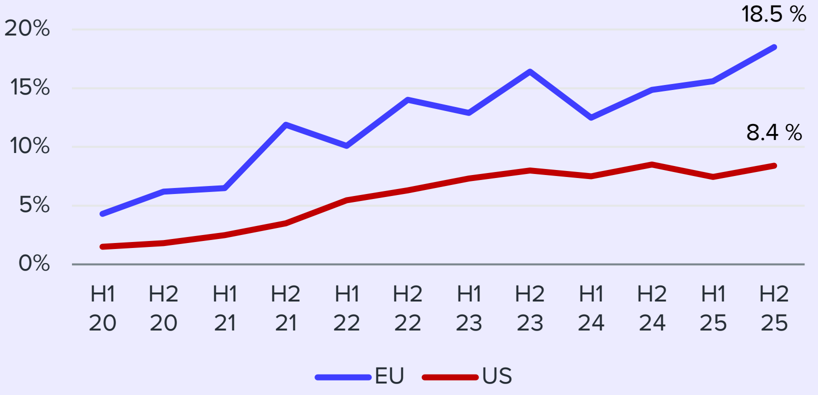
In our view, European car manufacturers' resistance to stricter emission limits in recent years has been due, among other things, to the fact that consumer demand for fully electric cars has not developed as rapidly as previously expected. In addition, manufacturers have been concerned about the growing market share of Chinese cars. At the end of 2024, the EU imposed additional tariffs on electric cars imported from China. European manufacturers have succeeded in developing new, more competitive cars and strengthening their market share during 2025, which we believe will ease the pressure to abandon already set ambitious emission targets.

The US market is politically polarized

In our view, the realization of the North American market potential is subject to relatively more uncertainty due to political polarization. The Biden administration's large, multi-billion dollar NEVI subsidies for charging infrastructure were put on hold when Trump took office, but by the end of 2025, the previously approved funding has started flowing again. The removal of federal procurement support has slowed new electric vehicle sales since the end of 2025, and there is more uncertainty regarding development in the coming years compared to Europe.

State-specific differences in regulation and incentives are significant. 18 states are committed to the strict emission regulations of the California Air Resources Board (together accounting for about 40% of car sales), which means that in these states, the electrification of transport is progressing, even if federal policy were to hinder development. Although many states are unwilling to support electrification, we believe it is likely that in the long term, the economic viability of electric vehicles will lead to a clean transition and, consequently, to the growth of the charging solutions market.

All-electric cars as a percentage of new passenger cars[1]



1) December sales figures for Europe are not yet available.

Competitive environment 1/3

The global market is in a rapid development phase

There are dozens of manufacturers in the electric vehicle fast charging (DC) market, but only a small proportion of them have the capacity to succeed in global competition. The market has been somewhat fragmented in the early 2020s. Large global players, such as Tesla, ABB, and Siemens, as well as Tritium, which later filed for bankruptcy, have rapidly established a broad presence in various markets due to their strong distribution. Kempower and Alpitronic entered the market somewhat later and initially achieved a high market share in their respective local regions (Kempower in the Nordics and Alpitronic in Central Europe). Kempower and Alpitronic have expanded geographically in recent years and, thanks to their strong products, have gained market share from the aforementioned four.

The challenging nature of the technology limits competition and drives consolidation

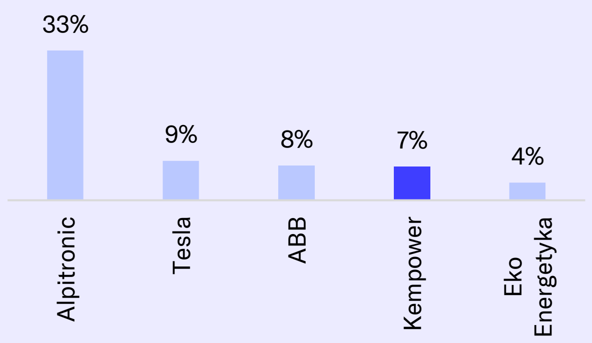
DC charging is technically more challenging than slower AC charging solutions, raising the barrier to entry. In our view, success in global competition requires strong technology and R&D resources, which many smaller players lack. There are also players in the market who package, for example, Chinese technology for Western customers. This strategy may work well for attracting smaller, opportunistic charging operators, but we estimate that larger and more established charging operators, gas station chains, and retailers value Western technology due to factors such as data security and reliability. In our view, relying on externally developed technology or software limits long-term growth opportunities and the ability to adapt to changes in technological development or customer needs.

We believe that the availability of growth financing for new entrants or small challengers has deteriorated in recent years, as investors have become aware of the industry's competitiveness and the growing technological and financial lead of the strongest players. Many of the market's smaller players cannot compete globally due to a lack of technology and product development. In recent years, less competitive players have exited the industry or faced financial difficulties, including the aforementioned Tritium, as well as, for example, EVBox, EnerCharge and FreeWire. We expect the industry consolidation to continue gradually in the coming years, as most small challengers will fail in their attempts to replicate the growth stories of companies like Kempower or Alpitronic.

Kempower has quickly taken a significant share of the market in recent years

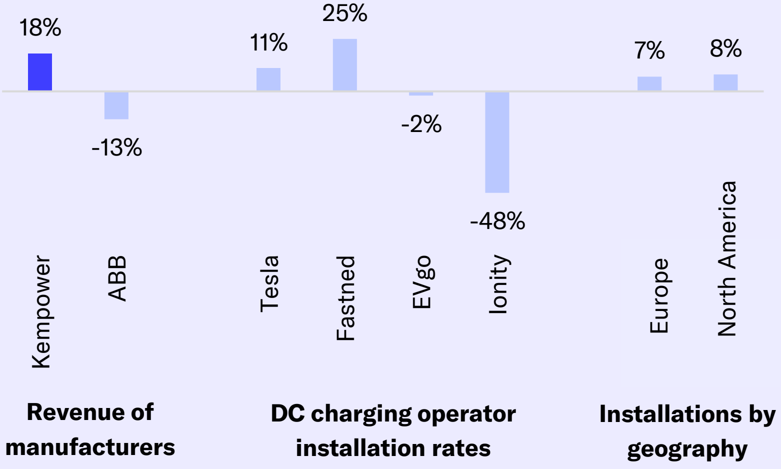
Kempower is a relatively new entrant in the fast charger market compared to other players with significant market shares. The company rapidly increased its market share from almost zero in 2019 to an estimated just under 10% in 2025, which we believe is enough to secure a place among the top five manufacturers operating in Western countries. We estimate that Kempower's market share is relatively strong in the Nordic countries (especially Finland), but also significant in the UK, for example. However, the company's position is relatively smaller in Central Europe and the United States, although it is strengthening with the support of recent expansion. In Germany and Austria, Kempower did not receive the Eichrecht certification required for public charging stations until August 2023.

Market shares of DC charger manufacturers 2024[1]



1) Inderes estimate of market shares in Europe and North America.

Development of revenue / installations 2025 YTD[2]



2) YTD: January-September 2025 Based on company reporting and Inderes assessment.

Competitive environment 2/3

We estimate that **Alpitronic**, based in Northern Italy, is the market leader in Western countries and thus Kempower's main competitor. The company has a particularly strong position in Central Europe and, like Kempower, has expanded geographically into new areas in recent years. Alpitronic's financial figures are not publicly verifiable, but the company's CEO has indicated in 2024 that they aim for revenue of over 1 BEUR for the year, which we estimate would correspond to a market share of up to 33%.

ABB has long been one of the largest players in DC charger manufacturing, but we estimate that it has lost market share in recent years due to quality issues, among other things. The company's E-Mobility segment orders have been declining in recent years, and its result has been significantly loss-making. We believe the company's communication regarding the unit's development has been pessimistic, and we see it as possible that the company will reduce growth resources allocated to E-Mobility and aim to limit the unit's losses in the coming years.

In the long term, cost-efficiency will be emphasized

We estimate that product leadership and technology will remain the most important competitive factors for success in the DC charging market for at least the next few years. In our view, this has driven Alpitronic's and Kempower's market share growth in recent years. Reliability, technical support, and the availability of spare parts have also become increasingly important.

In the long term, we expect the market to consolidate and technologies to converge, which will emphasize the importance of cost-competitiveness. We believe that current technology leaders also have a strong position in terms of long-term cost competitiveness, as growing market shares mean greater scale and thus production efficiency. Kempower's margin level is among the best in the industry compared to publicly reporting companies, but it is also likely that, for example, Alpitronic and some other larger players are also able to achieve good margins on their products. Considering Kempower's strong starting point in margins, increasing market share, and robust proprietary software offering, we believe the company is well-positioned to succeed in price-driven competition over the long term. Market leader Alpitronic's position is likely even stronger.

Kempower has a strong market share in the Nordics; growing in the rest of Europe

Kempower began supplying charging solutions from its home market in the Nordics, where it has achieved market leader status in Finland (very high market share) and Norway (30% share). The company has also published information on its market share in the UK (~10% of public charging points). We estimate that Kempower has significant potential to gain market share in Europe outside the Nordic countries, as evidenced by growth exceeding the overall market in 2023 and 2025. In our understanding, the market share in German-speaking countries is still lower because the company entered the market relatively late (the Eichrecht certificate was obtained in August 2023). Becoming a supplier to major charging operators takes time. In July 2025, the company announced that it had been selected as the primary solution provider for Allego's charging network, one of the largest charging operators in mainland Europe. The first pilot delivery to Allego was announced in March 2023, which suggests that sales processes for established operators can take years.

Kempower's competitive position

+	A pioneer in distributed satellite-based systems Special focus on charging commercial vehicles Strong own software solutions Industry-leading margins Strong position in the Nordics, growing player in new markets such as Continental Europe and North America
−	Growing competition in distributed systems Limited position in the largest CPO accounts Global brand recognition is not on par with top competitors

Inderes' estimate

Competitive environment 3/3

The structure of the US market is becoming more favorable

The structure of the US market has been challenging for independent fast-charging solution providers in the early 2020s, as major charging operators like Tesla and ChargePoint have their own production of charging solutions, which can be seen as competition for Kempower. The US fast charging market has been concentrated among a few large charging operators, the largest of which are Tesla, Electrify America, ChargePoint, and Evgo. The combined share of these operators in fast charging points was ~79% as of May 1, 2025.

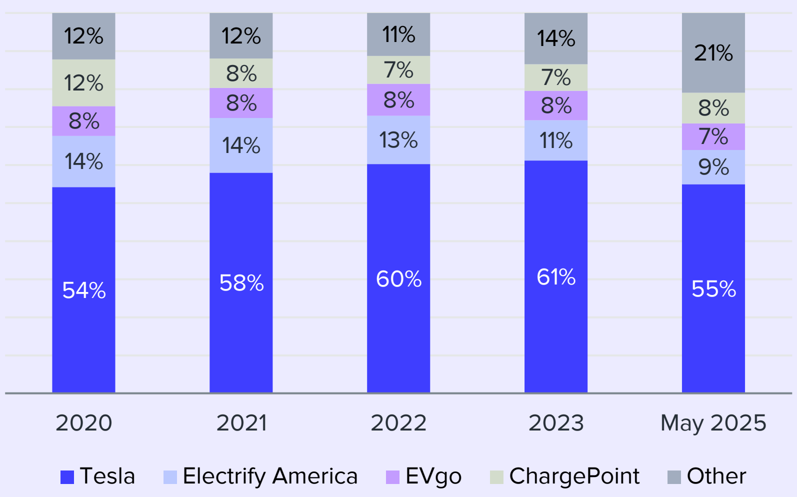
Tesla has played a particularly dominant role in the market, with its market share reaching as high as 60%, although it declined to 55% during 2025 (in Europe, Tesla's share is <20%, and the market is more fragmented). US consumers' perception of chargers from operators and manufacturers other than Tesla has been low. However, we estimate that consumers' perceptions are changing as advanced European technology, such as Alpitronic and Kempower chargers, increasingly enters the market.

