



ChargePoint Reports Fourth Quarter and Fiscal 2021 Financial Results

- *Fiscal Year 2021 revenue of \$146 million, exceeding forecast*
- *Completed business combination with Switchback Energy Acquisition Corporation; began trading on the NYSE on March 1, 2021*
- *Increased total cash balance to \$615 million at the close of the business combination to fund growth initiatives*

Campbell, Calif. – March 11, 2021 – [ChargePoint Holdings, Inc.](#) (NYSE:CHPT) (the “Company” or “ChargePoint”), a world-leading electric vehicle (EV) charging network, today announced fourth quarter and full-year fiscal 2021 financial results.

“Last year the global EV sector continued to show strength as EV sales grew despite a slow overall vehicle market, bolstered by policy trends that continued to accelerate the shift to electric in North America and Europe,” said Pasquale Romano, President and CEO of ChargePoint. “In 2020, we continued to strengthen our market leadership position and expect our growth to be fueled by dozens of new EV models anticipated in 2021 across a wide range of segments and price points. With a strong balance sheet and a capital light business model, ChargePoint is well positioned to create shareholder value through broad attachment to the electrification of mobility for fleet and consumer vehicle markets.”

Financial Highlights

- **Revenue.** For the fourth quarter that ended January 31, 2021, revenue was \$42.4 million compared to \$43.2 million in the fourth quarter of the prior year period. For the fiscal year that ended January 31, 2021, revenue was \$146.5 million, up from \$144.5 million in the prior year period.
- **Gross Margin.** Fourth quarter GAAP (as defined below) gross margin was 21.0%, up from 20.4% in the prior year’s fourth quarter. Fourth quarter non-GAAP gross margin was 21.6% compared to 20.5% in the prior year’s fourth quarter. Fiscal year 2021 GAAP gross margin was 22.5%, a 10 percentage point improvement over gross margin of 12.5% in the prior year period. Non-GAAP gross margin for fiscal 2021 was 22.6%, compared to 12.5% in the prior year period.
- **Net Loss.** Fourth quarter GAAP net loss was \$90.7 million compared to \$33.8 million in the fourth quarter of the prior year, primarily due to a change in fair value of the company’s redeemable convertible preferred stock warrant liability. Fourth quarter non-GAAP net loss was \$33.6 million compared to \$32.5 million in the prior year’s fourth quarter. Fiscal year 2021 GAAP net loss was \$197.0 million compared to \$134.3 million in the prior year period, primarily reflecting the fiscal fourth quarter warrant charge.

Non-GAAP net loss for fiscal 2021 was \$117.8 million compared to \$129.9 million in the prior year period.

- **Liquidity.** As of January 31, 2021, cash on the balance sheet was \$145 million. At the close of the business combination on February 26, 2021, cash on the balance sheet was \$615 million.
- **Shares Outstanding.** At the close of the business combination on February 26, 2021, there were 277.8 million shares of common stock outstanding.

For a reconciliation of our GAAP to non-GAAP results, please see the tables below.

Fiscal 2022 Guidance

ChargePoint provides guidance based on current market conditions and expectations. For the first quarter ending April 30, 2021, which typically experiences seasonally lower networked station sales compared to the fourth quarter, ChargePoint expects revenue of \$35 - \$40 million. The Company expects revenue for fiscal 2022 of \$195 - \$205 million, consistent with its previously published estimates, and representing 37% year-over-year growth at the midpoint.

Conference Call Information

ChargePoint will host a webcast today at 1:30 p.m. PST/4:30 p.m. EST to review its fourth quarter and fiscal 2021 financial results and its outlook for the first quarter of fiscal 2022 and fiscal 2022. A question and answer session will follow prepared remarks.

Investors may access the webcast, supplemental financial information and investor presentation at ChargePoint's investor relations website (investors.chargepoint.com) under the "Events and Presentations" section. A replay will be available three hours after the conclusion of the webcast and archived for one year.

