

ZAPTEC

Historical financials

—
2020 H1



Historical financials

Historical financials^{1,2}

NOKm	2018	2019	2019 H1	2020 H1
Sales	100	156	71	92
COGS	56	89	41	56
Gross profit	44	67	31	36
<i>Gross profit margin</i>	44%	43%	43%	39%
Salaries ¹	19	21	11	14
Other OPEX	6	22	8	9
EBITDA (adj.)	19	24	11	13
<i>EBITDA margin</i>	19%	15%	16%	15%
Depreciation & write-offs	4	7	2	2
EBIT (adj.)	15	17	10	12
<i>EBIT margin</i>	15%	11%	14%	12%
Net financial items	2	1	0	0
Pre-tax profit (adj.)	13	16	10	11
Pre-tax profit margin	13%	10%	13%	12%
Total adjustments	-2	0	0	-1
Reported EBITDA	17	23	11	12

Comments

- **2018:** First whole year with the Zaptec Pro. A year of high growth in EV new sales, moderate competition and low OPEX due to low activity level in R&D and service functions
- **2019:** Another year of high growth in EV new sales. Zaptec used more resources on R&D and customer support
- **2020 H1:** Zaptec experienced significant growth up until March, when the COVID-19 effect struck. Subsequently, revenue has been affected by lower EV new sales. Still, Zaptec managed 29% revenue growth in H1 2020 vs H1 2019. This is partly driven by Zaptec chargers gaining traction internationally, with high growth in international sales. Margin impacted by high sales of the low-margin ZAPTEC Home charger, to be replaced with high-margin new technical platform for new market segment to be launched in 2021.
- **Going forward:** All points towards higher EV new sales and increasing EV fleet size, especially internationally, expected to drive charger demand further

1) Salaries have been adjusted for severance pay (1.7m in 2018, 147k in 2019) and salary costs that will be capitalised at the end of 2020 (1.1m in 2020 H1)

2) Note that the CEO and the CFO have both entered into bonus agreements entitling them to bonuses of (i) NOK 1.5m and NOK 0.5m upon completion of the listing and (ii) NOK 2.5m and NOK 1.0m, respectively, upon a change of control in the Company

Financial targets

	2020	Mid-term targets
Market position and presence	A leading position in Norway with ~15% total market share and ~50% within multi-user systems. Selective European presence (~25% of YTD sales – up from ~10% in 2019)	Defend Norwegian market share in multi-user systems and seek growth within detachable home systems. Move towards ~60% of sales from international markets
Revenue growth / targets (Organic)	<ul style="list-style-type: none"> ▪ Chargers: 15 – 20% organic growth vs. 2019 ▪ Software (recurring): NOK 1.5m (approx. 10-15% of installed chargers per year-end) 	<ul style="list-style-type: none"> ▪ Chargers: 35 – 45% organic growth p.a. (slightly higher in 2021) ▪ Software (recurring): Towards 50% of installed Pro-chargers on payment solutions, with upside from other adjacent software solutions
Profitability (Organic)	<ul style="list-style-type: none"> ▪ EBITDA margin: ~11-12% ▪ Gross margin: ~38% 	<ul style="list-style-type: none"> ▪ EBITDA margin: Towards 20% ▪ Gross margin: Low 40's (%)
Use of proceeds	<ul style="list-style-type: none"> ▪ Around NOK 50m to act on M&A target list (short term) ▪ Around NOK 75m in expansion investments (organic / M&A) ▪ Around NOK 75m in technology and platform investments and general corporate purposes 	
Maintenance capex	<ul style="list-style-type: none"> ▪ Attractive cash conversion (excl. expansion capex) with very low maintenance capex needs 	
Dividend policy	<ul style="list-style-type: none"> ▪ Focus on profitable growth in the short- to mid-term with strong capital discipline 	

ZAPTEC