The share of the four largest operators in the market has declined, especially during 2024-25 (in 2022, their share of charging points was still as high as 89%), meaning that smaller players have expanded their charging networks relatively faster. With the growth of smaller charging operators, the market has opened up for independent equipment suppliers like Kempower.

Kempower has also been affected by the market change, with Alpitronic also strong

In addition to new charging-focused operators, retailers have also become active in the US charging operator market, as they want to manage the charging business on their properties themselves, rather than letting, for example, Tesla or ChargePoint sell electricity on their sites. Examples of new significant and growing charging operators in the market include: Walmart and Ionna, which we understand use Alpitronic chargers. Kempower has also won new and growing charging operator customers. For example, Blink, a major operator, has deployed Kempower chargers, and the company has also gained many smaller operators as customers. Kempower's technology was also used to build the largest grid-connected charging depot in the US in California (customer EV Realty), which serves the needs of heavy-duty transport. We believe Kempower's market share development depends partly on the growth of the heavy-duty transport market, where we see the company's competitiveness as strong.

DC charging operators' market shares in the US in 2022[1]



Historical development and financial position 1/3

The company has grown rapidly in its short history

Kempower was incorporated in 2017 and released its first T-Series, S-Series and C-Series charging solutions in 2019. Since then, the company has grown rapidly to become one of the leading suppliers of DC charging solutions in the market. In its first few years, the company started to collaborate on product development for commercial vehicles and buses, and also won several orders from this customer segment. Revenue was in the millions for the first time in 2020 and amounted to 3.3 MEUR. Building sales channels to Europe outside the Nordic countries during 2021 started to pay off already in Q4 of the same year. The group's revenue increased to 104 MEUR in 2022 and to as much as 284 MEUR in 2023, of which 51% was generated outside the Nordic countries in Europe.

Change in supply/demand balance causes volatility in 2023-24

We believe Kempower's rocketing growth is due not only to its competitive products, but also to temporary factors such as customer hoarding behavior and the company's strong production capabilities in the tight market of 2023. The easing of the component shortage and the slowdown in EV demand growth led to a decline in Kempower's revenue in 2024 (-21% year-on-year). Kempower reported in its Q2'24 report that its customers have some 100 MEUR of uninstalled chargers in their warehouses. Competitors also complained about high inventory levels and lack of investment by charging operators. The supply/demand balance in 2024 was therefore upside down compared to 2023. However, during 2025, customer inventory levels have decreased, and their significance has otherwise diminished due to Kempower's successful new customer acquisition. Kempower's customer orders decreased by 21% during 2024. Orders have returned to very strong growth in 2025 (January-September: +38% y/y).

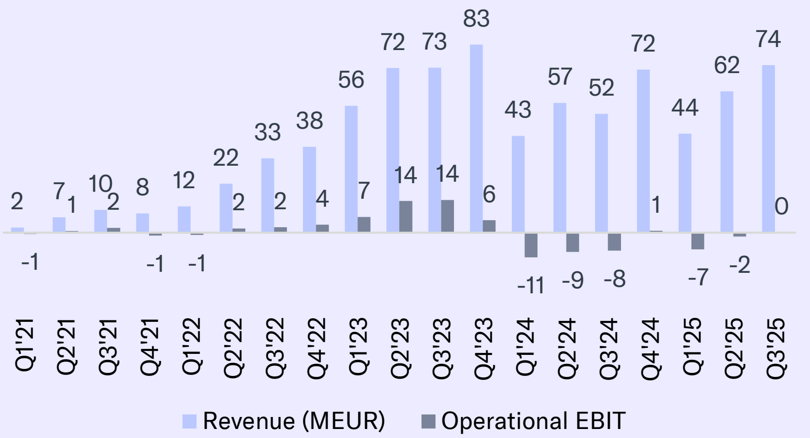
Q1 is a seasonally quieter quarter

Assessing revenue seasonality is still somewhat challenging due to the company's short and volatile history. However, Q1 stands out most clearly among the quarters, as it has typically been a slower quarter for the company in terms of orders and deliveries.

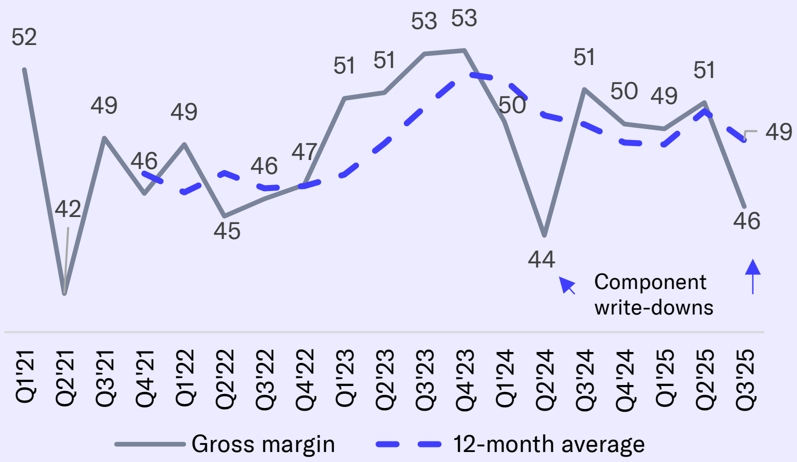
A strong and relatively stable margin profile

Kempower's gross margin has developed relatively steadily in the industry context, ranging between 47-52% in 2021-25. Individual quarters have occasionally been subject to component write-downs, which have temporarily weighed on the margin, but on an annual basis, the write-downs have been relatively small. The company's margins are quite high for an equipment manufacturer and, in our view, among the best in the industry. Regarding the impact of the product mix, the margins for high-power solutions, such as charging systems used for heavy-duty transport, are typically slightly higher than those of other products. The increased competition in recent years has not yet significantly impacted Kempower's margins. The company has opportunities to lower manufacturing costs, for example, by streamlining production and outsourcing components, which can compensate for potential – even probable – price pressure in a gradually maturing market.

Revenue and EBIT development



Gross margin development (%)



Historical development and financial position 2/3

Balancing growth and profitability

Kempower has implemented strong growth initiatives in 2022-23 and H1 2024, for example, by increasing production, product development, sales, and group support functions. The number of employees grew very strongly during that period (2021: 136 -> H1'24: 907). However, the unexpected weakening of demand during 2024 led to cost savings, which were implemented in H2 2024. The savings have been moderate in the big picture, considering the rapid increase in resources in previous years. We estimate that the company's current cost structure enables substantial revenue growth without significant additional investments.

Operating earnings turnaround is on the horizon

The company was already profitable at the EBIT level in 2022-23. In 2023, EBIT already reached 41 MEUR (14.3% of revenue). However, the decline in revenue during 2024, combined with increased costs, weakened profitability to a loss (adj. EBIT: -26 MEUR). Savings measures and the recovery of revenue growth have brought profitability closer to zero during 2025, and the starting points for an earnings turnaround are favorable due to the strong order book.

Kempower's financing costs are low, as the company's balance sheet is on the net cash side (Q3'25 net cash 19 MEUR, excluding lease liabilities 44 MEUR). In 2022-23, when the company had positive earnings, it paid taxes of 22-25% of its profits. EPS peaked at EUR 0.61 in 2023 but fell to EUR -0.42 in 2024.

Investment needs are limited

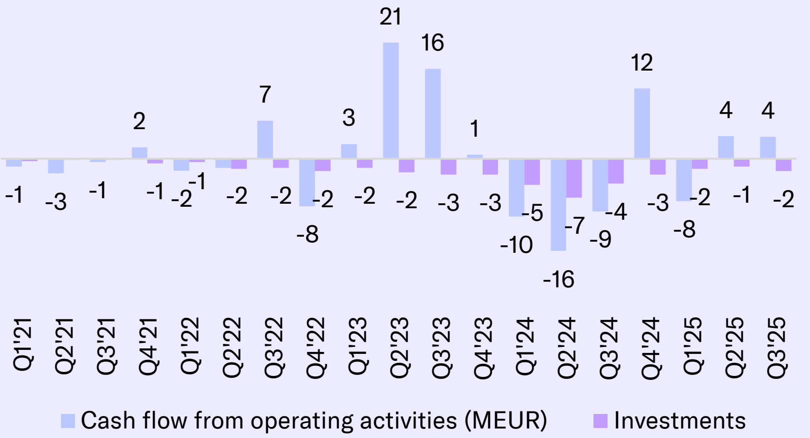
Kempower's business is not particularly capital-intensive, as the company's balance sheet at the end of Q3'25 showed only 47 MEUR in tangible fixed assets (19% of LTM revenue), and roughly half of this consisted of capitalized lease agreements. In addition to real estate, fixed assets include production equipment and development laboratory equipment. Depreciation as a percentage of revenue has been around 5% in 2024-25, but it could be lower if the company's production facilities operated at higher utilization rates. The company has only invested 5 MEUR in fixed assets during January-September 2025, and in our view, there is no need for the company to significantly increase investments, as its current production resources enable substantial growth in delivery volumes.

Balance sheet liquidity buffers can withstand weak profitability in the short term

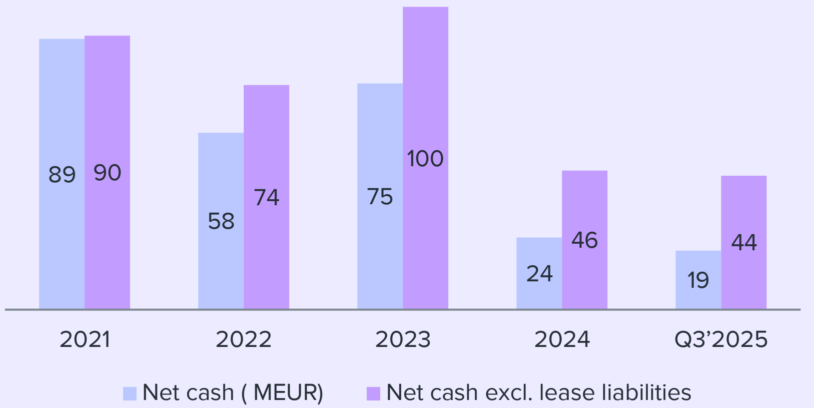
Kempower's IPO in the fall of 2021 raised gross proceeds of 100 MEUR, enabling the company to grow rapidly. In 2022-23, positive operating profitability supported the financial position and cash reserves remained at a high level. The amount of debt on the company's balance sheet has, of course, increased each year, but this is mainly due to the increase in IFRS16 lease liabilities as new premises have been opened.

We assess the company's balance sheet position to be strong enough to cover potential short-term losses before the anticipated turnaround in earnings. At the end of Q3'25, the company had financial assets of 58 MEUR (Q3'24: 53 MEUR), and unused credit facilities of 70 MEUR. Operating cash flow was 0 MEUR in January-September 2025, even though the result was still moderately in the red.