About ChargePoint

ChargePoint is creating the new fueling network to move all people and goods on electricity. Since 2007, ChargePoint has been committed to making it easy for businesses and drivers to go electric with one of the largest EV charging networks and most complete portfolio of charging solutions available today. ChargePoint's cloud subscription platform and software-defined charging hardware are designed to include options for a wide range of charging scenarios from home and multifamily to workplace, parking, hospitality, retail and fleets. Today, one ChargePoint account provides access to hundreds-of-thousands of places to charge in North America and Europe. To date, more than 89 million charging sessions have been delivered, with drivers plugging into the ChargePoint network approximately every two seconds. For more information, visit the [ChargePoint pressroom](#), the [ChargePoint Investor Relations](#) site, or contact ChargePoint's [North American](#) or [European](#) press offices or the [Investor Relations team](#).

Forward-Looking Statements

This press release contains forward-looking statements that involve risks, uncertainties, and assumptions including statements regarding our financial outlook for the first fiscal quarter of 2022 and fiscal 2022. There are a significant number of factors that could cause actual results to differ materially from the statements made in this press release, including: developments and changes in the general market, the continuing impact of COVID-19, political, economic, and business conditions; our limited operating history as a public company; our dependence on widespread acceptance and adoption of EVs and increased installation of charging stations; our current dependence on sales of charging stations for most of our revenues; overall demand for EV charging and the potential for reduced demand for EVs if governmental rebates, tax credits and other financial incentives are reduced, modified or eliminated or governmental mandates to increase the use of EVs or decrease the use of vehicles powered by fossil fuels, either directly or indirectly through mandated limits on carbon emissions, are reduced, modified or eliminated; supply chain interruptions; our ability to expand in Europe; the need to attract additional fleet operators as customers; potential adverse effects on our revenue and gross margins if customers increasingly claim clean energy credits and, as a result, they are no longer available to be claimed by us; the effects of competition; risks related to our dependence on our intellectual property and the risk that our technology could have undetected defects or errors. Additional risks and uncertainties that could affect our financial results are included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Form 8-K filed with the Securities and Exchange Commission (the "SEC") on March 1, 2021, which is available on our website at investors.chargepoint.com and on the SEC's website at www.sec.gov. Additional information will also be set forth in other filings that we make with the SEC from time to time. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made, except as required by applicable law.

Use of Non-GAAP Financial Measures

ChargePoint has provided in this press release financial information that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The Company uses these non-GAAP financial measures internally in analyzing its financial results and believes that the use of these non-GAAP financial measures is useful to investors to evaluate ongoing operating results and trends, and in comparing the Company's financial results with other companies in its industry as well other technology companies, many of which present similar non-GAAP financial measures.

The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for comparable GAAP financial measures and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP. A reconciliation of the company's historical non-GAAP financial measures to their most directly comparable GAAP measures has been provided in the financial statement tables included in this press release, and investors are encouraged to review these reconciliations.

Non-GAAP Gross Margin. ChargePoint defines non-GAAP gross margin as gross margin excluding amortization expense of acquired intangible assets, share-based compensation expense, and non-recurring costs associated with a restructuring.

Non-GAAP Net Loss. ChargePoint defines non-GAAP net loss as net loss, excluding amortization expense of acquired intangible assets, share-based compensation-expense and the associated share-based payroll tax expense, non-recurring costs associated with restructuring, acquisitions and litigation settlements, and non-cash charges related to the revaluation of warrants and other financial instruments. These amounts do not reflect the impact of any related tax effects.