Cash flow development

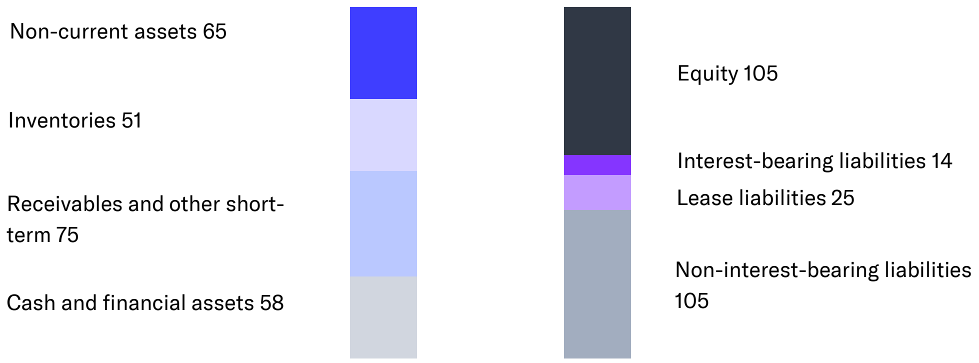


Development of net cash assets

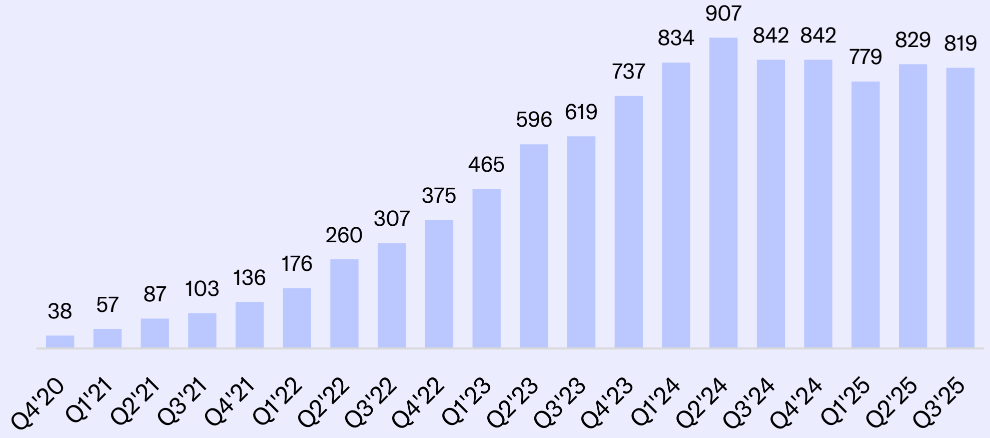


Historical development and financial position 3/3

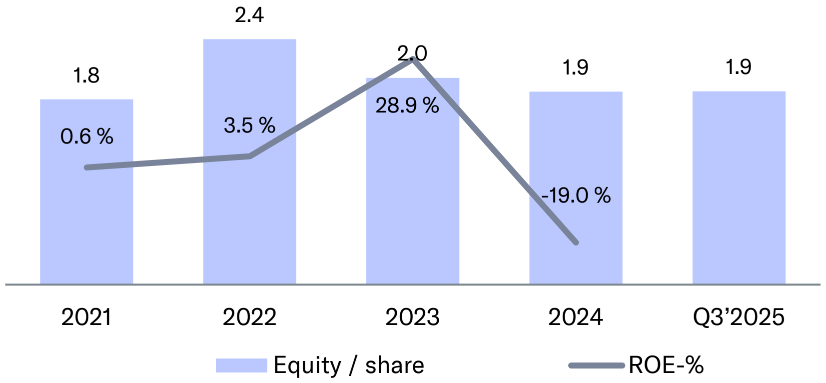
Balance sheet at the end of Q3'2025 (MEUR)



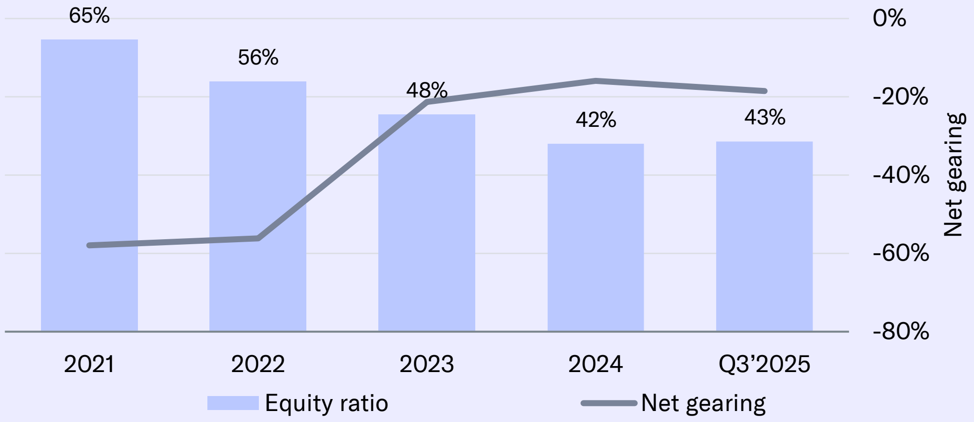
Headcount development



Equity per share (EUR) and ROE %



Development of balance sheet key figures



Source: Kempower

Estimates 1/4

2025 largely set, trending upwards

Kempower's 2025 has been a period of growth recovery. We forecast revenue to grow to 253 MEUR (+13% y/y) and new orders to grow to 290 MEUR (+33%). The company started the year with a broad revenue guidance assuming 10-30% growth, but narrowed the range to 10-15% in connection with the Q3 report. The company justified the reduction in the upper end of its revenue guidance by the strong order book (Q3: +17% y/y) containing deliveries weighted towards 2026.

Regarding profitability, Kempower guides that the operational EBIT will improve significantly from the previous year (2024: -26 MEUR). Our forecast for 2025 operational EBIT is -7 MEUR, which is in line with guidance.

Strong order growth in 2025 and low delivery volumes in Q4 mean a strong order book for early 2026 (forecast: +33% y/y), which supports the revenue growth outlook for 2026 (forecast: 31%). For 2026-30, we forecast average annual revenue growth of 23%.

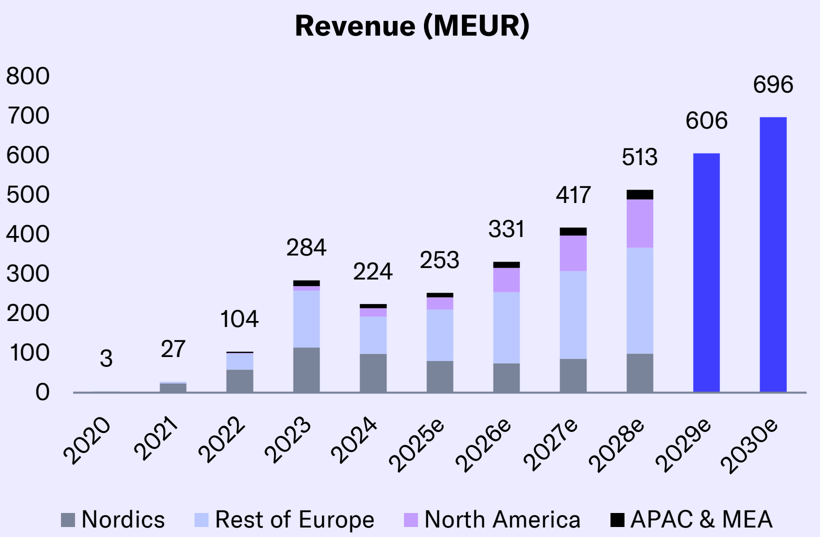
Order growth in the coming years will be built on market growth and moderate market share gains

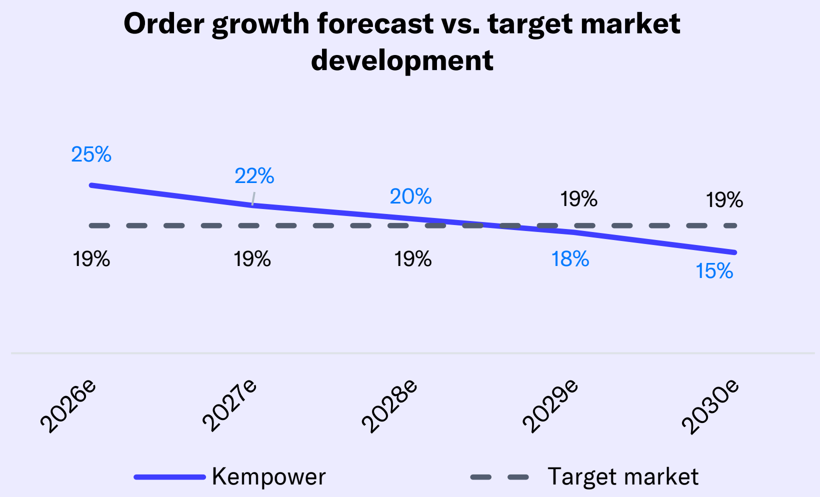
In recent years, **market growth** for DC charging equipment has fluctuated, partly due to expectations related to the electrification of transport. We estimate that demand will settle into a relatively stable growth trajectory during 2025, especially in Europe, where EV sales have grown rapidly (~30% from January to November) and local car manufacturers, led by VW and Renault, have finally gained a strong foothold in the market. In the US, we believe the outlook is cloudier due to federal policy resistance, although state-by-state differences are significant. We have estimated Kempower's target market to grow by just under 20% annually on average, which we explained in more detail in the market section (pages 16-18).

Our order growth forecasts for 2026-28 (20-25% annually) assume a moderate increase in **market share** on top of the projected market growth. In our view, the company has good momentum in North American customer acquisition, and the business has made significant strides in a short period from a low starting point. There is also potential in Europe outside the Nordics, as the company is a relatively new player in many markets, especially in German-speaking countries. The growth outlook is weighed down by the relatively mature charging network in the Nordic countries, where growth in passenger car charging solutions is likely to be lower than in the rest of Europe in the coming years.

Our market forecasts include an assumption of 5% annual **price erosion**, which means Kempower's order volumes should grow by 25% annually in 2026-30 (euro-denominated forecast order growth of 20% annually). We interpret the company's statements to mean that significant price erosion has not yet occurred in the market, but we believe it is realistic that this will happen in the long term as technological differences narrow and the market matures.

We have not included aftermarket revenue, such as **software revenue or spare parts sales**, as separate items in our revenue forecasts because their volume is presumably low and their development is difficult to estimate (the company does not itemize these in its reporting). We estimate the long-term potential for aftermarket revenue to be 10-20% of total revenue, making its impact on growth forecasts small (though its impact on profitability could be slightly more significant).





Source: Inderes

Estimates 2/4

Our base case assumes a moderate downward trend in gross margins

In our view, Kempower's gross margins have been high for an equipment manufacturer in the recent past (2023-25e: 49-52%). If margins remain at this level, we estimate that the company has the potential to achieve an EBIT margin in excess of 20% over the long term as operations scale up. However, we expect competition to drive down the selling prices of Kempower's products and thus margins over the long term. We forecast the gross margin to gradually decline to 46.4% by 2030. Estimating long-term margins is challenging as the industry is at an early stage of development and Kempower's competitive position may evolve over the years.

The company still sees significant opportunities to enhance production and component subcontracting. This could help compensate for a potential decline in prices in the coming years, allowing the gross margin level to remain fairly stable. We forecast that in 2030 the selling price of the comparable product will be 23% lower and the manufacturing cost will be 19% lower than in 2025. We estimate that the growth in the relative share of aftermarket revenue, such as software revenue and spare parts sales, will support the margin level in the long term, but this will not be enough to fully offset the effects of the estimated price erosion.

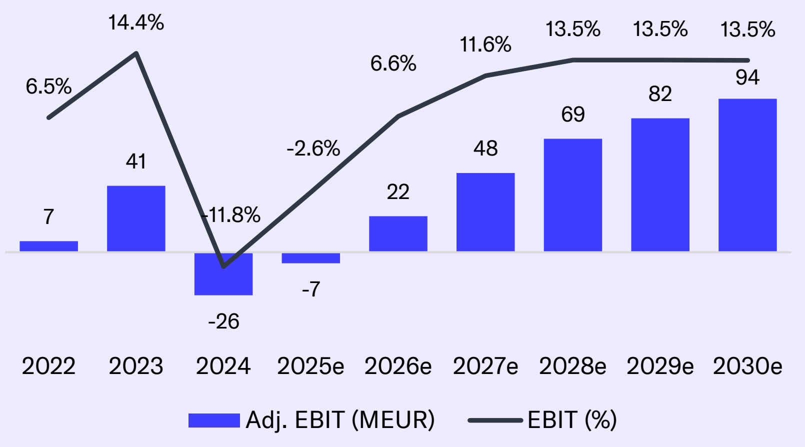
Earnings scale with growth

Kempower's cost structure is geared for growth, despite minor efficiency measures at the end of 2024. In our view, the company has good opportunities to grow its revenue without significant additions to its fixed cost base. There is plenty of production capacity available, and the resourcing of R&D and sales is also at a good level. The company's customer relationships are typically continuous and scalable, which means that the need for sales resources relative to revenue should decrease over time. Fixed operating expenses are projected to grow by 6-10% annually in the coming years (2026-27), which is clearly less than revenue growth. In the long term (2029-30), the growth rate of fixed costs will approach that of revenue, but our forecasts nevertheless assume slight scalability, which compensates for a moderate decline in the gross margin.

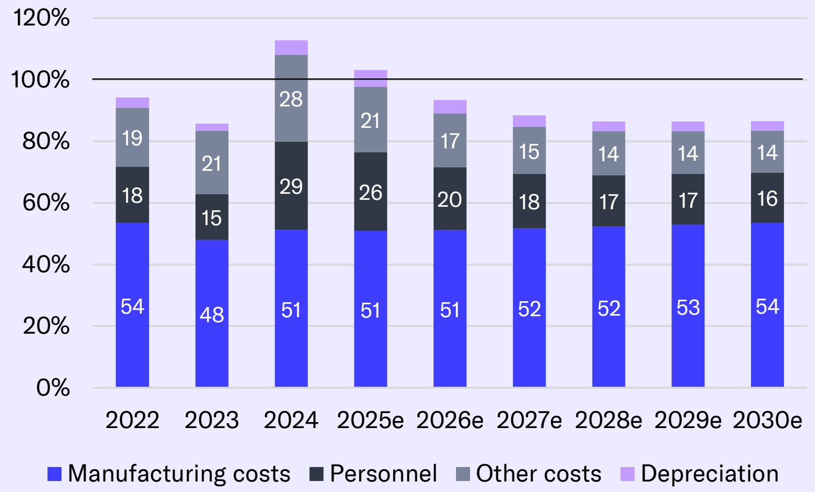
With growing revenue, declining margins, and moderately increasing fixed costs, the company's EBITDA margin is expected to strengthen in our forecasts to 11-15% in 2026-27 and to 17% from 2028 onwards. The EBIT margin, on the other hand, will turn positive to 7-12% in 2026-27 and stabilize at 13.5% from 2028 onwards. We forecast depreciation to increase from the current (2025e) 14 MEUR to 22 MEUR in 2030. At the same time, depreciation as a share of revenue will almost halve (2025e: 5.4% -> 2030e: 3.1%). In practice, the company's investment needs are low based on current information, but we assume that various small investment needs will arise as the company grows from its current size. We estimate annual investments to be around 12 MEUR per year until the end of the decade, or about 20 MEUR per year if capitalizations of leasing agreements are included.

Assessing long-term profitability is challenging because the industry is still in a rapid growth phase and competitive dynamics may change in the long term. There are few reported figures on the profitability of key competitors, but we estimate that Kempower's profitability will reach the level of the industry's top companies (e.g., Alpitronic).

EBIT development



Cost structure, % of revenue[1]



1) Other expenses and other income are netted. Personnel expenses minus manufacturing personnel expenses.
Source: Inderes

Estimates 3/4

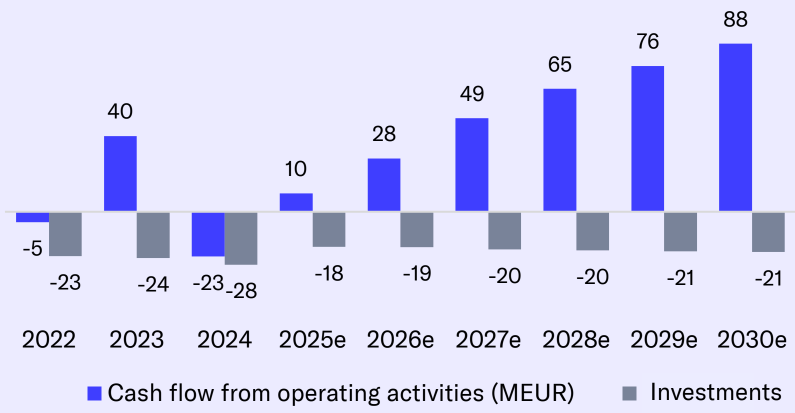
Net income expected to increase to 62 MEUR in 2030

We forecast Kempower's net profit to remain negative for the current year (-8 MEUR), but to turn clearly positive in the following years. The company's net financing expenses are very low due to its strong balance sheet. We have estimated an effective tax rate of 22% in 2026 and 21% from 2027 onwards, when the Finnish corporate tax rate is expected to decrease by 2 percentage points based on current information. EPS will rise to EUR 1.35 by 2030 under these assumptions.

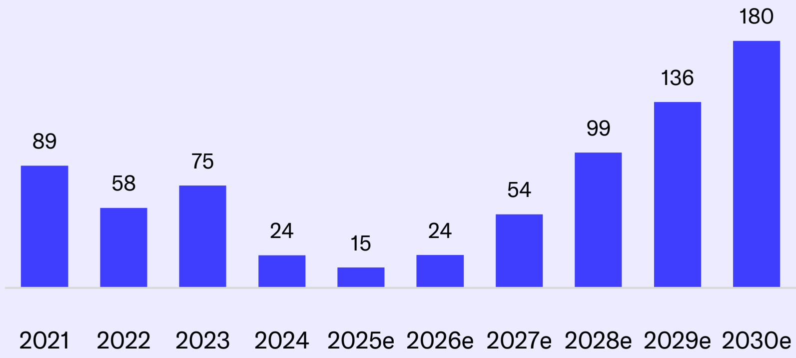
Business has potential for strong cash flow

We estimate that Kempower's earnings growth in the coming years will be very capital-light, which, if realized, will rapidly boost its cash position. Operating cash flow is strong, while investment needs are low. We estimate the company's net cash to be 15 MEUR at the end of 2025 and to strengthen to as much as 99 MEUR by 2028. Although dividend distribution is not part of the company's short-term strategy, we have included the initiation of dividend payments in our forecasts starting from 2028. In practice, the most likely uses for accumulated cash are either dividends or M&A, the latter of which we do not include in our forecasts. We interpret the company as being open to acquisitions in principle, should an interesting value-creating target be found in the market. In practice, however, the company has focused on organic business development and has not yet made any acquisitions. We estimate that a potential acquisition target could be related to, for example, software solutions or systems supporting charging solutions, such as electricity storage.

Cash flow development



Development of net cash (MEUR)



1) Investments also include the capitalization of lease agreements.
Source: Inderes

Estimates 4/4

Detailed estimates

MEUR	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e	Terminal period
Order intake			**7**	**37**	**209**	**275**	**218**	**290**	**363**					
- growth %				427%	459%	32%	-21%	33%	25%					
Order book			**4**	**14**	**119**	**111**	**95**	**126**	**158**					
				261%	768%	-7%	-14%	33%	25%					
Revenue	**0**	**0**	**3**	**27**	**104**	**284**	**224**	**253**	**331**	**417**	**513**	**606**	**696**	
- growth %		68%	909%	730%	278%	174%	-21%	13%	31%	26%	23%	18%	15%	3%
Revenue by geography														
Nordics			2	23	58	114	98	80	75	86	99			
- growth %					150%	97%	-14%	-18%	-7%	15%	15%			
Rest of Europe			1	4	41	144	95	130	179	222	268			
- growth %					893%	254%	-34%	37%	38%	24%	21%			
North America					2	11	21	31	61	90	122			
- growth %							84%	49%	98%	47%	35%			
APAC & MEA					4	14	10	12	16	20	25			
- growth %							-26%	13%	37%	24%	26%			
Gross margin %			54.5%	47.1%	46.5%	52.1%	48.7%	49.0%	48.8%	48.3%	47.7%	47.1%	46.4%	
Fixed costs				-13	-39	-101	-127	-118	-125	-138	-159	-184	-208	
EBITDA	**-0.6**	**-2.2**	**-2.1**	**0.5**	**9.5**	**47.1**	**-18.0**	**5.7**	**36.2**	**63.9**	**86.3**	**101.4**	**115.4**	
- % of revenue				1.8%	9.2%	16.6%	-8.0%	2.3%	10.9%	15.3%	16.8%	16.7%	16.6%	
Depreciation and amortization	0.0	0.0	-0.1	-1.1	-3.4	-6.5	-10.8	-13.7	-14.2	-15.4	-16.9	-19.4	-21.6	
EBIT	**-0.6**	**-2.2**	**-2.2**	**-0.7**	**6.1**	**40.6**	**-28.8**	**-8.0**	**22.0**	**48.5**	**69.4**	**82.0**	**93.8**	
- % of revenue				-2.6%	5.9%	14.3%	-12.9%	-3.2%	6.6%	11.6%	13.5%	13.5%	13.5%	11.5%
Financial expenses				-0.2	-1.3	2.5	0.6	-0.6	-0.4	0.5	0.8	0.8	0.8	
Taxes				1.1	-1.2	-9.3	5.0	0.9	-4.7	-10.3	-14.7	-17.4	-19.9	
- Tax rate %				122%	25%	22%	18%	11%	22%	21%	21%	21%	21%	21%
Net profit				0.3	3.6	33.7	-23.2	-7.7	16.8	38.7	55.5	65.4	74.8	
EPS (EUR)				**0.01**	**0.07**	**0.61**	**-0.38**	**-0.12**	**0.30**	**0.70**	**1.00**	**1.18**	**1.35**	
Investments (incl. capitalization of leasing contracts)			0	4	23	23	29	18	19	20	20	21	21	
Net working capital			3	4	21	18	27	23	29	36	43	51	58	
Net cash assets			1	89	58	75	24	15	24	54	99	136	180	
Headcount (at the end of year)	5	17	38	136	375	737	786	815	872	942				

Source: Inderes

The data are presented in accordance with FAS 2018-20 and IFRS from 2021 onwards.

Investment profile

1. Distinctive high-quality technology has propelled the company into the ranks of the industry's top players

2. A strong margin profile and scalable cost structure enable strong earnings growth

3. The target market has a strong long-term growth outlook

4. Revenue, primarily from equipment sales, can fluctuates with the economic cycle

5. Long-term profitability still a question mark in young industry

Potential

- Electrification of transport creates a huge need for efficient and versatile charging capacity
- Competitive products offer strong margins and have enabled market share growth
- Specializing in heavy-duty transport solutions increases long-term potential
- In the long term, brand, scale, technological leadership, and customer relationships can help differentiate the company from the competition

Risks

- Long-term profitability and market share are uncertain, as competitors may catch up with the technological lead
- Growth investments weigh on profitability in the short term
- The electrification trend is developing unevenly
- Revenue, consisting mainly of equipment sales, is not continuous in nature and is therefore somewhat vulnerable to fluctuations in demand as the market becomes more mature

Investment profile and valuation 1/4

Strong value creation potential in the stock

Kempower has a strong growth and value creation investment profile, where the key factors are 1) strong market growth, 2) good market competitiveness, and 3) a capital-light business model. Recent share price volatility has been driven particularly by market changes, such as the industry inventory cycle in 2023-24 and shifts in expectations regarding the electrification of transport. Although expectations for the pace of transport electrification have suffered somewhat due to erratic political decision-making, among other factors, the share of fully electric vehicles in the car fleet is constantly growing, and the long-term growth outlook for the target market is assured.