Investors are cautioned that there are a number of limitations associated with the use of non-GAAP financial measures to analyze financial results and trends. In particular, many of the adjustments to ChargePoint's GAAP financial measures reflect the exclusion of items that are recurring and will be reflected in its financial results for the foreseeable future, such as share-based compensation, which is an important part of ChargePoint's employees' compensation and impacts hiring, retention and performance. Furthermore, these non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP, and the components that ChargePoint excludes in its calculation of non-GAAP financial measures may differ from the components that other companies exclude when they report their non-GAAP results. ChargePoint compensates for these limitations by providing specific information regarding the GAAP amounts excluded from these non-GAAP financial measures. In the future, ChargePoint may also exclude other expenses it determines do not reflect the performance of the Company's operating results.

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ChargePoint, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts; unaudited)

	Three Months Ended January 31,		Twelve Months Ended January 31,	
	2021	2020	2021	2020
Revenue				
Networked charging systems	\$ 28,303	\$ 29,873	\$ 91,893	\$ 101,012
Subscriptions	10,965	7,865	40,563	28,930
Other	3,123	5,506	14,034	14,573
Total revenue	<u>42,391</u>	<u>43,244</u>	<u>146,490</u>	<u>144,515</u>
Cost of revenue				
Networked charging systems	25,677	28,056	87,083	105,940
Subscriptions	5,838	4,725	20,385	16,244
Other	1,973	1,626	6,073	4,289
Total cost of revenue	<u>33,488</u>	<u>34,407</u>	<u>113,541</u>	<u>126,473</u>
Gross profit	<u>8,903</u>	<u>8,837</u>	<u>32,949</u>	<u>18,042</u>
Operating expenses				
Research and development	20,946	19,233	75,017	69,464
Sales and marketing	15,700	15,766	53,002	56,997
General and administrative	7,577	6,294	25,922	23,945
Total operating expenses	<u>44,223</u>	<u>41,293</u>	<u>153,941</u>	<u>150,406</u>
Loss from operations	<u>(35,320)</u>	<u>(32,456)</u>	<u>(120,992)</u>	<u>(132,364)</u>
Interest income	17	508	315	3,245
Interest expense	(810)	(863)	(3,253)	(3,544)
Change in fair value of redeemable convertible preferred stock warrant liability	(54,824)	(219)	(73,125)	(875)
Other income (expense), net	185	(655)	229	(565)
Net loss before income taxes	<u>(90,752)</u>	<u>(33,685)</u>	<u>(196,826)</u>	<u>(134,103)</u>
Provision for income taxes	(5)	126	198	224
Net loss	<u>\$ (90,747)</u>	<u>\$ (33,811)</u>	<u>\$ (197,024)</u>	<u>\$ (134,327)</u>
Accretion of beneficial conversion feature of redeemable convertible preferred stock	-	-	(60,377)	-
Cumulative undeclared dividends on redeemable convertible preferred stock	(12,839)	-	(16,799)	-
Net loss attributable to common stockholders	<u>\$ (103,586)</u>	<u>\$ (33,811)</u>	<u>\$ (274,200)</u>	<u>\$ (134,327)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (5.29)</u>	<u>\$ (3.05)</u>	<u>\$ (18.08)</u>	<u>\$ (15.05)</u>
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>19,563,550</u>	<u>11,085,077</u>	<u>15,168,335</u>	<u>8,924,129</u>

ChargePoint, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, unaudited)

	January 31,	January 31,
	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 145,491	\$ 72,753
Restricted cash	400	400
Short-term investments	-	47,037
Accounts receivable, net	35,075	38,488
Inventories	33,592	25,419
Prepaid expenses and other current assets	12,074	7,221
Total current assets	226,632	191,318
Property and equipment, net	29,988	27,941
Operating lease right-of-use assets	21,817	10,269
Goodwill	1,215	1,215
Other assets	10,468	3,448
Total assets	\$ 290,120	\$ 234,191
Liabilities, Redeemable Convertible Preferred Stock, and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 19,784	\$ 19,631
Accrued and other current liabilities	47,162	37,659
Deferred revenue	40,934	39,408
Debt, current	10,208	-
Total current liabilities	118,088	96,698
Deferred revenue, noncurrent	48,896	33,266
Debt, noncurrent	24,686	34,261
Operating lease liabilities	22,459	8,230
Redeemable convertible preferred stock warrant liability	75,843	2,718
Other long-term liabilities	972	798
Total liabilities	290,944	175,971
Redeemable convertible preferred stock	615,697	520,241
Stockholders' deficit:		
Common stock	2	1
Additional paid-in capital	62,736	20,331
Accumulated other comprehensive income (loss)	155	37
Accumulated deficit	(679,414)	(482,390)
Total stockholders' deficit	(616,521)	(462,021)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	\$ 290,120	\$ 234,191