Forecasting the development of Kempower's competitiveness is more challenging because the industry is still relatively young, and changes in the technological environment or geopolitics, for example, could destabilize existing competitive landscapes. However, it currently appears that Kempower has established itself among the globally leading DC charger manufacturers. Profitability is still low in the current development phase, as the company has invested heavily in production facilities and personnel. However, the current cost structure should enable strong revenue growth in the coming years, which would lead to rapid scalability of profitability.

The valuation is based on earnings-based multiples and DCF

In our valuation of Kempower, we emphasize earnings-based valuation multiples (EV/EBIT) applied to medium-term forecasts (2027 and 2028), as well as a DCF calculation, which demonstrates the strong value creation enabled by the asset-light business model. As a summary of these three methods, we estimate the fair value of the share to be between EUR 15-21 per share, which we believe offers a reasonably good risk/reward ratio. The investment case, which relies on long-term earnings growth, combined with the industry's difficult predictability, increases the stock's valuation risk. The share price may fluctuate significantly at times, for example, with changes in order intake. In our recommendation, we emphasize a comprehensive analysis of the company's competitiveness, which currently appears strong.

As earnings scale up, multiples decline rapidly

Kempower's valuation cannot yet be justified by the 2025-26 earnings outlook, as the company's cost structure is geared towards strong global revenue growth. We estimate that in the medium term (2027-28), at a sustainable profitability level, the company could be valued at a fair EV/EBIT multiple of 15-20x, in light of which the current valuation appears attractive (EV/EBIT 2027-28e: 17x and 11x). There could also be upside in the multiples from the fair range mentioned if the company and market developments evolve in a more profitable and stable direction, making earnings development more predictable. At the same time, it is clear that a significant portion of the projected earnings turnaround is already priced into the stock, so even the current valuation requires order growth to continue through 2026.

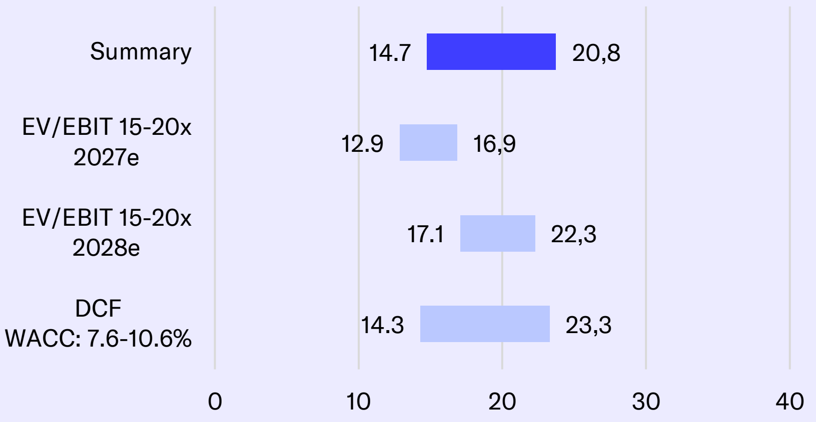
On the following pages, we have elaborated on the rationale behind the fair valuation multiples and the DCF model. In addition, we examine the potential value of Kempower's stock in various earnings growth scenarios, illustrating the stock's high valuation risk and, conversely, its upside potential.

1) Customers hoarded chargers in 2023 (positive impact) and digested inventories in 2024 (negative impact).

Valuation	2025e	2026e	2027e
Share price	15.9	15.9	15.9
Number of shares, millions	55.3	55.3	55.3
Market cap	878	878	878
EV	863	854	824
P/E (adj.)	neg.	52.1	22.7
P/E	neg.	52.1	22.7
P/B	8.4	7.2	5.5
P/S	3.5	2.7	2.1
EV/Sales	3.4	2.6	2.0
EV/EBITDA	>100	23.6	12.9
EV/EBIT (adj.)	neg.	38.8	17.0
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Summary of fair value measurement



Source: Inderes

Investment profile and valuation 2/4

Potential for quality company valuation multiples in the longer term as well

Determining Kempower's fair valuation is challenging due to the high growth potential of the company's target market, the uncertainty of its profitability outlook, and the lack of suitable peer companies. In our forecasts, we assume that the company will achieve a relatively good level of profitability in the medium term, from which it would be difficult to improve significantly in the long term. In this case, long-term earnings growth would primarily stem from revenue growth. In this scenario, we estimate that the company could be valued in line with the highest quality industrial companies on the Helsinki Stock Exchange (e.g., Kone, Wärtsilä, and Neste at around EV/EBIT 20x 2026e) due to factors such as global competitiveness and strong return on investment (ROI 2028e: 30%). It must be noted that Kempower's revenue mainly consists of fluctuating new equipment sales, whereas for high-quality engineering companies listed on the stock exchange, services account for the majority of earnings. On the other hand, Kempower's long-term growth potential is, in our view, in a league of its own compared to more established industries.

In our valuation, we have chosen to apply EV/EBIT multiples of 15-20x to Kempower's medium-term forecasts. Where the valuation falls within the range depends, among other things, on the company's ability to deliver predictable earnings development in a market that has been quite volatile in the recent past. With the applied multiples and required rate of return, the company's fair value would be EUR 13-17 based on 2027 estimates and EUR 17-22 based on 2028 estimates. The EBIT margin forecast for these years (11.6-13.5%) is in line with the company's mid-term target (target to achieve 10-15% EBIT by 2026-28) but falls short of the company's long-term target (at least 15%).

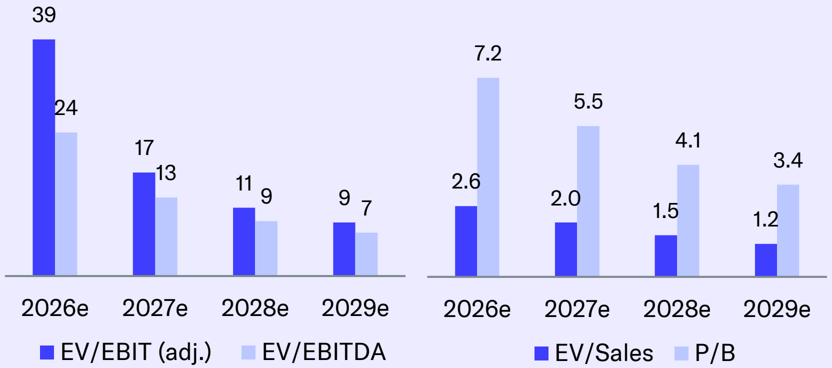
Comparable companies are few and far between

We have selected a peer group of companies whose business is closely related to EV charging for the purpose of reviewing Kempower's valuation. It includes both charging equipment manufacturers and charging station operators.

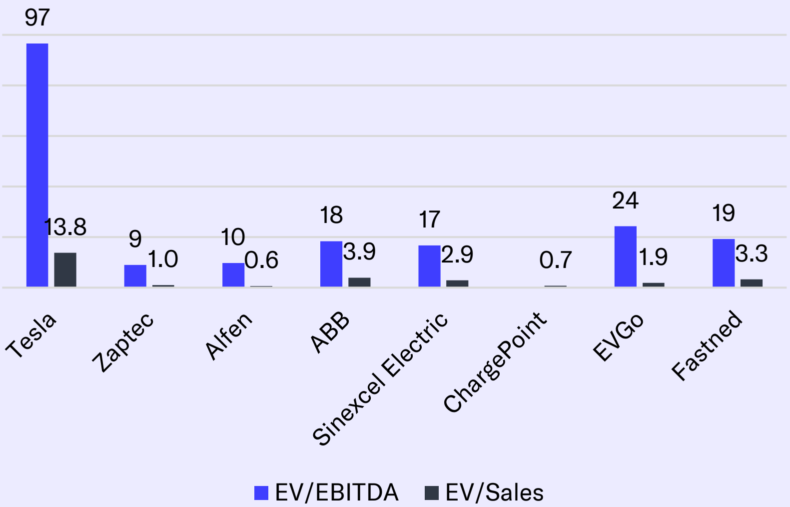
There are no directly comparable companies to Kempower in the peer group, as the companies' business models and competitive profiles differ significantly. Kempower is the only company in the group whose main business is the manufacturing of DC fast charging equipment.

Among equipment manufacturers, we consider the Spanish company Wallbox, which produces both AC and DC chargers, to be the closest comparable. However, the company is heavily loss-making, which means earnings-based valuation multiples are not available (EV/Revenue 2026e: 1.3x vs. Kempower 2.5x). In addition, Wallbox also appears to be significantly less competitive than Kempower. Norway's Zaptec is profitable, but its business, which focuses on AC charging equipment, is mainly concentrated in the Nordic countries, and we do not believe the company has as strong a global competitive edge as Kempower. Zaptec's valuation is quite moderate at EV/EBIT 11x for 2026e. Other manufacturing industry peers include Switzerland's ABB and China's Sinexcel Electric. For both, EV charging solutions represent a minority of their revenue, resulting in a weaker growth profile than Kempower's, although their profitability is at a better level. These companies are priced at EV/EBIT multiples of 17-18x for 2026e, which we believe offers an indication of where Kempower's valuation could settle in the long term in an environment of stable profitability and more moderate growth.

Kempower's key valuation multiples



Valuation multiples for the peer group 2026e



Source: Inderes and Refinitiv

Investment profile and valuation 3/4

A separate category in the peer group consists of charging operators (EVGo, Fastned, and ChargePoint), whose business is highly capital-intensive and whose profitability outlook, in our assessment, is weaker than Kempower's. Of these, only ChargePoint develops its own technology, while others use externally sourced charging equipment. The group's valuation multiples are high and scattered due to weak profitability.

Scenario analysis

Due to the early stage of development of Kempower's business and the target market, forecasting the future is difficult and the range of outcomes is very wide. We have sought a broader perspective on valuation by looking at the value of the stock in different scenarios. The scenarios are based on different assumptions about the profitability of the business and valuation multiples in 2028. We don't consider the probabilities of these three different scenarios to be equal. This analysis provides the boundaries between which we believe the company's actual performance and the share price development will settle.

In our baseline scenario, we assume revenue to grow to 513 MEUR and EBIT margin to be 13.5% in 2028. Our baseline scenario assumes a Western market size of 6.4 BEUR in 2028 and a market share of 8% (2024 estimate: 7%). The profitability assumption is based on an estimate that Kempower's gross margins will decrease moderately, but operating profit would improve as the business scales up. Revenue would grow by 27% per year and fixed costs by only 10% p.a. We see that even Kempower's current cost mass is sufficient to drive strong growth, which could lead to strong earnings scaling if there is sufficient demand.

We believe a 17x multiple is appropriate in this scenario, as a strong return on capital (ROI 2028e: 30%) and strong long-term growth prospects would justify a valuation above the equity market average in this scenario. In addition, the net cash position and the cash flows accumulated over the years increase the value of the stock. In the baseline scenario, the value of the share would therefore be EUR 23 in 2028. The present value of the share (discounted over three years and with a CoE of 9.9%) would thus be 18.3 MEUR, which exceeds the current share price by 15%.

In the positive scenario, we expect revenue to reach 800 MEUR in 2028. This level of revenue could be realistic if Kempower's target market grows closer to the company's previously estimated 14 BEUR in 2030 and is around 8.5 BEUR in 2028. A total revenue of 800 MEUR would correspond to approximately a 10% market share of the Western target markets, implying a clear increase in market share from the current level (2024: 7%).

In particular, the scale of electrification of heavy goods vehicles is uncertain, although the trend is clearly positive. According to Kempower's own market assumptions, the heavy transport market would account for as much as 9 BEUR (2030) of the charger market, i.e., the majority of the total market. The electrification of heavy transport will lag behind the passenger car market. If the electrification of heavy-duty transportation continues at a strong pace in the coming years, and Kempower continues to hold a strong position in the segment, the market may start to increasingly price this positive scenario into Kempower's stock.

Valuation scenarios with 2028 forecasts

MEUR 2028e	Negative scenario	Baseline scenario	Positive scenario
Revenue	350	513	800
EBIT-%	5.0%	13.5%	15.0%
EBIT	18	69	120
EV/EBIT multiple (x)	13x	17x	20x
EV	228	1180	2400
Net cash 2028	29	99	169
Market cap 2028e	256	1278	2569
Share price 2028e (EUR)	4.6	23.1	46.5
Discounted present value (EUR)	**3.6**	**18.3**	**36.7**
Difference to current price	**-77%**	**15%**	**131%**

Source: Inderes

Investment profile and valuation 4/4

In terms of profitability, the positive scenario assumes an EBIT margin of 15%, which is higher than the baseline scenario due to increased scale. In this scenario, Kempower's return on capital would be very high, which would likely result in accepted valuation multiples well above the market average. We therefore set the accepted valuation multiple in a positive scenario to 20x. In this scenario, the share price could reach EUR 46.5 in 2028. The discounted present value would be EUR 36.7, which means that the stock has strong upside potential.

In a negative scenario, Kempower's revenue would be 350 MEUR in 2027, which would mean revenue growth slowing to 11% per year. In this scenario, an unexpected change in market competitive dynamics would cause the company's market share to decline, after being on an upward trend in recent years. This would mean that the company's revenue would not scale, and profitability (EBIT-%) would remain at only 5%. Kempower might then have to reduce its production capacity to support profitability. Even in this scenario, Kempower's valuation multiples could rise above the market average if the company continues to grow supported by market growth. If the market were to suspect that Kempower's competitiveness would continue to weaken, the valuation level could also be set below the market. We have pessimistically set the negative scenario EV/EBIT multiple for 2027 at 13x. In this scenario, the present value of the share would be only EUR 3.6, which would represent a sharp downside risk from the current level.

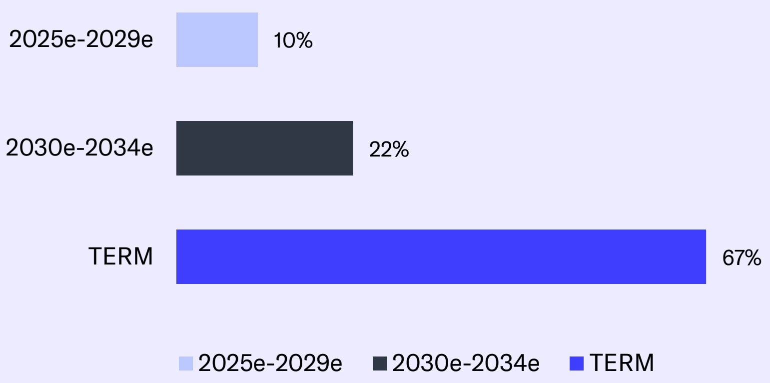
Low capital intensity increases the value indicated by the DCF

Our DCF model indicates Kempower an enterprise value of 960 MEUR and an equity value of 984 MEUR, or EUR 17.8 per share. In addition to growth, the capital-light business model and the estimated high return on capital support the business value indicated by the DCF.

The cost of capital ratios we applied (cost of equity 9.9% and WACC % 9.1%) reflect the risk level of Kempower's business, which we consider to be higher than the stock market average due to the company's stage of development, temporary loss-making results and the difficult predictability of the industry. On the other hand, Kempower's balance sheet is quite strong and, in our view, sufficient to make the company profitable and grow it to a multiple of its current size.

The DCF model is naturally very sensitive to changes in parameters such as cost of equity or long-term profitability. A percentage point increase in the WACC would decrease the DCF value by 14% and a percentage point decrease would increase the share value by 19%. A two percentage point change in EBIT in the terminal period (assumption 11.5%) would change the fair value of the stock by about +/-13%.

DCF: Cash flow breakdown



Source: Inderes

TSR drivers

2026-2028

Positive driver

Neutral driver

Negative driver

Earnings growth

- Strong market growth outlook and expanding customer base
- Scaling of the cost structure
- Short-term fluctuations in market demand

EBIT turns from a slight loss to strongly positive (69 MEUR 2028e)

Dividend yield

- Capital-light business model
- Earnings are still temporarily in the red
- Potential new growth investments

0%

Valuation multiple

- If the earnings turnaround materializes, a strong value creation profile (ROI > WACC)
- The market offers strong growth potential also in the 2030s
- A business model based on equipment sales is susceptible to price competition and fluctuations in earnings

EV/EBIT 15-20x

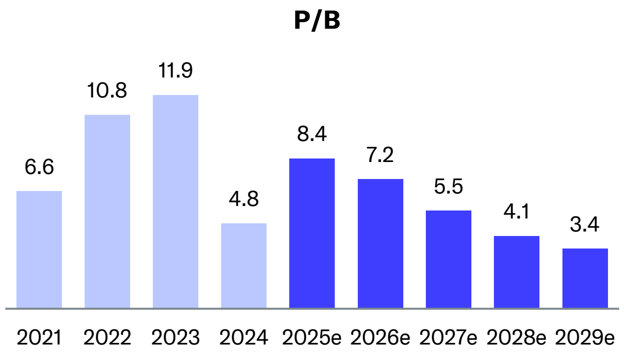
Expected return

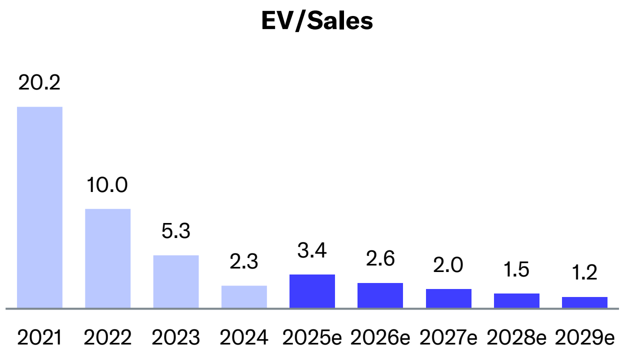
10–15% p.a.

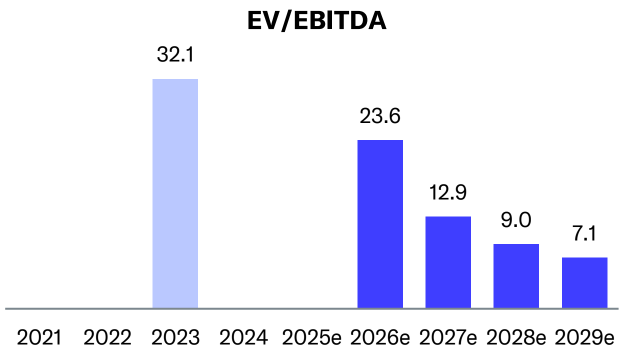
Valuation table

Valuation	2021	2022	2023	2024	2025e	2026e	2027e	2028e	2029e
Share price	11.6	19.6	28.7	9.68	**15.9**	**15.9**	**15.9**	**15.9**	**15.9**
Number of shares, millions	55.5	55.5	55.3	55.3	**55.3**	**55.3**	**55.3**	**55.3**	**55.3**
Market cap	642	1091	1588	535	**878**	**878**	**878**	**878**	**878**
EV	552	1033	1513	511	**863**	**854**	**824**	**779**	**723**
P/E (adj.)	>100	>100	46.9	neg.	**neg.**	**52.1**	**22.7**	**15.8**	**13.4**
P/E	>100	>100	47.0	neg.	**neg.**	**52.1**	**22.7**	**15.8**	**13.4**
P/B	6.6	10.8	11.9	4.8	**8.4**	**7.2**	**5.5**	**4.1**	**3.4**
P/S	23.4	10.5	5.6	2.4	**3.5**	**2.7**	**2.1**	**1.7**	**1.4**
EV/Sales	20.2	10.0	5.3	2.3	**3.4**	**2.6**	**2.0**	**1.5**	**1.2**
EV/EBITDA	>100	>100	32.1	neg.	**>100**	**23.6**	**12.9**	**9.0**	**7.1**
EV/EBIT (adj.)	neg.	>100	37.2	neg.	**neg.**	**38.8**	**17.0**	**11.2**	**8.8**
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**35.0 %**	**35.0 %**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**2.2 %**	**2.6 %**

Source: Inderes







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**
Tesla	1216702	1187673	303.4	194.8	107.5	93.6	14.9	13.4	267.8	208.8			18.1
Zaptec	174	158	23.4	11.2	16.1	9.0	1.2	1.0	44.6	15.5	0.3	1.4	2.8
Alfen	239	271	57.0	35.0	10.6	9.6	0.6	0.6	61.8	51.9			1.6
ABB	120975	123166	24.0	21.3	21.3	19.0	4.3	4.1	30.9	24.6	1.4	1.5	8.9
Sinexcel Electric	1519	1456	24.2	17.6	21.3	16.1	3.5	2.8	26.8	20.2	1.3	1.8	5.7
ChargePoint	130	249					0.7	0.7					1.0
EVGo	800	770				27.5	2.5	1.9					
Fastned	431	637			40.2	20.4	4.7	3.3					4.9
Kempower (Inderes)	**878**	**863**	**-128.9**	**38.8**	**151.2**	**23.6**	**3.4**	**2.6**	**-137.3**	**52.1**	**0.0**	**0.0**	**8.4**
Average			**86.4**	**56.0**	**36.1**	**27.9**	**3.5**	**3.0**	**86.4**	**64.2**	**1.0**	**1.6**	**6.1**
Median			**24.2**	**21.3**	**21.3**	**19.0**	**2.1**	**1.6**	**44.6**	**24.6**	**1.3**	**1.5**	**4.9**
Diff-% to median			**-634%**	**82%**	**611%**	**24%**	**62%**	**63%**	**-408%**	**112%**	**-100%**	**-100%**	**73%**

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	**104**	**284**	**42.6**	**57.1**	**52.3**	**71.7**	**224**	**43.5**	**62.2**	**73.7**	**73.4**	**253**	**331**	**417**	**513**
EBITDA	**9.5**	**47.1**	**-8.6**	**-6.9**	**-6.4**	**3.9**	**-18.1**	**-4.0**	**0.6**	**3.5**	**5.6**	**5.7**	**36.2**	**63.9**	**86.3**
Depreciation	-3.4	-6.5	-2.3	-2.5	-2.8	-3.2	-10.8	-3.4	-3.4	-3.4	-3.5	-13.7	-14.2	-15.4	-16.9
EBIT (excl. NRI)	**6.7**	**40.7**	**-10.8**	**-8.5**	**-7.9**	**0.8**	**-26.4**	**-7.3**	**-1.7**	**0.2**	**2.1**	**-6.7**	**22.0**	**48.5**	**69.4**
EBIT	**6.1**	**40.6**	**-10.9**	**-9.5**	**-9.2**	**0.7**	**-28.9**	**-7.3**	**-2.9**	**0.1**	**2.1**	**-8.0**	**22.0**	**48.5**	**69.4**
Net financial items	-1.3	2.5	0.3	-0.1	0.3	0.1	0.6	-0.2	-0.2	0.0	-0.2	-0.6	-0.4	0.5	0.8
PTP	**4.8**	**43.1**	**-10.6**	**-9.5**	**-8.9**	**0.8**	**-28.3**	**-7.5**	**-3.1**	**0.1**	**1.9**	**-8.6**	**21.6**	**49.0**	**70.2**
Taxes	-1.4	-9.3	1.9	1.7	1.6	-0.2	5.0	1.4	0.5	-0.4	-0.5	0.9	-4.7	-10.3	-14.7
Net earnings	**3.4**	**33.8**	**-8.8**	**-7.8**	**-7.2**	**0.5**	**-23.3**	**-6.2**	**-2.7**	**-0.3**	**1.4**	**-7.7**	**16.8**	**38.7**	**55.5**
EPS (adj.)	**0.07**	**0.61**	**-0.16**	**-0.12**	**-0.11**	**0.01**	**-0.38**	**-0.11**	**-0.03**	**0.00**	**0.03**	**-0.12**	**0.30**	**0.70**	**1.00**
EPS (rep.)	**0.06**	**0.61**	**-0.16**	**-0.14**	**-0.13**	**0.01**	**-0.42**	**-0.11**	**-0.05**	**-0.01**	**0.03**	**-0.14**	**0.30**	**0.70**	**1.00**