ChargePoint, Inc
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Year Ended January 31,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (197,024)	\$ (134,327)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	10,083	7,698
Non-cash operating lease cost	3,762	3,121
Stock-based compensation	4,947	2,937
Amortization of deferred contract acquisition costs	1,206	675
Change in fair value of redeemable convertible preferred stock warrant liability	73,125	875
Inventory reserves	1,412	1,425
Other	446	589
Changes in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable, net	3,292	(8,702)
Inventories	(9,585)	(1,472)
Prepaid expenses and other assets	(8,914)	(2,961)
Operating lease liabilities	(2,815)	(1,181)
Accounts payable	(493)	15,704
Accrued and other liabilities	11,556	93
Deferred revenue	17,156	27,590
Net cash used in operating activities	<u>(91,846)</u>	<u>(87,936)</u>
Cash flows from investing activities		
Purchases of property and equipment	(11,484)	(14,885)
Purchases of investments	-	(179,514)
Maturities of investments	47,014	132,500
Net cash provided by (used in) investing activities	<u>35,530</u>	<u>(61,899)</u>
Cash flows from financing activities		
Proceeds from issuance of redeemable convertible preferred stock, net of issuance costs	95,456	14,756
Proceeds from issuance of common stock warrants, net of issuance costs	31,547	185
Payments made toward deferred offering costs	(4,003)	-
Proceeds from exercises of vested and unvested stock options	5,913	2,217
Net cash provided by financing activities	<u>128,913</u>	<u>17,158</u>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	141	132
Net increase (decrease) in cash, cash equivalents, and restricted cash	72,738	(132,545)
Cash, cash equivalents, and restricted cash at beginning of period	73,153	205,698
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 145,891</u>	<u>\$ 73,153</u>

ChargePoint Inc.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In thousands, except per share amounts; unaudited)

	Three Months Ended January 31, 2021		Three Months Ended January 31, 2020		Twelve Months Ended January 31, 2021		Twelve Months Ended January 31, 2020	
Reconciliation of GAAP gross profit (margin) to Non-GAAP gross profit (margin):								
GAAP gross profit	\$ 8,903		\$ 8,837		\$ 32,949		\$ 18,042	
Stock-based compensation expense	22		10		115		39	
Restructuring costs (1)	214		-		114		-	
Non-GAAP gross profit (margin)	<u>\$ 9,139</u>	22%	<u>\$ 8,847</u>	20%	<u>\$ 33,178</u>	23%	<u>\$ 18,081</u>	13%
Reconciliation of GAAP Net Loss to Non-GAAP Net Loss:								
GAAP net loss	\$ (90,747)		\$ (33,811)		\$ (197,024)		\$ (134,327)	
Amortization of acquired intangible assets	-		351		-		568	
Stock-based compensation expense	1,639		780		4,947		2,937	
Restructuring costs (1)	674		-		1,149		-	
Change in fair value of preferred stock warrant liability	54,824		219		73,125		875	
Non-GAAP net loss (as a percentage of revenue)	<u>\$ (33,610)</u>	-79%	<u>\$ (32,461)</u>	-75%	<u>\$ (117,803)</u>	-80%	<u>\$ (129,947)</u>	-90%

(1) Consists of restructuring costs for severances and related termination costs