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	278.1 %	173.7 %	-23.6 %	-21.2 %	-28.0 %	-13.4 %	-21.1 %	2.1 %	8.9 %	40.9 %	2.3 %	13.0 %	31.0 %	26.0 %	23.0 %
Adjusted EBIT growth-%														120.5 %	43.2 %
EBITDA-%			-20.1 %	-12.2 %	-12.2 %	5.4 %	-8.1 %	-9.1 %	0.9 %	4.8 %	7.6 %	2.3 %	10.9 %	15.3 %	16.8 %
Adjusted EBIT-%			-25.3 %	-14.9 %	-15.1 %	1.1 %	-11.8 %	-16.9 %	-2.7 %	0.2 %	2.9 %	-2.6 %	6.6 %	11.6 %	13.5 %
Net earnings-%			-20.6 %	-13.7 %	-13.8 %	0.8 %	-10.4 %	-14.2 %	-4.3 %	-0.4 %	1.9 %	-3.0 %	5.1 %	9.3 %	10.8 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	**44.2**	**67.4**	**72.9**	**74.2**	**76.4**
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	1.8	4.2	6.6	9.0	11.4
Tangible assets	38.2	54.0	56.2	58.1	59.9
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	1.4	0.1	0.1	0.1	0.1
Deferred tax assets	2.8	9.1	10.0	7.0	5.0
Current assets	**194**	**163**	**167**	**218**	**270**
Inventories	51.6	57.5	60.7	78.8	96.4
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	42.1	40.5	43.0	56.3	69.7
Cash and equivalents	99.8	65.4	63.2	82.8	104
Balance sheet total	**238**	**231**	**240**	**292**	**347**

Source: Inderes

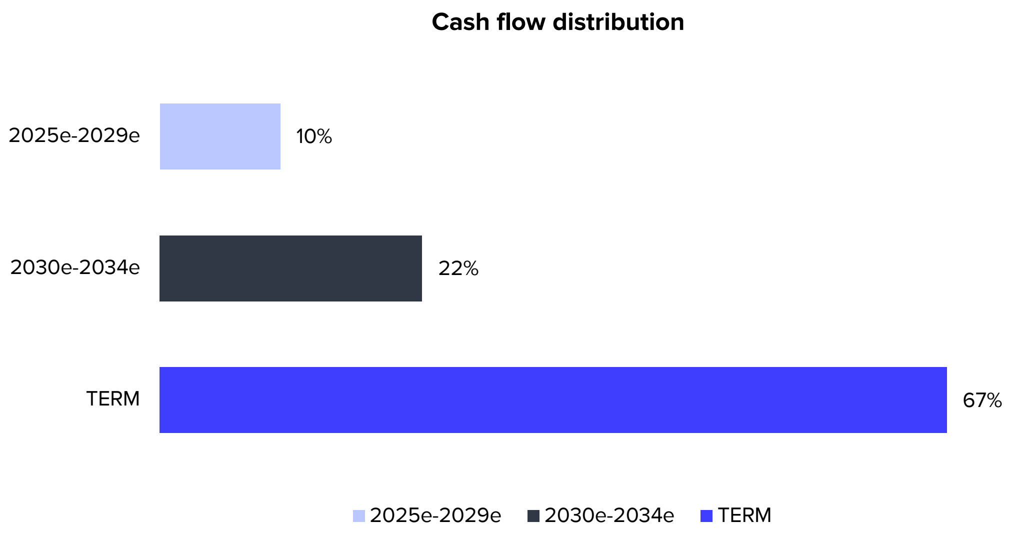
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	**133**	**112**	**104**	**121**	**160**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	42.4	21.5	14.0	30.8	69.5
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	90.4	90.3	90.3	90.3	90.3
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**24.4**	**31.2**	**35.3**	**41.5**	**36.6**
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	3.8	6.0	6.0	6.0	6.0
Interest bearing debt	20.5	25.1	29.2	35.4	30.5
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	**80.4**	**87.7**	**100**	**129**	**150**
Interest bearing debt	4.7	16.5	19.2	23.3	20.1
Payables	75.7	71.2	80.9	106	130
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**238**	**231**	**240**	**292**	**347**

DCF calculation

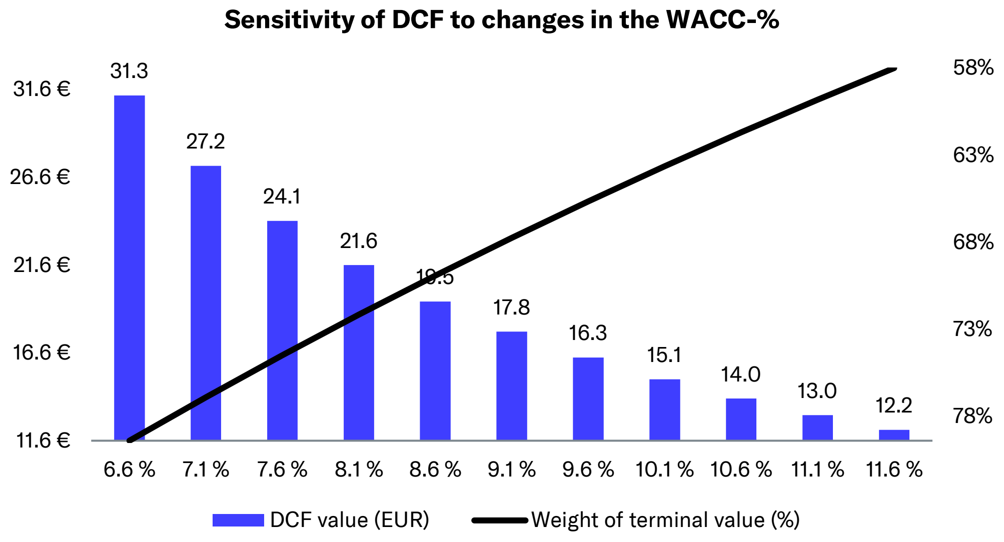
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-21.1 %	13.0 %	31.0 %	26.0 %	23.0 %	18.0 %	15.0 %	10.0 %	10.0 %	10.0 %	3.0 %	3.0 %
EBIT-%	-12.9 %	-3.2 %	6.6 %	11.6 %	13.5 %	13.5 %	13.5 %	13.5 %	13.5 %	11.5 %	11.5 %	11.5 %
EBIT (operating profit)	**-28.9**	**-8.0**	**22.0**	**48.5**	**69.4**	**82.0**	**93.8**	**103**	**114**	**107**	**110**	
+ Depreciation	10.8	13.7	14.2	15.4	16.9	19.4	21.6	21.8	20.8	20.1	19.7	
- Paid taxes	-1.3	0.0	-1.7	-8.3	-14.7	-17.4	-19.9	-21.8	-24.0	-22.6	-23.2	
- Tax, financial expenses	0.1	-0.1	-0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-8.8	4.0	-6.4	-6.7	-7.2	-7.8	-7.6	-5.8	-2.2	-2.0	-2.1	
Operating cash flow	**-28.1**	**9.7**	**28.0**	**49.0**	**64.5**	**76.4**	**88.1**	**97.6**	**108**	**102**	**104**	
+ Change in other long-term liabilities		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX		-18.3	-18.5	-19.7	-20.3	-20.7	-21.1	-21.4	-21.4	-21.4	-20.9	
Free operating cash flow		**-8.6**	**9.5**	**29.3**	**44.3**	**55.7**	**67.0**	**76.1**	**86.8**	**80.9**	**83.5**	
+/- Other		0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF		-8.4	9.5	29.3	44.3	55.7	67.0	76.1	86.8	80.9	83.5	1407
Discounted FCFF		**-8.5**	**8.8**	**24.8**	**34.3**	**39.6**	**43.6**	**45.4**	**47.5**	**40.5**	**38.3**	**646**
Sum of FCFF present value		961	969	960	936	901	862	818	773	725	685	646
Enterprise value DCF		**961**										
- Interest bearing debt		-41.6										
+ Cash and cash equivalents		65.4										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		**985**										
Equity value DCF per share		**17.8**										

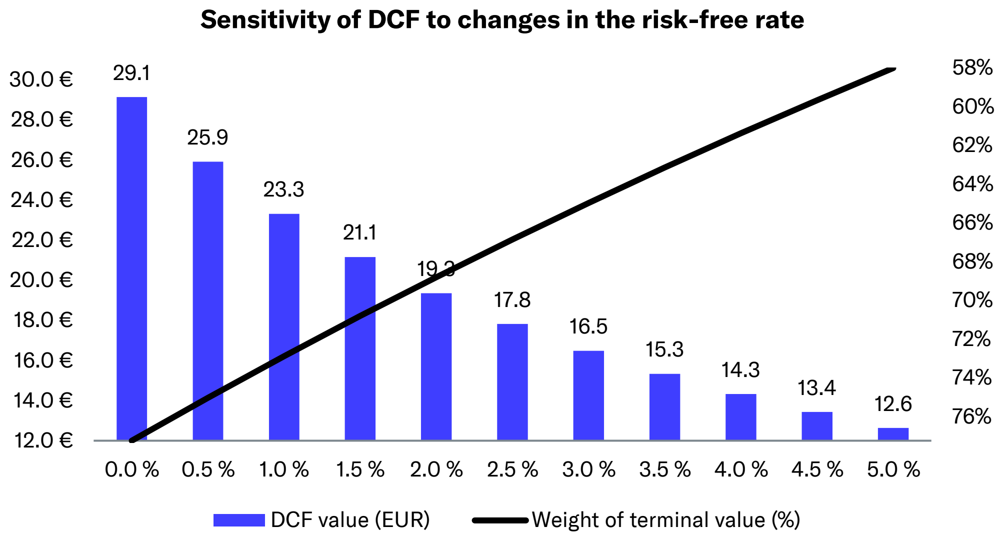
WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	3.0 %
Equity Beta	1.55
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	**9.9 %**
Weighted average cost of capital (WACC)	**9.1 %**

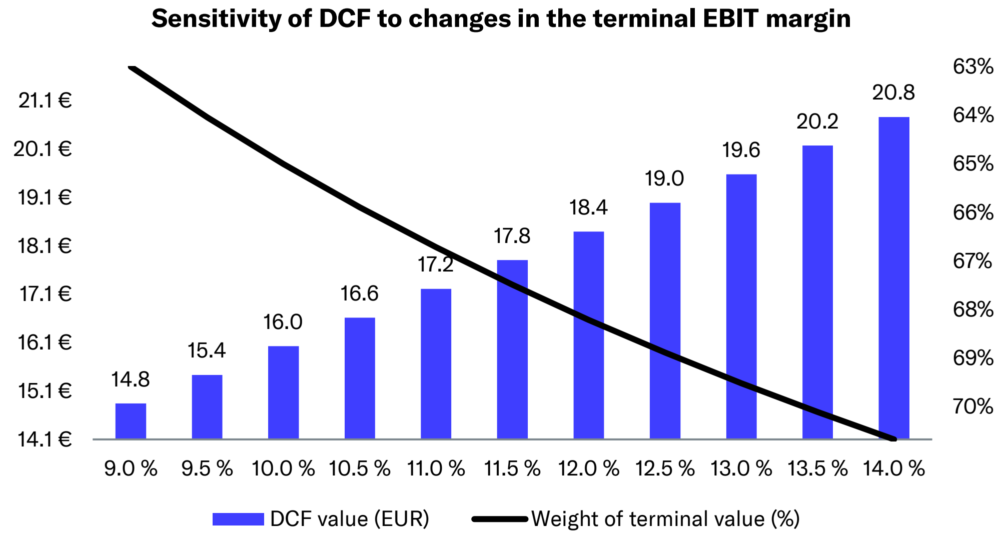
Source: Inderes

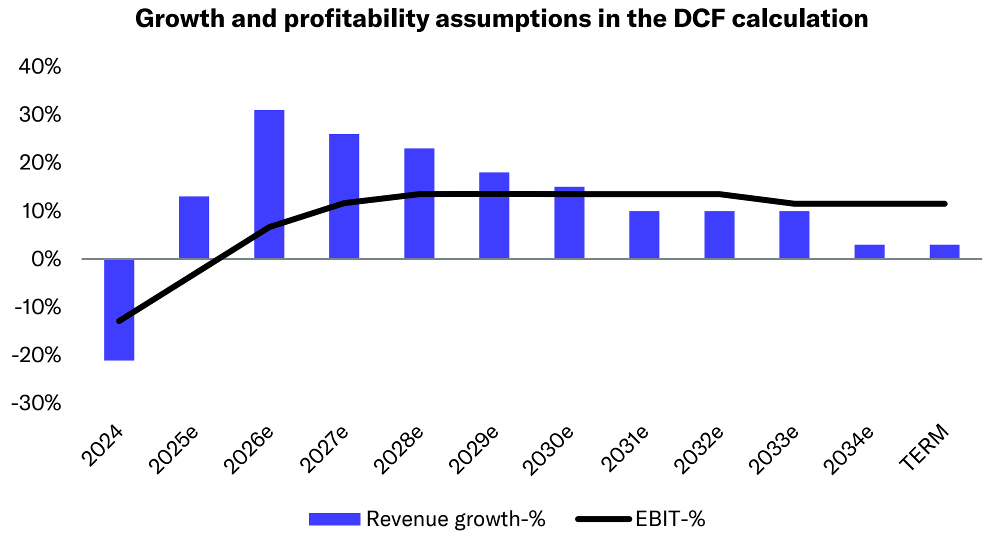


DCF sensitivity calculations and key assumptions in graphs









Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e
Revenue	103.6	283.6	223.7	**252.8**	**331.1**
EBITDA	9.5	47.1	-18.1	**5.7**	**36.2**
EBIT	6.1	40.6	-28.9	**-8.0**	**22.0**
PTP	4.8	43.1	-28.3	**-8.6**	**21.6**
Net Income	3.4	33.8	-23.3	**-7.5**	**16.8**
Extraordinary items	-0.6	-0.1	-2.5	**-1.3**	**0.0**

Balance sheet	2022	2023	2024	2025e	2026e
Balance sheet total	154.2	237.7	230.8	**239.7**	**292.1**
Equity capital	100.7	132.9	111.9	**104.4**	**121.2**
Goodwill	0.0	0.0	0.0	**0.0**	**0.0**
Net debt	-58.3	-74.6	-23.8	**-14.9**	**-24.0**

Cash flow	2022	2023	2024	2025e	2026e
EBITDA	9.5	47.1	-18.1	**5.7**	**36.2**
Change in working capital	-17.2	2.8	-8.8	**4.0**	**-6.4**
Operating cash flow	-8.6	38.5	-28.1	**9.7**	**28.0**
CAPEX	-23.2	-24.2	-27.7	**-18.3**	**-18.5**
Free cash flow	-29.7	15.8	-53.6	**-8.4**	**9.5**

Valuation multiples	2022	2023	2024	2025e	2026e
EV/S	10.0	5.3	2.3	**3.4**	**2.6**
EV/EBITDA	>100	32.1	neg.	**>100**	**23.6**
EV/EBIT (adj.)	>100	37.2	neg.	**neg.**	**38.8**
P/E (adj.)	>100	46.9	neg.	**neg.**	**52.1**
P/B	10.8	11.9	4.8	**8.4**	**7.2**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2022	2023	2024	2025e	2026e
EPS (reported)	0.06	0.61	-0.42	**-0.14**	**0.30**
EPS (adj.)	0.07	0.61	-0.38	**-0.12**	**0.30**
OCF / share	-0.16	0.70	-0.51	**0.18**	**0.51**
OFCF / share	-0.53	0.29	-0.97	**-0.15**	**0.17**
Book value / share	1.81	2.40	2.02	**1.89**	**2.19**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2022	2023	2024	2025e	2026e
Revenue growth-%	278%	174%	-21%	**13%**	**31%**
EBITDA growth-%	1800%	396%	-138%	**-132%**	**535%**
EBIT (adj.) growth-%	-1217%	507%	-165%	**-75%**	**-428%**
EPS (adj.) growth-%	1287%	718%	-161%	**-69%**	**-363%**
EBITDA-%	9.2 %	16.6 %	-8.1 %	**2.3 %**	**10.9 %**
EBIT (adj.)-%	6.5 %	14.4 %	-11.8 %	**-2.6 %**	**6.6 %**
EBIT-%	5.9 %	14.3 %	-12.9 %	**-3.2 %**	**6.6 %**
ROE-%	3.5 %	28.9 %	-19.0 %	**-7.1 %**	**14.9 %**
ROI-%	5.7 %	29.6 %	-18.5 %	**-5.2 %**	**13.2 %**
Equity ratio	65.3 %	55.9 %	48.5 %	**43.6 %**	**41.5 %**
Gearing	-57.9 %	-56.1 %	-21.3 %	**-14.2 %**	**-19.8 %**

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
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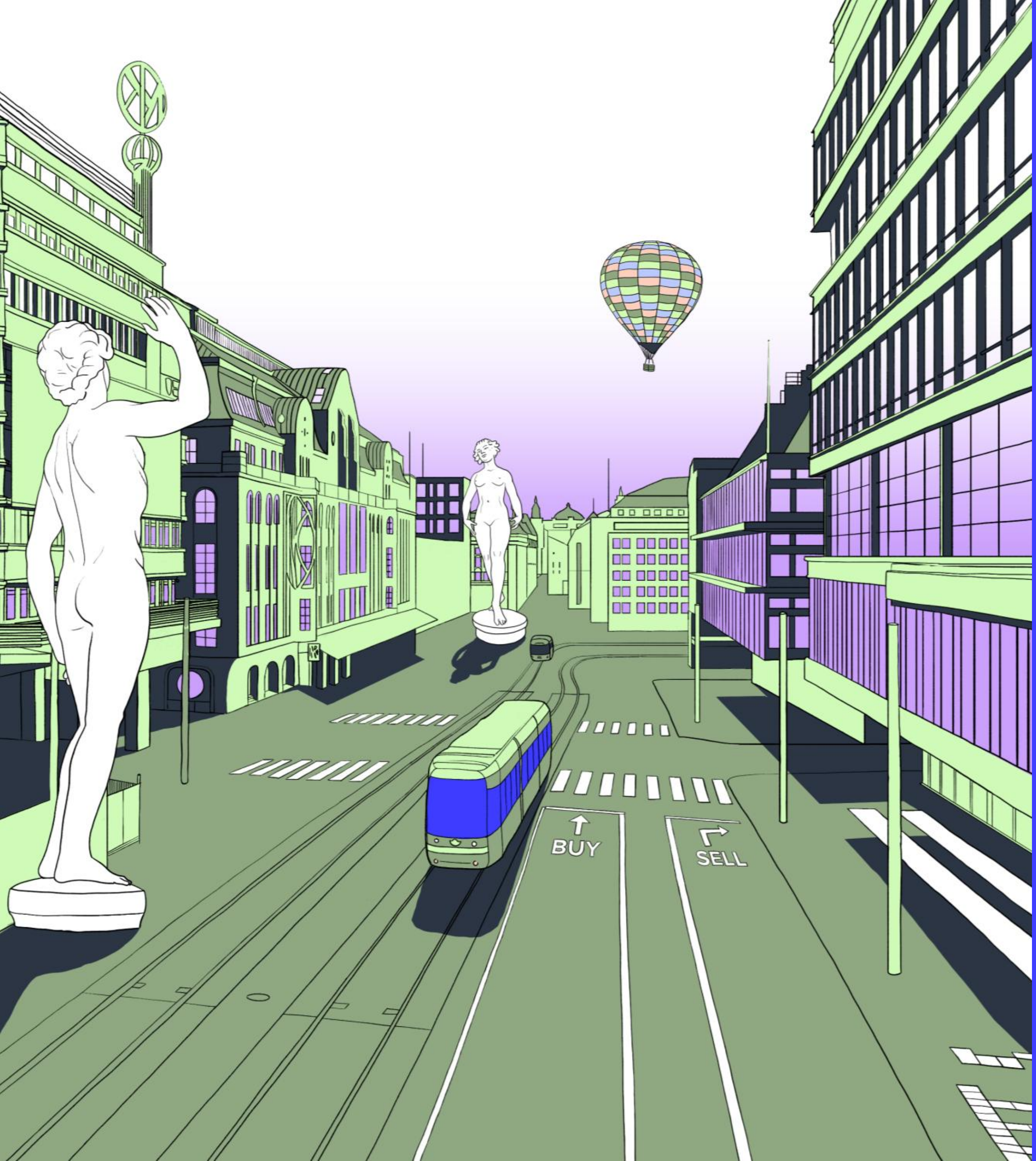
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
8/15/2022	Accumulate	20.00 €	18.35 €
10/30/2022	Accumulate	22.00 €	19.64 €
2/15/2023	Reduce	27.00 €	27.56 €
4/14/2023	Accumulate	30.00 €	27.30 €
4/20/2023	Accumulate	32.00 €	28.80 €
7/19/2023	Accumulate	43.00 €	41.68 €
7/25/2023	Reduce	43.00 €	42.84 €
9/18/2023	Accumulate	52.00 €	46.10 €
10/19/2023	Accumulate	44.00 €	37.88 €
10/31/2023	Buy	44.00 €	29.59 €
2/9/2024	Buy	41.00 €	28.72 €
2/15/2024	Buy	32.00 €	22.72 €
3/25/2024	Buy	32.00 €	19.55 €
4/25/2024	Buy	28.00 €	17.37 €
7/12/2024	Reduce	19.00 €	22.40 €
7/24/2024	Accumulate	16.00 €	13.17 €
9/2/2024	Reduce	10.00 €	12.00 €
10/3/2024	Reduce	10.00 €	11.60 €
10/31/2024	Reduce	10.00 €	9.86 €
2/12/2025	Accumulate	13.00 €	11.48 €
4/28/2025	Accumulate	12.50 €	10.36 €
7/25/2025	Reduce	15.00 €	17.59 €
10/30/2025	Accumulate	17.00 €	14.73 €
1/27/2026	Accumulate	17.50 €	15.88 €



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